

## THE ECONOMIC AND MONETARY UNION (EMU). AN OVERVIEW

*Lecturer PhD. Cristian Dragoş TEODORESCU<sup>1</sup>*

### **Abstract**

*The Economic and Monetary Union (EMU) is the largest and most courageous project ever undertaken by the European Union. The success of the euro is an important factor both for the health of the Eurozone and its members as well as the EU's credibility. Since the first proposal (the Hague Summit in 1969) to the actual introduction of the euro in 2002, Europeans promoted EMU as the way to reach the economic, political objectives related to peace and stability. The financial crisis has refocused attention on the importance of creating and maintaining a stable and transparent climate, with institutions able to recover any missteps. The Euro has surpassed the geographical boundaries; monetary policy is highly centralized, while the fiscal and macroeconomic policies remain at national level. This paper presents empirically the historical evolution of EMU, its institutions, the legal framework as well as the advantages and disadvantages of the participation to the EMU.*

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<sup>1</sup> Petroleum-Gas University of Ploiesti, teodorescucristian@teron.ro