**[CAPSULE REVIEW](https://www.foreignaffairs.com/browse/capsule_review)**[**November/December 2016 Issue**](https://www.foreignaffairs.com/issues/2016/95/6)[**Western Europe**](https://www.foreignaffairs.com/regions/western-europe)

**Architects of the Euro: Intellectuals in the Making of European Monetary Union; The Euro and the Battle of Ideas**

*by Kenneth Dyson and Ivo Maes, Markus K. Bunnermeier, Harold James, and Jean-Pierre Landau
Reviewed by*[*Andrew Moravcsik*](https://www.foreignaffairs.com/authors/andrew-moravcsik)

With Europe plagued by low growth and political turmoil, it is natural to ask a simple question: What were the technocrats who created and have managed its single currency thinking? In a model of historiography, Dyson and Maes assemble biographical vignettes of ten economists and economic policymakers, including Robert Triffin and Jacques Delors, who helped establish the euro. Although these people differed in their specific visions of monetary union, they agreed on a few basic principles—most of which the eu has failed to live up to. They believed that the union should encourage symmetrical adjustment, rather than disproportionately burdening countries that run budget deficits, as the current system does. They agreed that the eurozone should include only a small number of core states with convergent economies, rather than the larger, divergent set of countries that eventually joined. And they agreed that a functioning monetary union would require extensive banking, fiscal, and political cooperation, in contrast to the minimalist system that emerged.

Brunnermeier, James, and Landau take the story up to the present by analyzing technocratic debates about how to manage the euro crisis. They explicitly reject the notion that the misaligned interests of creditor and debtor countries have led to political conflict within the eurozone. They point instead to Franco-German disagreements over a variety of economic ideas, which they analyze with exceptional lucidity and rigor. They ultimately conclude that if only economists, politicians, and central bankers spoke to one another more and could agree on (or transcend) a set of fundamental ideological dichotomies—rules versus discretion, liability versus solidarity, and Keynesian versus non-Keynesian views of austerity—the euro could be reformed.

Both books demonstrate the value of sophisticated syntheses of policy analysis and intellectual history. But they also undermine their own argument that ideas matter and have had a determinative impact on euro policy. Indeed, although they resist doing so, both books acknowledge that the critical political actors have always been the elected officials and governments of the union’s member states rather than the technocrats who manage the euro system. Even when technocratic advisers from different countries have agreed, political considerations and narrow self-interest have pushed their political masters in different directions. Both books also make clear that Germany has generally prevailed over the other eu members and gotten its way in debates about euro policy. It strains credibility to maintain that Germany’s belief in competitive exchange rates, export promotion, and open capital markets—not to mention the ability of Germany to realize its goals against the determined opposition of other governments—is simply the result of cultural preferences or technocratic doctrines. Rather, it reflects deep-seated economic interests, electoral imperatives, and institutional legacies.