Introduction of the Euro – Goodbye to the Deutschmark

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Abstract:
In a series of experiments cognitive and motivational reactions of German participants to the introduction of the Euro were investigated both prior to and after the event. Regarding motivational aspects of the Euro introduction it was found that the Deutschmark (DM) was not only regarded as more attractive, stable, and positive in comparison to the Euro, but moreover, thinking about investment alternatives using the Euro led to an increased negative attitude towards the new currency. Asking participants to estimate the physical size of the Euro vs. DM coins revealed that the DM coins were considered significantly bigger than the Euro coins. In addition, the relevance of currencies for German participants’ cultural identity was illustrated. After activating participants’ existential fears with the help of a mortality salience prime, liking of the DM along with dislike of the Euro increased. Regarding cognitive reactions, before the introduction of the Euro people estimated higher prices when they used the currency Euro compared to the DM suggesting that the familiar nominal DM figures served as an anchor and heightened the price estimations in Euro. However, along with the everyday handling of the Euro after January 2002 these differences in price estimations disappeared relatively quickly. Further adaptive reactions towards the Euro were also found. Although people clearly preferred the DM, they accepted the inevitability of the Euro introduction. The more they were convinced that the introduction would indeed happen, the more favorable their attitude towards the Euro was. Moreover, the difference in size estimation of the Euro vs. DM coins systematically decreased during the first year following the Euro introduction and handling of the Euro enhanced acceptance of it as the Germans’ currency.

Keywords: Euro – psychology of money – attitudes towards currencies – size estimation of coins – dissonance theory – information search – terror management theory – cultural worldview – anchoring effects – adaptation to the Euro

Introduction
For many Germans, the Deutschmark is an important national symbol, which stands for a successful history of currency stability, enjoys a high reputation in foreign countries, and is a symbol for rising and stable prosperity in Germany. Reviewing the history of the last century, after World War I, the great economic depression in the Twenties and the Nazi regime leading to World War II, the introduction of the DM in West Germany in 1948 followed by the “economic miracle” (Wirtschaftswunder) can be seen as the re-starting point of the positive aspects of German history. Thus, the Germans’ identity and self-esteem have been, and still are, tightly connected to economic success and the Deutschmark (Dehm & Müller-Peters, 2001; Helleiner, 1998; Müller-Peters, 1998). However, since January 2002 the DM has been replaced by the new European currency, the “Euro”. The controversy during the introduction of the Euro in Germany has shown that, due to the high symbolic nature of the DM, the monetary reform not only has economic and political but also psychological consequences.

In this article I provide an overview of different sets of experiments related to the introduction of the Euro carried out by my colleagues and me. These experiments cover the time from 1998 up to the present i.e. before, during and after the introduction of the Euro. First I show that the Euro was considered less attractive than the DM and some consequences of this. Then, I address the relevance of the Euro for people’s cultural identity. Next, I will illustrate that the Euro induced worry and uncertainty – but that people also tried to come to terms with the Euro. After that, I provide an overview of a series of studies related to the different nominal values of the Euro vs. DM. Finally the issue of how people adapted to the Euro is addressed.

Attractiveness of Deutschmark and Euro
Survey results in Germany reveal that over the last years the Euro has consistently been regarded as fairly negative (cf. e.g. Eurobarometer 45, 1996; 47, 1997; 49, 1998; 54, 2001). With regard to the question of whether people were in favor or against the introduction of the Euro, one year before the introduction of the Euro banknotes and coins was scheduled to take place (December 2000), only 47% supported the introduction, 44% were against it and 9% were undecided (cf., Eurobarometer 54, 2001). In a comparison of the 12 members of the
European Monetary Union, Germany was ranked second last, just ahead of Finland (45% for and 49% against), whereas acceptance in Italy was highest with 79% for and only 17% against.

Results from our lab supplement these findings. Between January 1999 and December 2001 we asked students as well as participants from a more heterogeneous sample of the German population to evaluate the Euro and DM with regard to how attractive they thought each currency was, how stable, how positive or negative and how much they liked each currency (all responses were made on a scale from 1 = not at all to 10 = very much). The results consistently showed that the attitude towards the DM was significantly more favorable (responses between $M = 7.28$ and $M = 8.26$) than the attitude towards the Euro (responses between $M = 5.64$ and $M = 6.21$). Although the attitude towards the Euro was not really negative but more in the middle of the scale, participants did consistently and significantly prefer the DM to the Euro and this was consistent over time. Even in December 2001, shortly before the Euro banknotes and coins were introduced, people still liked the DM ($M = 8.26$) significantly more than the Euro ($M = 6.06$), $t(30) = 6.52, p < .001$.

