



The Tragedy of the Common Currency

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When too many own something

They all own nothing

Free riders abound

So it is with the Euro

No matter how sound.

With a license to borrow

Borrow they did

It wasn't too hard

With a shared credit card.

The Greeks now regret

Running up so much debt

The creators of math

Strayed from the path

Of Maastricht Convergence.

They created democracy

But fell into hypocrisy

As each tried to exist

At the other's expense.

A tragic divergence

From the path of convergence

Deficits between 13 and 3

Percent of GDP.

Concerns then turned to cumulative debt

Which the vigilantes tried to make them regret

They looked to Italy, France, and even Germany

Since none took the rules too seriously.

They borrowed from their own banks

And each other's too

The banks said thanks

What else could they do?

Many banks fed the property bubbles

That eventually led to troubles

And transmitted them to sovereign pain

In Ireland, Portugal, and mainly Spain.

Europe's southern tier

Was called Club Med

Now the club of austerity

Hangs over their head.

The Germans said,

“You don't deserve charity

What we recommend is severe austerity

You must shrink your way to prosperity.”

The Euro was a straight jacket

They couldn't escape

And only one central bank

With a single mandate.

I don't know how this will turn out

This division between north and south

But I think I shall begin

By predicting the south shall rise again.

You may think it oddly funny

But I'm still saving

My confederate money.