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EURO - THE EUROPEAN UNION'S SINGLE CURRENCY - A CHALLENGE AND / OR A GOOD SOLUTION FOR CROATIA

Maja Vretenar Cobović | Assistant Professor, University of Slavonski Brod, Department of Social Sciences and Humanities/Department of Economics, Slavonski Brod, mvcobovic@unisb.hr; ORCID ID: 0000-0002-7225-147X

Mirko Cobović | Assistant Professor, University of Slavonski Brod, Department of Social Sciences and Humanities/Department of Economics, Slavonski Brod, mcobovic@unisb.hr; ORCID ID: 0000-0001-7104-3321

Matej Galić | Assistant Professor, University of Applied Sciences "Lavoslav Ružička" in Vukovar, Vukovar, galic.matej@gmail.com; ORCID ID: 0000-0001-5165-6438

Abstract**:** *In its accession to the European Union, the Republic of Croatia has accepted the goals and values of this community. They are also largely tied to the single currency - the euro. Today, the euro is not only the currency of the 20 Member States of the European Union and the currency used by more than 340 million Europeans, but it is the only reference supranational currency in the world and a currency that is an integral part of the monetary reserves of a large number of countries. Croatia, on the basis of its membership obligations in this Union, has aligned its monetary policy with the monetary policy of this Economic and Monetary Union. Consequently, in order to establish monetary unity, it is necessary to achieve a higher degree of integration in the monetary segment - to introduce a single currency. As these activities involve changes in the monetary sovereignty of each country, they have not only monetary aspects but are a very demanding, complex and sensitive process with far-reaching effects. The aim of this paper is to investigate, collect and analyze relevant information on the awareness and attitudes of the economic provenance from the student population on the European Union's single currency - the euro, which replaced the currency of the Republic of Croatia - the kuna. To obtain this information , the authors use a survey method, a comparative, analytical and synthetic method.*

Keywords *: European Union, euro, Croatia*

JEL classification: *E52, G28*

INTRODUCTION

The economic and monetary situation after World War II and the collapse of the previous monetary system necessitated the search for new solutions in the economic and monetary field through the integration processes of Western European countries.

Monetary measures and activities were then primarily aimed at establishing the stability of the national currencies of the member states. In the long term, this created the conditions for their monetary unification – the introduction of a single currency.

The concept of a common currency in the European Union is characterized by gradualism and the independence of member states in choosing the time of introduction of this currency while fulfilling the convergence conditions. Such monetary solutions also change the traditional concept of sovereignty, since monetary sovereignty is partly transferred to the supranational level. In such circumstances, the attitudes of the population regarding these activities are of particular importance.

The Croatian National Bank has so far conducted several surveys on the introduction of the euro in the Republic of Croatia. Consequently, this paper presents additional research on the attitudes of a part of the student population of economic provenance regarding the single currency as legal tender, given the specificity of the sample.

LITERATURE REVIEW

The legal framework for the introduction of the single currency of the European Union – the euro – is the Treaty on the Accession of the Republic of Croatia to the European Union, Article 5, which stipulates that Croatia will participate in the Economic and Monetary Union from the date of accession (chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://mvep.gov.hr/UserDocsImages/custompages/static/hrv/files/120522_Ugovor_o_pristupanju.pdf, 2025). This is an agreement between the 27 EU member states, where the names of the states are listed individually, and the Republic of Croatia, dated 7 November 2011, which entered into force on 1 July 2013.

This formally accepted the process of introducing a single currency by Croatia as a member of this integration. Given that one of the fundamental goals of the European Union is the establishment of an economic and monetary union with a single currency – the euro, the achievement of this goal had a certain significance for Croatia. The objectives of the European Union are as follows: promoting peace and the well-being of its citizens, guaranteeing freedom, security and justice without internal borders, sustainable development based on balanced economic growth and price stability, a highly competitive market economy with full employment and social progress, and protection of the environment, combating social exclusion and discrimination, promoting scientific and technological progress, strengthening economic, social and territorial cohesion and solidarity among Member States, respecting the rich cultural and linguistic diversity, establishing an economic and monetary union whose currency is the euro (https://europa.eu/european-union/about-eu/eu-in-brief_hr, 2025).