The lower attractiveness of the Euro compared to the DM not only affected the direct evaluation of the currencies but also had other consequences as we will illustrate now. In a first experiment, conducted in autumn, 1998, we presented different job offers to student participants with different salaries (Jonas, Greitemeyer, Frey, & Schulz-Hardt, 2002, Study 1). The salaries were either presented in Euro or in DM and covered a range from 60,000 to 110,000 DM vs. 30,000 to 55,000 Euro. Then we asked participants to indicate how long they would be willing to travel to work every day in order to get the job. The results showed that participants who considered job offers in DM were willing to travel about 62 min on average to get to work. However, people who considered job offers in Euro (which had about the same salaries as those in DM) were only willing to travel about 50 minutes, $f(1, 108) = 7.97, p < .01$.

In December 2001, when the first Euro coins became available, we carried out another study in the tradition of the Bruner and Goodman experiments. We presented either a one-Euro coin or a one-DM coin to participants waiting in an underground station in Munich and asked them to estimate the size of the coins. In order to do this we gave them a booklet with five different circles made of paper that were either identical in size to the Euro or DM coin or were 10% or 20% bigger or smaller than the Euro or DM coin. The results showed that people significantly overestimated the size of the DM coin ($M = +3\%$) whereas the size of the Euro coin was underestimated ($M = -2\%$), $t(38) = 2.34, p < .03$.

There are different possible explanations for the phenomenon of the lower attractiveness of the Euro compared to the DM. One is the change in nominal values from the DM to Euro. Since the nominal values in Euro are lower compared to the Deutschmark, the same real prices and salaries might appear lower if they are given in Euro compared to DM and thus seem less attractive (see the “money illusion” phenomenon, Fisher, 1928; Shafir, Diamond, & Tversky, 1997). However, the attitude towards the Euro compared to the DM can also influence the attractiveness of the money and people’s perception of it. Comparing different amounts of money, Brandstätter and Brandstätter (1996), for example, found that the subjective value of money was influenced by the participants’ attitudes towards money. In a similar vein, a study in Poland by Ostaszewski, Green, and Myerson (1998) suggested that amounts in different currencies (old zloty, new zloty and dollar) having the same real monetary values were perceived as being more or less attractive depending on people’s attitudes towards the specific currency. Bruner and Goodman (1947) also suggested that the perception of money depends on subjective values. The authors found that valuable objects like coins tend to be perceived as larger than they really are and that this overestimation effect is more pronounced among poor than among rich children (see also Dawson, 1975; McCurdy, 1956; Tajfel, 1957; Smith, Fuller, & Forrest, 1975). In times of high inflation people underestimate the size of coins and notes (Furnham, 1983; Lea, 1981; Leiser & Izak, 1987), which can be explained by the fact that inflation causes a loss of trust in the currency and people develop a negative attitude towards the currency (Leiser & Izak, 1987). Thus, if people hold a more negative attitude towards the Euro compared to the DM or trust the new currency less than the old one, they might perceive coins or amounts presented in Euro to be smaller in size or value than coins or amounts in DM.

The Euro and cultural identity

As outlined above, for many Germans the DM is an important cultural symbol that is closely connected to the Germans’ identity and self-esteem (Dehm & Müller-Peters, 2001; Helleiner, 1998; Müller-Peters, 1998). Therefore, one can assume that the introduction of the Euro threatened the cultural identity of the Germans. A theory addressing why culture and cultural symbols are important to people is terror management theory (TMT, Solomon, Greenberg, & Pyszczynski, 1991). We suggested that applying TMT to the Euro helps to understand psychological reactions towards the new European currency (Jonas, Fritsche, & Greenberg, 2003).

