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**MAASTRICHT INDICATORS
AS A GUARANTEE OF MACROECONOMIC STABILITY
AND FINANCIAL SOVEREIGNTY**

**МАСТРИХТСЬКІ ІНДИКАТОРИ
ЯК ЗАПОРУКА МАКРОЕКОНОМІЧНОЇ СТАБІЛЬНОСТІ
ТА ФІНАНСОВОГО СУВЕРЕНІТЕТУ**

The Maastricht Treaty, signed on 7 February 1992 and entered into force on 1 November 1993, is one of the most important documents in the history of European integration [1]. This treaty formally established the European Union (EU), created an economic and monetary union, introduced the concept of EU citizenship, and strengthened the institutional and political framework for cooperation between European states. The Maastricht Treaty was a milestone that fundamentally changed the political and economic landscape of Europe, setting new standards for cooperation and development.

1. One of the most significant aspects of the Treaty was the launch of the process of creating an economic and monetary union (EMU), which was aimed at introducing a single currency – the euro. This included the establishment of convergence criteria that countries had to meet to join the euro area and the establishment of the European Central Bank (ECB), which was responsible for monetary policy. These steps contributed to economic stability and integration by reducing currency risks and improving the conditions for trade and investment within the EU.

2. It empowered the European Parliament by increasing its role in the legislative process through co-decision-making. This has contributed to the democratic legitimacy of the EU, as the European Parliament is directly elected by EU citizens. This reform has strengthened the principles of democracy and transparency in the governance of the EU.

3. The Treaty laid the groundwork for the development of the Common Foreign and Security Policy (CFSP), aimed at coordinating the foreign policies of the member states. This allowed the EU to speak with one voice in the international arena, contributing to peace, security and stability in the world. The Common Foreign Policy has increased the EU's influence in global politics and allowed it to more effectively address international conflicts and crises.

However, the Maastricht Treaty has some drawbacks. Some governments, especially those of the 1957 founding members, have criticised the Treaty's strict fiscal rules (FRs), considering them too restrictive [2]. For example, Germany, with one of the strongest economies in Europe, feared that the rigid FRs could limit its flexibility in responding to economic shocks. France also expressed concern that FRs could negatively affect its social

policy and welfare system. Italy, which already had significant public debt, was concerned that it would have difficulty meeting the strict budget targets set by the treaty. Spain, which experienced economic difficulties in the early 1990s, also expressed concern that the FPs could hinder its economic recovery. Greece, which became an EU member in 1981, also criticized the strict FRs as unfair and unrealistic for countries with less developed economies.

The EU has faced a number of unforeseen challenges, such as the global financial crisis of 2008-2010 (including the debt crisis), the migration crisis of 2015, and the pandemic shock of 2020-2021, which require new forms of cooperation and compromise management decisions. Despite these challenges, the Maastricht Treaty remains a fundamental document in the history of Europe. It laid the foundations for a peaceful and prosperous union of more than 445 million people. And the Treaty's impact is still being felt today: the euro has become one of the world's most important currencies, the single market is driving economic growth, and the EU is playing an increasingly active role in global politics.

The Maastricht indicators, or convergence criteria, are a set of economic indicators that were established by the Maastricht Treaty as a condition for countries to join the euro area [3]. These indicators are designed to guarantee macroeconomic stability and financial sovereignty of the EU member states. The main Maastricht indicators include: the country's budget deficit should not exceed 3% of GDP; the country's public debt should not exceed 60% of GDP; the country's inflation rate and long-term interest rates should be close to the average of the three EU countries with the lowest inflation and long-term interest rates in the EU, respectively.

Proponents of the Maastricht indicators argue that they play an important role in ensuring macroeconomic stability (strict budgetary constraints and debt control help EU member states maintain stable public finances and avoid excessive debt, which in turn contributes to price stability, low interest rates and sustainable economic growth); financial sovereignty (compliance with the thresholds makes EU member states less prone to financial crises, due to the wide fiscal space, countries have more opportunities to respond to economic shocks without affecting their creditworthiness).

However, critics of the Maastricht indicators argue that they are characterized by considerable rigidity and inflexibility and cause obstacles in responding to economic shocks, which can lead to recession and unemployment. At the same time, they do not take into account the peculiarities of countries, such as different economic structures and levels of development.

Despite criticism, the Maastricht indicators remain an important part of the EU's economic governance. They play an important role in ensuring macroeconomic stability and financial sovereignty of EU member states. However, it is important that these indicators are regularly reviewed and updated to ensure that they take into account changes in the economic situation and the needs of EU member states.

The Maastricht Treaty is of great importance in the history of Europe, as it transformed the European Communities into a full-fledged political and economic union. The Treaty established the basis for a single currency, expanded the rights of EU citizens, and laid the groundwork for a common foreign policy. It became a key step on the way to deeper integration of European countries, and cemented the desire to create a stable, democratic and prosperous European continent. The Maastricht Treaty determined the direction of the European Union's development, strengthening its cohesion and making it an important and influential actor on the world stage.

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