The monetary unification of Europe lasted the longest of all the integration segments (formally from 1969 until 1 January 2002). There were several deviations from the agreed criteria and deadlines, and most of the activities were characterized by gradualism. There are several reasons for this, but the most important ones are certainly those related to the monetary sovereignty of the member states, the use of monetary policy to achieve national economic benefits, the stability/instability of exchange rates, the low degree of liberalization of capital flows, as well as the issue of the position and role of national central banks (Matić, 2016).

All member states of the European Union are obliged, upon meeting the convergence criteria, to integrate into the monetary union and adopt the common monetary

unit – the euro, in accordance with the Treaty on European Union (1993). The complexity and changes in the monetary and fiscal spheres have led to additional requirements regarding the fulfillment of the convergence criteria (European Exchange Rate Mechanism - ERM II) for acceding countries, and the role of the European Central Bank in this segment has also been regulated in a certain way. Only Great Britain, Denmark and Sweden have a special status that allows them to keep their national currencies and is not conditioned to switch to the euro. Denmark uses an opt-out clause. A clause that allows a member state not to apply a certain provision of the Treaty or to apply it with a delay since its citizens rejected the acceptance of a supranational currency in two referendums. The Danish national currency participates in ERM II. Great Britain also uses the opt-out clause, and Sweden intends to hold a referendum on the introduction of a supranational currency (http://www.fleur-de-coin.com/eurocoins/eurozone, 2025).

Three of the convergence criteria are monetary and one is fiscal. Monetary criteria include price movements, exchange rate movements and long-term interest rate movements.

Within the framework of the price movement criterion, the accession country is required to: „the achievement of a high degree of price stability; this will be reflected in an inflation rate[1] close to that observed in, at most, the three best-performing Member States in terms of price stability" and it is prescribed that „the Member State has a level of price stability that is sustainable and an average rate of inflation, observed over the year preceding the examination, which does not exceed by more than 1.5 percentage points the rate of inflation in at most the three[2] best-performing Member States in terms of price stability. Inflation is measured by the consumer price index on a comparative basis, taking into account differences in national definitions" (https://www.ecb.europa.eu/ecb/orga/escb/html/convergence-criteria.hr.html, 2025).

Within this criterion, the exchange rate movement requires the accession country to: „adhere to the normal fluctuation margins provided for by the exchange rate mechanism of the European Monetary System for at least two years, without devaluation against the euro; respect the normal fluctuation margins of the exchange rate mechanism (ERM II) of the European Monetary System without serious tensions for at least the last two years preceding the examination. In particular, Member States shall not devalue the bilateral central rate of their currency against the euro on their own initiative during the same period. The role of the European Central Bank (ECB) in terms of monitoring the fulfilment of this convergence criterion is as follows: the ECB shall assess whether the country has participated in ERM II for at least the last two years preceding the examination; the verification of exchange rate stability against the euro focuses on whether the exchange rate of the currency of the member state concerned is close to the central rate in the ERM II mechanism and whether the factors that led to

1 The inflation rate is calculated using the change in the latest available twelve-month average of the Harmonized Index of Consumer Prices (HICP) compared to the previous twelve-month average.

2 The inflation rate is calculated as an unweighted arithmetic average of the inflation rate in the three Member States with the lowest inflation rates, unless there are atypical values. Price movements in a particular country can be declared atypical if the inflation rate in that country is significantly lower than in other member states due to factors specific to that country

the appreciation have been taken into account, which is in line with the approach taken previously. The width of the fluctuation band in the ERM II does not have a negative impact on the criterion for verifying exchange rate stability; the ECB checks to what extent the exchange rate of a given currency deviates from its central rate against the euro in the ERM II mechanism. This verification uses indicators such as the volatility of the exchange rate against the euro and the differences in short-term interest rates with the euro area and their movements. The role played in the stabilisation of the currency by foreign exchange interventions and the international financial assistance programme is also taken into account".

