

## **The Euro: Classroom Exercises – The Costs of Adopting a New Currency**

**Grades:** 9-12

**Subjects:** Social Studies, Mathematics, Economics

**Overview:** In this scenario students see the possible negative side of the adoption of a common currency.

### **Materials:**

- “The EURO: Money Changes Everything” paper background information [available here](#) (especially worksheets p.21)
- Computer with internet access
- “Italy rows over rising euro prices” <http://news.bbc.co.uk/2/hi/business/1741232.stm>
- “Prices safe from euro launch” <http://news.bbc.co.uk/2/hi/business/1760757.stm>

### **Procedure:**

1. Students begin by reading the article “Italy rows over rising euro prices”
2. They then read the counter argument in the article “Prices safe from euro launch.”
3. Divide the class into two sides and engage them in a structured academic controversy from the perspective of the UK as to whether or not their country should adopt the euro.  
In Support: The UK should join the Euro Area because it will benefit the economy and give the country more influence in the EU.

Opposed: Adopting the euro will cause an increase in prices and cause the UK to lose its national identity.

### **Public opinion on secession from the euro**

Although the failure of the ratification of the European Constitution would have no direct impact on the status of the euro, some debate regarding the euro arose after the negative outcome of the French and Dutch referenda in mid-2005.

- A poll by *Stern* magazine released on June 1, 2005 found that 56% of Germans would favor a return to the Deutschmark.
- Members of the Northern League northern Italian separatist political party have discussed calling a referendum to return Italy to the lira.

### **Educational Content Standards for Washington State:**

Social Studies (Economics): 2.1, 2.3, 3.2

Math: 1.1, 3, 4, 5.2, 5.3

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