

Global economic and financial crisis uncovered serious structural deficiencies of the EU economies - especially of the Eurozone members. High levels of debt have resulted in inability to honour it and state bankruptcies or necessary debt restructurings are a real possibility. This paper analyzes the current Eurozone crisis on the basis of theoretical and methodical foundations of the Optimal Currency Area literature and theory of economic integration. It evaluates the rationality of the Maastricht nominal convergence criteria and analyzes the role of real convergence criteria in like with the introduction of common currency and common monetary policy. It discusses the non-compliance with the Stability and Growth Pact which was supposed to ensure fiscal discipline also after a country's Euro accession. It also deals with the current developments in the monetary and fiscal crisis of the most affected Eurozone members (Greece, Ireland, Portugal) which have already had to ask for financial aid from the EU and the IMF. Tools and measures adopted in this light by the EU and other national and supra-national authorities are also discussed and their partial evaluation is presented. The final section offers possible alternatives of future development of the Eurozone.