Within the framework of the criterion on the development of long-term interest rates, the accession country is required to demonstrate: „the durability of the convergence achieved by the Member State with a derogation and its participation in the exchange rate mechanism, which is reflected in the levels of long-term interest rates [3]; that during the one reference year preceding the examination, the Member State had an average nominal long-term interest rate that did not exceed by more than two percentage points the rate of the three[4] best-performing Member States in terms of price stability. Interest rates are measured on the basis of long-term government bonds or comparable securities, taking into account differences in national definitions"(https://www.ecb.europa.eu/ecb/orga/escb/html/convergence-criteria.hr.html, 2025).

Within the framework of the fiscal criterion, the accession country is required to: „sustainability of the state of public finances; this will be evident from the state budget in which there will be no excessive deficit. The accession country's obligations within the framework of this criterion are as follows: the ratio between the planned and actual government deficit and GDP exceeds the reference value set at 3% of GDP, except:

- if this ratio is decreasing significantly and steadily and has reached a level close to the reference value, or
- if the excess over the reference value is only exceptional and temporary, and the ratio remains close to the reference value
- the ratio between public debt and GDP exceeds the reference value set at 60% of GDP, except
- if this ratio decreases to a sufficient extent and approaches the reference value at a satisfactory pace"(https://www.ecb.europa.eu/ecb/orga/escb/html/convergence-criteria.hr.html, 2025).

In accordance with the defined convergence criteria, the following is a presentation of what Croatia achieved according to the values of these criteria until the introduction of the euro as the national currency unit (Table 1).

3 The long-term interest rate is calculated as the arithmetic mean over the last twelve months for which HICP is available

4 It is calculated as an unweighted arithmetic average of the long-term interest rate of those same three member states, which is used to calculate the reference value for the price stability criterion. Interest rates are measured by harmonized long-term interest rates that were developed for the purposes of the convergence assessment

Table 1. Fulfillment of the convergence criteria - Croatia

Year	Price stability, inflation, %	Long-term interest rates, %	Exchange rate stability, fluctuation range, %	Budget balance, % of GDP	Public debt, % of GDP
	Estimated reference value in parentheses	Estimated reference value in parentheses	Reference value: ± 15%	Reference value: -3% of GDP	Reference value: 60% of GDP
2010	1.1 (1.6)	6.3 (7.7)	2.2	-6.5	57.3
2011	2.2 (3.1)	6.5 (7.7)	2.4	-7.8	63.8
2012	3.4 (3.1)	6.1 (5.1)	1.6	-5.2	69.4
2013	2.3 (1.8)	4.7 (6.0)	1.7	-5.3	80.5
2014	0.2 (1.3)	4.1 (4.8)	1.6	-5.1	84.0
2015	-0.3 (0.8)	3.6 (3.9)	1.3	-3.4	83.8
2016	-0.6 (1.0)	3.5 (3.8)	1.7	-0.9	80.6
2017	1.3 (2.1)	2.5 (2.9)	1.9	-0.8	78.0
2018	1.4 (2.9)	2.4 (2.8)	2.0	-0.7	75.0
2019	1.3 (2.2)	2.4 (2.9)	2.0	-0.6	75.0
2020	1.4 (2.3)	2.5 (2.8)	1.9	-0.7	74.0
2021	1.4 (2.2)	2.4 (2.7)	1.8	-0.8	72.0
2022	1.3 (2.1)	2.5 (2.9)	1.9	-0.8	70.0

Source: Eurostat (https://ec.europa.eu/eurostat, 2025); CNB (https://www.hnb.hr/, 2025); authors

Based on the data in the table, it can be concluded that Croatia has had positive developments related to the monetary convergence criteria. The movements of prices, exchange rates and long-term interest rates are positive in the observed period from 2014 to 2022. In terms of fiscal developments, Croatia has had to make significant progress, although slight improvements have been visible since 2016 (Table 1).

