

## Legal Aspects of the Euro

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### Abstract

The decision to adopt a single currency constitutes an integral part of the Treaty on European Union. "Euro" was chosen as the name of the single currency at the Madrid European Council on 16 December 1995. The changeover to the euro began on 1 January 1999 for those eleven countries which met the necessary conditions laid down in the Maastricht Treaty. The primary aims of the euro are to strengthen the integration of the EU and to improve its economic performance. However, due to the EU's weight, the euro will also have far-reaching implications for the world economy.

This paper presents a comprehensive study of the euro from a legal perspective. It is structured as follows. Chapter One reviews the meaning of money in order to evaluate both the economic function and the legal position of the euro. Chapter Two retraces the historical background of the euro in order to explore the main issues debated at each stage of EMU. Chapter Three examines the legal framework for the introduction and the use of the euro. Chapter Four discusses the implications of the euro for the Internal Market. Chapter Five analyzes the external impact of the euro on the international financial system. Finally, the conclusion sets out the consequences of EMU for international economic cooperation. The euro will thus be analyzed as an opportunity for the EU to contribute to financial stability and economic development at both regional and international levels.

**Key Words:** Euro, Ecu, Economic and Monetary Union (EMU), European Union (EU), European Central Bank (ECB)