

Lesson 1



Focus Question #1

Why is it important for the European Union to have a single currency?

- Why would a European nation want to use the Euro?
- What factors were important in designing the Euro bank notes?
- How might the use of the Euro by members of the European Union impact trade with the United States?

Background Information

One of the most visible features of the European Union is the new international currency, the Euro. It took more than a decade of discussion for member states to agree on the details of how the new currency should be introduced. Questions arose over design, exchange rates, and the use of the currency on the world financial markets. This lesson provides students opportunities to examine some of the questions facing member states as they moved towards the acceptance of a single currency.

Refer to **Transparency 13** to see images of typical Euro notes and coins.

Essential Content ✎

Note: The following words/concepts are essential to an understanding of this lesson. Put the words on your word wall and use them in context as you teach the lesson.

- ✎ Exchange rates
- ✎ Role of a central bank
- ✎ Role of money in an economy
- ✎ Euro
- ✎ Convergence criteria