Given the above, it is possible to conclude that „until now, reference currencies have been national, and their dominance arose spontaneously under the influence of the economic strength of the issuing country, and was the result, at least initially, of general stability. With the emergence of the euro, for the first time in history, this supranational currency has become one of the reference world currencies. Due to its stability and the trust thus gained, the euro is becoming increasingly represented in the foreign exchange reserves of several countries"(Matić, 2016).

On the other hand, there are studies e.g. (Goodhart & Hofmann, 2008); (Calza & al., 2009); (Hirata, 2013); (Zhu & al., 2017) which focuses on the short-term economic perspective and can therefore analyze the impact of changes in economic determinants (e.g., monetary policy stance or financial market stance) on short-term price formation and the introduction of the euro. (Hirata, 2013) have shown that financial market uncertainty and the introduction of the euro can also affect current real estate prices. (Hirata, 2013) build on the literature that explores the impact and shocks of uncertainty in macroeconomics e.g. (Bloom & al., 2012); (Stock & Watson, 2012), and show that uncertainty in financial markets and real house prices in euros are significantly positively related. In addition, (Gattini & Hiebert, 2010) analyze and forecast the dynamics

of real house prices in the euro area as a whole based on aggregated time series data for the period 1970-2009. (Grujić & Vretenar Cobović, 2024) investigate pension systems and link certain fluctuations within the system to the introduction of the euro. There are other studies that focus on the euro area, but only include some member states. (Zhu & al., 2017) assess how monetary policy and housing market regulation affect non-fundamental real estate prices.

In accordance with the above, it should be noted that public opinion is the subject of numerous analyses, and focusing on the EU, such research is most often directed at analyzing various issues related to the euro and the introduction of the euro as a national currency. This term covers many determinants such as political, institutional and economic issues(McLaren, 2002); (Hooghe & Marks, 2009)while the public perception of the single currency can be related to the level of development of the country, the well-being of the individual, the financial crisis, national identity, as well as a number of other factors. (Allam & Goerres, 2011) focused their research on the relationship between individual well-being and the level of support for the euro. They tested three perspectives: economic, political, and historical with individual-level and contextual data. (Palankai, 2017) examines the process of euro adoption in Central and Eastern European countries with a focus on nominal and real convergence criteria. (Roth & al., 2016) investigated public support for the euro in 12 eurozone members from 1990 to 2014. They found that, on average, public support for the euro decreased slightly during the first six years of the crisis and that support remained at a high level.

Based on all of the above, the following paper presents and analyzes the results of a survey conducted on the awareness and attitudes of the student population regarding the introduction of the single currency of the European Union - the euro - in the Republic of Croatia from January 1, 2023.

METHODOLOGY

The research methodology is based on the survey method using an online questionnaire instrument. The research was conducted in March and April 2025, on a representative sample of 207 respondents. The research was conducted in the areas of Eastern, Northern and Central Croatia.

The target group of the sample included full-time and part-time students studying in the field of social sciences (economics), technical sciences (mechanical and electrical engineering), and biotechnical sciences (agriculture). The questionnaire was structured in three parts. The first part of the questionnaire referred to basic data on the sample (gender, age, year of study, study status, place of residence, etc.). The second part of the questionnaire referred to questions related to the student population's awareness of the euro and experience with using the euro, while the third part of the questionnaire referred to questions related to the student population's attitudes towards the euro.

The aim of the research is to obtain information about the level of information available to students and their experiences regarding the use of the euro, as well as their attitudes towards the euro. The opinions and attitudes of this part of the population are extremely important, since the respondents, as students of professional and university studies of economics, acquire knowledge in this area in accordance with the curriculum. In addition, students of other scientific fields also encounter the aforemen-

tioned issues during their studies. For this reason, the aim of this research is to find out whether students reflect on the knowledge they have gained and how they use it independently.