Starting point for TMT is the observation that, like other animals, humans have an instinct for survival. However, unlike other animals, humans can think about life in terms of past, present and future and they are
aware that one day they will have to die. This pairing of the instinctive desire for self-preservation and survival with the awareness of the inevitability of death creates the potential for paralyzing existential terror. According to TMT, this terror is managed by a dual-component cultural anxiety buffer, consisting of the cultural worldview and self-esteem. The cultural worldview is defined as a set of beliefs about the nature of reality shared by groups of individuals that provides meaning, order, permanence, stability, and the promise of literal and/or symbolic immortality to those who live up to the value standards set by the worldview. Self-esteem is defined as one’s confidence regarding how well one is living up to the standards of value prescribed by the worldview. Because of the essential importance these psychological structures have for managing existential terror, people are highly motivated to sustain them and defend them against threats. This basic assumption of TMT has been supported by a large body of empirical evidence (for review, see Greenberg, Solomon, & Pyszczynski, 1997). Several studies, for example, have shown that mortality salience increases identification with culturally relevant groups (e.g., Dechesne, Greenberg, Arndt, & Schimel, 2000; Greenberg et al., 1990). As one important cultural in-group is one’s own nation, national group membership contributes to one’s identity. In accordance with this idea, mortality salience has been shown to increase identification with one’s nation, its history and its symbols (Castano, Yzerbyt, Paladino, & Sacchi, 2002; Greenberg, Porteus, Simon, Pyszczynski, & Solomon, 1995; Jonas & Greenberg, in press).

Considered from the standpoint of TMT, the Euro challenges and threatens the national symbol of the DM. Since TMT predicts that mortality salience increases the motivation to cling more tightly to one’s own culture and to defend it against threats, we hypothesized that mortality salience leads Germans to value the national symbol of the DM more highly and to devalue the new European currency. We did three studies to test this assumption (Jonas et al., 2003; Jonas, 2003). In the first study, conducted in early summer of 2001, we asked university students in Munich to first fill out a questionnaire and write down the emotions they felt when they thought about their own death (Jonas et al., 2003, Study 1). In the control condition we asked the same question with regard to dental pain. After that we asked them to rate their attitude towards the Euro and the DM (with regard to the currencies’ attractiveness, likeability, stability, valence, and calculability, responses on a scale from 1 = not at all to 10 = very much). The results showed that following mortality salience (ms), participants revealed a more positive evaluation of the DM as compared to the Euro ($M = +2.43$ for the difference value) than participants in the control condition ($M = +1.58$), $F(1, 56) = 4.07, p < .05$. Separate analyses revealed that this interaction was caused by an increased negative attitude towards the Euro ($M = 5.32$ for ms vs. $M = 6.08$ for control), $F(1, 56) = 4.02, p = .05$, whereby the attitude towards the DM did not change significantly ($M = 7.75$ for ms vs. $M = 7.66$ for control), $F(1, 56) < 1$.

In a second study, which took place in early summer 2002, we replicated the decreased liking for the Euro for an older sample of pedestrians who were interviewed in front of a cemetery in Magdeburg compared to participants who were interviewed several blocks away (Jonas et al., 2003, Study 2). Following mortality salience, people again showed a more positive evaluation of the DM as compared to the Euro ($M = +4.02$) than participants in the control condition ($M = +2.20$), $F(1, 98) = 4.68, p < .04$. This time, separate analyses revealed that this interaction was caused by both an increased negative attitude towards the Euro ($M = 4.44$ for ms vs. $M = 5.56$ for control), $t(98) = 1.99, p < .05$, as well as by a marginally increased positive attitude towards the DM ($M = 8.46$ for ms vs. $M = 7.76$ for control), $t(98) = 1.67, p < .10$. These effects were not confounded with participants’ age or gender. Moreover, the study showed that mortality salience increased preference for aspects of German culture over aspects of foreign cultures (regarding cars, traveling, cooking, talk/game show hosts, soccer and cities). Thus the findings of this study suggested that the preference for the DM over the Euro after mortality salience appears to be a special case of a more general heightened preference for aspects of one’s own culture.

A third study conducted in winter 2002/2003 in front of a cemetery in Munich vs. some blocks away provided further evidence for the mortality-salience hypothesis and presented an even clearer picture (Jonas, 2003). People who were interviewed in front of the cemetery again showed a more positive evaluation of the DM as compared to the Euro ($M = +3.75$) than participants in the control condition ($M = +1.70$), $F(1, 126) = 18.96, p < .001$. In this study people’s reactions towards both currencies were significantly affected by the mortality-salience manipulation. The interaction was caused by an increased negative attitude towards the Euro ($M = 4.65$ for ms vs. $M = 5.82$ for control), $F(1, 126) = 3.50, p < .001$, as well as by an increased positive attitude towards the DM ($M = 8.40$ for ms vs. $M = 7.51$ for control), $F(1, 126) = 2.62, p < .01$.

