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School of Economic Sciences and Business Articles

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Convergence within the Economic and Monetary Union

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International Center for business research

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Title:	**CONVERGENCE WITHIN THE ECONOMIC AND MONETARY UNION**
Year:	2014-08
Author:	Maris, Georgios ; Voutsa, Sofia
Abstract:	The last few years, the economic divergences which were observed in macroeconomic performances of the EU's Member States as well as the low rate of their economic adaptation within the EMU, had raised concerns about the long-run sustainability of the EMU. During the first decade, the EMU has not decisively contributed to the creation of a stable and strong macroeconomic environment for the Member States as the real economic convergence remained on paper. The economic heterogeneity is likely to lead to asymmetric economic preferences concerning the economic policies which are followed by each of the Members States. This increases the likelihood of future conflicts and reduces the possibility of the creation of a genuine monetary union. In this regard, the Member States continue to pursue their own economic policies, mainly based on their national preferences and it is very difficult to change in the very short-run the culture of economic policy they represent.

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