In accordance with the subject of research and the goal set, the paper starts from the following hypotheses:

H1: The level of interest in euro-related topics among the student population is high, but a certain number of students are not sufficiently informed and do not possess sufficient knowledge regarding the use of the euro in the member states of the European Union

H2: The level of students' knowledge about the euro and their awareness of the introduction of the euro in the Republic of Croatia significantly depends on the type of study they are attending

Individual questions from the survey questionnaire were grouped according to specific target groups in order to see whether there were any differences in the level of student awareness regarding the introduction of the euro in the Republic of Croatia between the analyzed groups. The paper presents the calculation of correlation values between the student population's awareness of the euro and their attitudes towards the euro (knowledge about the euro, advantages and disadvantages of the introduction of the euro, etc.). In addition, the relationship between the important elements assessed by students regarding the introduction of the euro in the Republic of Croatia that are important to the respondents (student population) was examined.

The Pearson correlation coefficient (r) was used to calculate the correlation values . The Pearson correlation coefficient is used for variables on an interval scale that are in a linear relationship. The linear relationship between variables can be read from a scatter plot and implies that the points follow and scatter around a line. The Pearson correlation coefficient is denoted by a lowercase letter (r) and can take values from -1 to +1. A correlation coefficient value of 0 to 1 is a positive correlation and indicates a consistent increase in the values of both data groups. A correlation coefficient value of 0 to -1 indicates a negative correlation, i.e. a consistent increase in the value of one variable and a decrease in the value of the other variable. When the correlation coefficient has a value of 0, then it indicates the absence of a linear relationship, which indicates the fact that knowing the values of one variable, it is not possible to conclude anything about the values of the other variable. The Statistica software package was used to process all the data obtained in the study.

AWARENESS AND ATTITUDES OF THE STUDENT POPULATION ON THE INTRODUCTION OF THE EURO IN THE REPUBLIC OF CROATIA – RESEARCH RESULTS AND DISCUSSION

The following paper presents the results of a survey whose aim was to collect relevant information about students' awareness and their experiences regarding the use of the euro, as well as their attitudes towards the euro. The gender and age of the student population are shown in Table 2.

Table 2. Gender and age

Gender & Age		Frequency	Percent	Cumulative Percent
Gender	Male	81	39.13	39.13
	Female	126	60.87	100.0
	Total	207	100.0	
Age	19 – 24 years old	156	75.36	75.36
	25 – 35 years old	33	15.94	91.30
	36 – 55 years old	18	8.70	100.0
	Over 55 years old	-	-	
	Total	207	100.0	

Source: authors

In the total sample of 207 students, 60.87% were female and 39.13% were male. In terms of age, the majority of respondents were aged 19-24 (75.36%). This was followed by respondents aged 25-35 (15.94%). In the total sample, the least represented respondents were aged 36-55 (8.70%), while there were no respondents over 55 (Table 2).

Based on the age of the respondents, it can be concluded that the majority of respondents are full-time students, which was also shown by the question about study status. In the total sample, 66.67% of students declared themselves as full-time students, while 33.33% were part-time students.

In Brod-Posavina County, 52.18% of students reside there. In the total sample, the representation of other counties is as follows: Sisak-Moslavina 11.59%, Osijek-Baranja and Vukovar-Srijem 10.14% and Požega-Slavonia 8.70%. In other counties (Zagreb, City of Zagreb, Bjelovar-Bilogora and Virovitica-Podravina) 7.25% of students reside there. With regard to the type of settlement in which they live, 55.07% of students declared that they live in a city, while 44.93% of students live in a village.

Table 3 shows the year of study that the respondents are attending and who covers their study costs.

Table 3. Year of study and coverage of study costs

Year of study & who covers study costs		Frequency	Percent	Cumulative Percent
Year of study	1st year of university/professional undergraduate studies	15	7.25	7.25
	2nd year of university/professional undergraduate studies	66	31.88	39.13
	3rd year of university/professional undergraduate studies	66	31.88	71.01
	1st year of university/professional graduate studies	42	20.29	91.30
	2nd year of university/professional graduate studies	18	8.70	100.0
	Total	207	100.0	

Study costs	Parents	99	47.83	47.83
	Scholarship	33	15.94	63.77
	Salary	63	30.43	94.20
	Other	12	5.80	100.0
	Total	207	100.0	

Source: authors

The largest number of students surveyed were in their second and third years of university and/or professional undergraduate studies (31.88%), followed by students in their first year of university and/or professional graduate studies (20.29%). The fewest respondents were in their second year of university and/or professional graduate studies (8.70%) and in their first year of university and/or professional undergraduate studies (7.25%).