These findings underline that applying TMT to the introduction of the Euro enhances our understanding of people’s concerns regarding the new currency and suggest that the strong reservations German citizens have about the Euro can be better understood when the function the cultural worldview serves in managing existential fears is considered. Since the German currency represents Germany, many people feel that the loss of their national currency threatens their national identity (Peters, 1996, cited in van Everdingen & van Raaij, 1998). This is especially painful when one’s own mortality is salient, because in such situations people’s commitment to national symbols that represent one’s tie to the nation and that emphasize a positive distinct position of one’s nation is higher.
Euro induced worry and uncertainty

The negative reaction towards the Euro compared to the DM might not be caused exclusively by the fact that the Euro threatens the cultural identity of the Germans – but also simply because Germans feared economic disadvantages. Studies showed that the more people felt the new currency increased the risks for the national economy, endangered its economic growth, and increased unemployment as well as the inflation rate, the lower the acceptance of the Euro was (van Everdingen & van Raaij, 1998). In addition, a lot of people also expected microeconomic disadvantages regarding wages, prices and interest rates (Kiell & Müller-Peters, 1999; van Everdingen & van Raaij, 1998). For many years the Germans figured in the Eurobarometer as one of the most skeptical countries regarding the Euro. However, despite being among the most pessimistic of the European countries (cf. Kiell & Müller-Peters, 1999), the majority of the Germans supported the European Union and 73 percent of the people questioned by Greitemeyer, Jonas, and Frey (2001) would have introduced the Euro if it had been up to them alone to decide.

We suggested that this conflict between accepting that the introduction of the Euro was going to take place but at the same time preferring the DM and associating the Euro with worries and uncertainty aroused cognitive dissonance. We further assumed that this would affect people’s perception of financial situations and lead to different behavior when making a financial decision using the Euro compared to DM. According to dissonance theory (Festinger, 1957) cognitive dissonance can be reduced by the addition of consonant and/or the elimination of dissonant cognitions. One form of adding consonant cognitions is the search for new information (cf. e.g., Frey, 1986).

At the end of 1998 we conducted an experiment in which we asked people to make an investment decision in DM or in Euro and predicted that people investing with the Euro would show a higher degree of worry and uncertainty compared to the participants making an investment with DM (Jonas & Frey, in press). Our participants were passengers on the ICE high-speed trains in Germany. We asked them to imagine that they had inherited a certain amount of money – this amount was either presented in DM or in Euro – and to make a decision how to invest the money. After participants had made their investment decision we gave them the opportunity to search for additional information on the different investment alternatives. The different pieces of information pointed at advantages or disadvantages of the different alternatives. We asked people to indicate what and how many pieces of information they would like to read in further detail. Then we calculated a difference value between information about advantages and disadvantages of the investment alternatives.

The results showed that although people making investments in Euro did not choose different risks compared to people investing in DM, they nevertheless turned out to be less certain about their decision ($M = 6.34$ when investing in Euro vs. $M = 7.10$ when investing in DM, scale from 1 to 10), $t(73) = 1.48$, $p = .05$ one-tailed, and perceived more risks in the stock market ($M = 6.16$ when investing in Euro vs. $M = 5.16$ when investing in DM), $t(73.32) = 2.19$, $p < .04$. Thus, we found that mere thoughts about the Euro increased worries that the Euro introduction would increase the risks of investing in the stock market (cf. Tesser, Martin, & Mendolina, 1995).

In addition, the results suggested that thinking about the Euro led to an information search in which advantages of investment alternatives were preferred to the disadvantages (investing in Euro $M = + 0.89$ for the difference value between advantages and disadvantages, investing in DM $M = − 0.55$), $t(42.77) = 2.08$, $p < .05$. Moreover, this tendency primarily occurred among participants expecting the stock market to become more risky due to the Euro ($M = + 1.70$ vs. $M = − 0.50$ for participants not expecting the risks to rise), $t(28.65) = 2.02$, $p = .05$. Thus, participants with a low risk assessment revealed – similar to participants in the DM condition – no biased preference for more information regarding advantages of the investments. This finding is in accordance with dissonance theory because only those participants for whom the conflicting cognitions were salient are supposed to experience dissonance and thus to act to reduce this dissonance.

