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A Critical Review of the Theory of Optimum Currency Areas: Perspectives for a West African Single Currency

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ABSTRACT This article presents a perspective on the driving force between economic and political judgement in the formation of a single currency union. West African rulers have long desired to form a single currency union but have for reasons of political instability within the region shied away from making this happen. In recent years however, the call for single currency in the region has indeed heightened as a result of indications of success within the Euro zone. This article critically reviews theoretical perspectives forming the macroeconomic guidelines for the successful implementation of single currency unions as a framework for the benefits for the strength of political will in the formation of a single currency union.