When asked about interest in the introduction of the euro in the Republic of Croatia, according to the data obtained, it can be concluded that there is interest in topics related to the euro among those students who, during their years of study, attend classes in courses where it is possible to obtain certain information related to the euro, the European Union and the events preceding this topic, which confirms hypothesis H2.

When asked about the coverage of study costs, 47.33% of students answered that their study costs are covered by their parents, while 15.94% are financed through scholarships. Part-time students finance their studies with income from paid employment (30.43%) or a combination of their own income and their spouse's income (5.80%) (Table 3).

As part of questions related to information about the euro, students answered questions related to the number of European Union members that use the euro as legal tender (Table 4) and the number of denominations in the denomination series of circulating euro coins and banknotes (Table 5).

Table 4. Number of European Union members using the euro

Number of EU members using the euro	Frequency	Percent	Mean	Median	Fashion	Std. Deviation	Variance
18 member states	69	33.33	18	18	Multiple	0.818	0.670
19 member states	69	33.33					
20 member states	69	33.33					
Total	207	100.0					

Source: authors

When asked how many member states of the European Union use the euro as a legal tender, 33.33% of students answered in favor of all three answers. Considering the data in the table, it is possible to conclude that a certain number of students are not sufficiently informed and do not have enough knowledge related to the use of the euro in the European Union members and that the mentioned topic is not close to them, which confirms the hypothesis H1 (Table 4).

Table 5. Number of denominations in the denomination series of euro coins and banknotes in circulation and number of euro banknote series

Euro coin denomination series	**Frequency**	**Percent**	**Mean**	**Median**	**Fashion**	**Std. Deviation**	**Variance**
7 denominations	87	42.03	7,681	8	8	0.650	0.422
8 denominations	99	47.83					
9 denominations	21	10.14					
Total	207	100.0					
Denomination series of euro banknotes	**Frequency**	**Percent**	**Mean**	**Median**	**Fashion**	**Std. Deviation**	**Variance**
7 denominations	126	60.87	7,507	7	7	0.670	0.484
8 denominations	57	27.54					
9 denominations	24	11.59					
Total	207	100.0					
Euro banknote series	**Frequency**	**Percent**	**Mean**	**Median**	**Fashion**	**Std. Deviation**	**Variance**
1 series	30	14.49	2,130	2	2	0.637	0.405
2 series	120	57.97					
3 series	57	27.54					
Total	207	100.0					

Source: authors

In response to questions related to the number of denominations in the denomination series of circulating coins and euro banknotes, a certain number of students showed sufficient information on the mentioned question. When asked about the number of denominations in the denomination series of circulating euro coins, 47.83% of students indicated that they are informed about the denominations of coins, while 60.87% of them know how many denominations the denomination series of euro banknotes contains. In addition, 57.97% of students were properly informed about the number of series of euro banknotes. Based on the data in the table, it is possible to conclude that students are more familiar with banknotes than with euro coins, so it can be assumed that they may have used paper money more often than metal money.

However, a significant number of students are still not sufficiently informed about the mentioned issues, based on which it is possible to conclude that they are not too interested in the mentioned topic, but also that there are certain problems related to the financial literacy of a certain part of the student population, which makes it possible to confirm both hypotheses (Table 5).

Table 6 shows the student's self-assessment regarding their level of information about the introduction of the euro in the Republic of Croatia.