This study illustrates one way in which people tried to deal with the Euro and suggests that the effort to accept the Euro not only takes place by changing cognitions already in one’s possession, but also by searching for new, additional information. Although biased information seeking in the context of currency reforms naturally involve risks because potential warning signals regarding decision alternatives may be overlooked (cf. e.g., Janis, 1989; Nemeth & Rogers, 1996), at the same time, it may facilitate the transition to and acceptance of the new currency.

Price estimations in Euro vs. DM

So far, I have mainly discussed studies regarding motivational reactions towards the Euro resulting from different attitudes towards the Euro vs. DM. However, there are also cognitive processes associated with the Euro introduction, e.g. those resulting from differences in nominal values between the new European and the former national currencies. I will now describe a series of experiments in which we looked at how the different
nominal values of the Euro compared to the DM affected people’s perception of financial situations (Jonas, Greitemeyer, Frey et al., 2002).

As in Germany the nominal prices in the former national currency were about twice as high as the new European currency these higher figures might have served as reference prices when people were confronted with the Euro. One mechanism describing how reference prices affect the perception of new situations is found in the anchoring effect, which can be defined as “the assimilation of a judgement to a salient standard of comparison” (Mussweiler & Strack, 2000, p. 1038). The anchoring effect was first described by Tversky and Kahneman (1974) who showed that deciding whether the percentage of African nations in the UN was higher or lower than 65% (high anchor) led to higher estimations than making the first decision for a reference value of 10% (low anchor). With regard to money, several lines of research have documented how price estimations and the perception of prices systematically deviate in the direction of such anchors (e.g. Burger, 1986; Kristensen & Gaerling, 1997, 2000; Northcraft & Neale, 1987). We suggested that such anchoring effects could also affect the perception of prices after the introduction of the Euro: Since people are familiar with the nominal values in their former national currency, these familiar values might be automatically salient and serve as an anchor when people consider new prices in Euro.

This idea was tested in four studies (Jonas, Greitemeyer, Frey et al., 2002) that took place between autumn of 1998 and June 2001. In these studies we showed people pictures of different consumer products like a CD player, a camera or a microwave and asked them to estimate a price for each product. In one condition people were asked to estimate these prices in Euro, in the other to estimate the prices in DM. We consistently found that people estimated higher prices if they used the Euro compared to price estimations made in DM (after all prices had been converted to DM using the Euro people estimated e.g. around \( $418.54\) DM whereas using the DM they only estimated around \( $349.24\) DM). This finding was in accordance with the anchoring hypothesis because as the reference prices in DM laid above the new prices in Euro, these new prices should have appeared comparatively low. If, in turn, people were asked to estimate the appropriate price for a given product, they should have overestimated this price compared to people who made the same estimation in their former national currency.

We tested several alternative explanations for this phenomenon. We found that the differing price estimations between Euro and DM were not influenced by participants’ attitude towards the Euro. Although participants, in general, held a more negative attitude towards the Euro than towards the DM, these attitudes were not associated with the price estimations. The different judgments in the Euro vs. DM conditions also did not result from different time frames being activated by these currencies (“current” for estimations in DM [1999] vs. “future” for estimations in Euro [2002 or later]). In addition, the different price estimations did not occur with regard to converting into other foreign currencies, as e.g. in British Pounds, which is associated with smaller figures than the Euro, or Austrian Schilling, which is associated with larger figures. This suggested that, in the case of the conversion to the Euro, a simple “money illusion” effect (Shafir et al., 1997) was not involved. However, it turned out that the different price estimations depended on how the judgment context was framed: Only when participants expected to estimate prices for shops in their home country, Germany, did the nominal DM figures serve as an anchor heightening the estimated prices in Euro. The same effect disappeared when participants were instructed to make their price estimations for shops in a foreign country (see Figure 1). This implied when people made judgments in Euro they “normally” activated a familiar mental frame, like “shopping at home”. Within this mental frame, the familiar DM prices functioned as anchors for the price estimations in Euro. If, however, an unfamiliar mental frame was triggered such as “shopping in a foreign country” the DM anchors were no longer applicable to the judgment task and, thus no longer influenced the judgments (cf. Mussweiler, Förster & Strack, 1997, Study 3; Strack & Mussweiler, 1997, Study 1).
Figure 1: Interaction effect of currency (Euro vs. DM) and frame of reference (Germany vs. foreign country) in Jonas, Greitemeyer, Frey et al. (2002, Study 5)

Note: The increased price estimations in Euro compared to DM disappeared when price estimations were made within an unfamiliar frame of reference, namely estimations for shops in a foreign country (instead of Germany). All means are converted into DM.

