

# Europe's Choice: Dismantle The Euro, Or Cede All National Sovereignty To Brussels

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Joe Weisenthal | Feb. 9, 2010, 6:12 AM

We said in early December that the [Euro breakup would be the story of 2010](#), and just over a month in that prediction has shown to be right on. It's even overshadowing (by far) concerns over a China bubble, or at least a China slowdown.

[A piece in Der Spiegel](#) highlights the real problem that Europe faces. It's not just debt. It's politics.

As the early euro-skeptics warned, coordinating a single monetary authority across nations with their own political systems and economic objectives wouldn't work. The founders of the euro actually knew this, but they thought they could cheat by imposing deficit limits on each country, which were stipulated in the Maastricht Treaty.

The (wishful) thinking was that as long as countries weren't allowed to run up ginormous deficits on their own, then it didn't much matter what policies they took on their own. Everything else would be fine.

That's obviously not proven to be the case. There are other kinds of bad decisions a country can go in besides merely running up big debts.

So that leaves Europe with two real solutions:

1. Breakup.
2. Turn Brussels into a seat of real centralized authority that mandates uniformity of economic policy across Euroland.

Neither, obviously, is politically appealing.

But for big-time Euro-skeptics, like UK journalist Ambrose Evans-Pritchard (pictured), who warned about dire consequences for British sovereignty if it joined the union, now is the time for big-time vindication.

[http://www.businessinsider.com/europes-choice-dismantle-the-euro-or-cede-all-national-sovereignty-to-brussels-2010-2?utm\\_source=twitterfeed&utm\\_medium=twitter](http://www.businessinsider.com/europes-choice-dismantle-the-euro-or-cede-all-national-sovereignty-to-brussels-2010-2?utm_source=twitterfeed&utm_medium=twitter)