Table 6. Awareness regarding the introduction of the euro in the Republic of Croatia

Students living in the city	Frequency	Percent	Mean	Median	Fashion	Std. Deviation	Variance
Not at all informed	27	23.68	2.658	2	2	1.329	1.767
I'm poorly informed	33	28.95					
I'm well informed	18	15.79					
I'm very well informed	24	21.05					
I am excellently informed	12	10.53					
Total	114	100.0					
Students living in the village	**Frequency**	**Percent**	**Mean**	**Median**	**Fashion**	**Std. Deviation**	**Variance**
Not at all informed	24	25.81	2.290	2	2	0.995	0.990
I'm poorly informed	30	32.26					
I'm well informed	27	29.03					
I'm very well informed	12	12.90					
I am excellently informed	-	-					
Total	93	100.0					

Source: authors

Based on the data in the table, it can be observed that the largest number of students is ill-informed about the introduction of the euro in the Republic of Croatia, regardless of the type of settlement where they live. In addition, students living in the city are generally poorly informed or not informed at all, while students who are very well informed about the introduction of the euro only rank third. Students living in the village are generally poor or well informed, while there are only 12.90% of those who are very well informed. Also in rural areas there is not a single student who is well informed about the introduction of the euro in the Republic of Croatia, while in the city there are 10.53%, which confirms hypothesis H1 (Table 6).

Within the framework of questions related to attitudes towards the euro, students answered questions about how necessary it was to introduce the euro as legal tender in the Republic of Croatia and about the advantages and disadvantages of its introduction (Table 7).

When asked whether they believe that the Republic of Croatia should have introduced the euro as legal tender, as many as 68.12% of students stated that Croatia

should not have introduced the euro, while 18.84% of students believed that Croatia should have introduced the euro as legal tender. In the total sample, 13.04% of students were undecided when answering this question.

Table 7. Advantages and disadvantages of introducing the euro in the Republic of Croatia

Advantages of introducing the euro	**Frequency**	**Percent**	**Mean**	**Median**	**Fashion**	**Std. Deviation**	**Variance**
Easier and simpler payments in all EU member states	90	43.48	2.406	3	1	1.441	2.077
Price stability	12	5.80					
There would be no exchange rate difference	66	31.88					
Better standard of living	9	4.35					
Other	30	14.49					
Total	207	100.0					
Disadvantages of introducing the euro	**Frequency**	**Percent**	**Mean**	**Median**	**Fashion**	**Std. Deviation**	**Variance**
Price increase	87	42.03	2.521	2	1	1.523	2.319
Salary/pension reduction	24	11.59					
Exchange rate / conversion problem	24	11.59					
Poorer standard of living	45	21.74					
Other	27	13.05					
Total	207	100.0					

Source: authors

The biggest advantage of introducing the euro in Croatia, according to students is easier and simpler payments in all EU member states and the loss of exchange rate differences. Only 4.35% of students believe that a better standard of living is possible with the introduction of the euro. In the category of other, students only mentioned combinations of the previous forms, while in their opinion there are no other advantages.

In terms of disadvantages, the biggest ones are price increases (42.03%) and a lower standard of living (21.74% of students). In addition, 11.59% believe that the introduction of the euro has led to a decrease in salaries and pensions, and problems with the exchange rate. In the category of other, in addition to a combination of the previous forms, students believe that the disadvantage of the introduction of the euro is the loss of one of the characteristics of sovereignty. Ultimately, it can be concluded that students are very skeptical about the introduction of the euro in the Republic of Croatia and that it will be necessary to implement additional educational and informational content on this topic in order to possibly change the world on this issue (Table 7).

The correlation, or measure of the degree of linear connection between individual important variables for the conducted research, is shown in Table 8. The paper presents the calculation of correlation values between the student population's awareness of the euro and their attitudes towards the euro. More precisely, the relationship between the important elements assessed by students during the introduction of the euro in the Republic of Croatia that are important to the respondents (student population) was examined. The Pearson correlation coefficient (r) was used to calculate the correlation values.