A repetition of the price estimation experiment with a British sample provided further support for the anchoring hypothesis (Jonas, Greitemeyer, Graupmann, Triebel, & Frey, 2002). As the British pound is associated with lower nominal values than the Euro, comparably lower reference prices should serve as anchors and should thus decrease price estimations in Euro. In accordance with this assumption for the British sample, we found an anchoring effect that pointed in the opposite direction – people estimated lower prices in Euro (M = 383.47) compared to pound (M = 471.91).

Adaptation to and acceptance of the Euro

Attitude change towards the Euro. Even if the DM was considered more attractive than the Euro and even if people liked the DM more than the Euro they had to accept that the Euro was going to be introduced. This was more evident the more certain people were that the Euro was really going to be introduced and the closer the actual introduction of the Euro banknotes and coins came. Two studies by Greitemeyer et al. (2001), which took place in 1999, showed that beside the fact that people clearly preferred the DM to the Euro, they evaluated the Euro more favorably the greater their conviction that the Euro introduction would indeed take place in 2002. In Study 1 a correlational analysis suggested that people who were convinced in 1999 that the Euro was going to be introduced evaluated the Euro significantly more favorably than people who were not convinced that the introduction would actually take place (for attractiveness of the Euro r = .37, p < .03; stability r = .61, p < .001; valence r = .31, p < .08; likeability r = .52, p < .01). In Study 2 we experimentally manipulated the probability of the Euro introduction. In one condition we told participants that it was 100% certain that the Euro was going to be introduced in 2002. In the other condition we made it clear that the Euro introduction was not inevitable and that it was possible that the Euro introduction would not take place in 2002. This manipulation led to a marginally increased positive attitude towards the Euro for the participants in the “100% certain”-condition (M = 6.34 on a scale from 1 to 10) compared to the “not at all certain”-condition (M = 5.30), F(4, 53) = 1.65, p < .09.

These findings were interpreted in the context of dissonance theory. If one cognition implies the opposite to another one – as was the case with regard to people’s preference regarding the Euro introduction because people preferred the DM to the Euro but at the same time knew that the DM was going to be replaced by the Euro – the arousal of cognitive dissonance should be the consequence and people, in turn, should be motivated to reduce this dissonance. This could be achieved by developing a positive attitude towards the Euro and thus adding consonant cognitions to one’s cognitive system. With regard to the studies by Greitemeyer et al. (2001) the more people were convinced in 1999 that the Euro was actually going to be introduced the higher the resulting dissonance should have been. Therefore, the more important it should have been for those people to add consonant cognitions to their cognitive system and to develop a more favorable attitude towards the Euro. This
was exactly what the results indicated. The findings thus suggested that people would come to terms with the introduction of the Euro and would accept the new currency once it had actually been introduced.

However, what happened after the actual introduction of the Euro in January 2002? From a psychological point of view – although the Euro had already been an economic reality since 1999 – the actual introduction of the Euro along with the physical confrontation with the new banknotes and coins in everyday life should have made a difference to the citizens’ evaluation of the new currency. We tested this assumption by tracking students’ attitude towards DM and Euro shortly before (December, 3rd and December, 19th 2001) and after (January, 10th 2002) the introduction of the Euro on January, 1st 2002 (see Figure 2 for the means). We indeed found that whereas the attitude towards the Euro did not change significantly between December, 3rd and December, 19th 2001, \( t(91) < 1, p > .65 \), shortly after the Euro introduction a significant increased liking of the Euro was observed, \(|t(91)| = 2.28, p < .03\). With regard to the DM there was no such significant difference. This change in attitude towards the Euro is especially interesting with regard to the finding, reported at the beginning of this article, that the attitude towards DM and Euro had remained relatively stable over the course of the last few years.

Figure 2: Evaluation of DM and Euro with regard to the currencies’ attractiveness, stability, valence and likeability shortly before and after the introduction of the Euro banknotes and coins on January, 1st 2002

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\begin{array}{|c|c|c|}
\hline
\text{Dec 3rd, 2001} & \text{Dec 19th, 2001} & \text{Jan 10th, 2002} \\
\hline
\text{DM} & \text{Euro} & \text{Euro} \\
\hline
\text{negative} & \text{neutral} & \text{neutral} \\
\text{positive} & \text{positive} & \text{positive} \\
\hline
\end{array}
\]

Note: The attitude towards the Euro became significantly more favorable after its introduction, whereas the attitude towards the DM was not significantly affected.