Table 8. Correlation research variables – importance of individual elements when introducing the euro/ preferences of respondents (student population)

Variable	The impact of the introduction of the euro on products and services	The impact of the introduction of the euro on salaries and pensions	Concern about the habit of using the euro	Fixed conversion rate	Replacing the kuna with the euro - losing the characteristics of sovereignty	Taking care of existing loans and savings when introducing the euro	Concern about possible inflation in the economy
The impact of the introduction of the euro on products and services	1	**0.67***	0.43*	0.46*	**0.77***	0.35*	**0.82***
The impact of the introduction of the euro on salaries and pensions	**0.67***	1	**0.68***	0.60*	0.61*	0.50*	0.61*
Concern about the habit of using the euro	0.43*	**0.68***	1	0.59*	0.61*	0.51*	0.47*
Fixed conversion rate	0.46*	0.60*	0.59*	1	0.56*	0.56*	0.43*
Replacing the kuna with the euro - losing the characteristics of sovereignty	**0.77***	0.61*	0.61*	0.56*	1	0.41*	0.62*
Taking care of existing loans and savings when introducing the euro	0.35*	0.50*	0.51*	0.56*	0.41*	1	0.44*
Concern about possible inflation in the economy	**0.82***	0.61*	0.47*	0.43*	0.62*	0.44*	1

Source: author

* Correlation is significant at the 0.01 level (2-tailed)

$0 < |r| < 0.25$ - weak correlation between variables

$0.25 < |r| < 0.64$ - average strength of correlation between variables

$0.64 < |r| < 1$ - strong correlation strength between variables

Considering the calculation of correlation values between the student population's awareness of the euro and attitudes towards the euro for individual variables, it can be concluded that the obtained results indicate the existence of a positive correlation between all researched variables from the survey questionnaire. For most variables, there is a medium strength of correlation, while a strong strength of correlation exists between the following variables (the impact of the introduction of the euro on products and services and the impact of the introduction of the euro on salaries and pensions $r = 0.67$; the impact of the introduction of the euro on products and services and the replacement of the kuna with the euro - loss of sovereignty characteristics $r = 0.77$; the impact of the introduction of the euro on products and services and concern about possible inflation in the economy $r = 0.82$; concern about the habit of using the euro and the impact of the introduction of the euro on salaries and pensions $r = 0.68$).

Based on the research results obtained, it can be concluded that the student population is certainly concerned to a certain extent about the introduction of the euro in Croatia and that they need additional information about the positive and negative aspects of the introduction of the euro.

CONCLUSION

Although the establishment of European monetary unity took a long time, the establishment of the European Economic and Monetary Union (EMU) contributed to the creation of certain goals important for the monetary policy of the member states. One of them is the introduction of the euro as the single currency within the Union. The euro is currently used as the official currency by twenty member states, including the Republic of Croatia, and other member states will adopt it when they meet certain convergence criteria.

The research conducted by the Croatian National Bank on the introduction of the euro in the Republic of Croatia represents a significant contribution to the knowledge of the population's attitudes on this matter. Continuity in conducting the research also provides information on changes in attitudes. Furthermore, the research conducted on a part of the student population by economic background certainly contributes to this topic. Results of the research on the information and attitudes of the student population on the introduction of the euro in the Republic of Croatia indicate the following:

- although there is interest in topics related to the euro among the student population, a certain number of students are not sufficiently informed and do not have enough knowledge related to the use of the euro in the European Union members, and the mentioned topic is not close to them;
- students' knowledge about the euro and their awareness of the introduction of the euro in the Republic of Croatia significantly depends on the type of study they are attending;
- some students have problems related to financial literacy;
- a large number of students are poorly informed about the introduction of the euro in the Republic of Croatia, regardless of their place of residence. Thus, in rural areas there is not a single student who is well informed about the introduction of the euro in the Republic of Croatia, while in cities there is an extremely small percentage;
- in the total sample, the largest number of students stated that Croatia should

not have introduced the euro as a national currency, while a significantly smaller number of them believed that it was necessary for Croatia to introduce the euro as a means of payment;
- students are very skeptical about the introduction of the euro in the Republic of Croatia, and it will be necessary to conduct additional educational and information activities on this topic in order to possibly change awareness of this issue.

In accordance with the conclusions reached, it is very important to note that it will be necessary to analyze in future research the level of information and attitudes about the introduction of the euro in the Republic of Croatia and among the rest of the population, not just students. Special emphasis should be placed on employers, employed, but also unemployed residents, beneficiaries of social assistance, etc. Such a broader sample will provide a clearer picture of the entire population's level of information and attitudes related to the euro.

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