In a longitudinal study we replicated the increased liking of the Euro with a more heterogeneous sample from the German population. We asked people immediately before the Euro banknotes and coins were introduced (between December, 27th and 31st 2001) and some days after the introduction (between January, 8th and February, 1st 2002) to describe their attitude towards DM and Euro. Again we found that the attitude towards the Euro became significantly more favorable after its introduction (before \( M = 5.77 \), after \( M = 6.31 \), \( t(26) = 2.48, p < .03 \)) whereby the attitude towards the DM was again not significantly affected (before \( M = 7.76 \), after \( M = 7.46 \), \( t(26) = 1.00, p > .30 \)).

Price estimations after the introduction of the Euro. With regard to the anchoring effects described above we also tested whether the differences in price estimations could still be observed after the Euro had actually been introduced (Jonas, Greitemeyer, Graupmann, & Frey, 2002). We repeated the price estimation experiment in Euro vs. DM three and twelve weeks after January 1st, 2002. Three weeks after the Euro introduction we still found marginally increased price estimations in Euro (\( M = 386.03 \)) compared to DM (\( M = 311.27 \), \( t(110) = 1.68, p < .10 \)). However, 12 weeks after the new Euro banknotes and coins had gone into circulation the different price estimations had further decreased and were no longer significant (\( M = 407.26 \) for using the Euro vs. \( M = 371.44 \) for using the DM), \( t(110) < 1, p > .40 \). Interestingly, this result was mainly caused by increased price estimations in DM. This corresponds with the fact that in the first six months following the introduction of the Euro, price increases were the most dominant topic discussed in the German media and were thus very salient in people’s minds (cf. Greitemeyer, Schulz-Hardt, Traut-Mattausch, & Frey, 2002, who showed that price increases were even perceived in situations in which prices objectively remained about the same).
Accepting the Euro as the Germans’ currency. However, despite the discussion about price increases we also found that people seemed to accept the Euro. At the end of the price estimation experiments 3 and 12 weeks after January 1st, 2002 we asked people whether they agreed with each of the statements that the Euro was the currency of the Germans vs. that the DM was the currency of the Germans. The results suggested that 12 weeks after its introduction handling of the Euro led to an increased acceptance of the Euro and to an increased distancing from the DM whereas 3 weeks after the introduction no such difference could be observed, \( F(1, 81) = 5.03, p < .03 \) (see Figure 3). Thus, a certain while after its introduction, handling of the Euro seemed to have increased both identification with the new currency and the tendency to distance oneself from the former national currency.

Figure 3: Agreement to the statements “The Germans’ currency is the DM” and “The Germans’ currency is the Euro” 3 vs. 12 weeks after the Euro introduction

The Germans’ currency is .....
Identification with the Euro?

Whereas we found several indicators that seemed to suggest that people adapted to and accepted the Euro within the first year following its introduction, the question arises whether people already consider the Euro as part of their culture and identify with the Euro as an important cultural symbol. The two terror management studies reported above (Jonas et al., 2003, Study 2; Jonas, 2003) that found a significant decrease in people’s liking of the Euro following mortality salience five months and one year after the Euro introduction raise doubts regarding this question. Moreover, even one year after the introduction of the Euro we found that reminders of mortality led people to cling more tightly to their former national currency (Jonas, 2003). However, the experimental procedure in this experiment by Jonas (2003) incorporated in addition to the mortality salience manipulation a European vs. German prime manipulation by showing participants a picture of the European vs. German flag. Whereas with the German prime only the reactions described above were observed, the reactions with the European prime in fact were a bit more complicated. The European prime induced male participants, who traditionally showed a more favorable attitude towards the Euro than women, not to devalue the Euro and not to rate the DM as more favorable when reminded of death. This finding suggests that – although mortality salience does not yet lead to an increased liking of the Euro – nevertheless a change in valuing the Euro as a cultural symbol might be underway.

Current data among students collected in May 2003 furthermore reveal that students (aged \( M = 29 \) years, \( SD = 7.01 \)) no longer significantly like the DM more (\( M = 6.30 \), scale from 1 to 10) than the Euro (\( M = 5.97 \)), \( t(15) < 1, p > .45 \). Moreover, they reported that they do not really miss the DM (\( M = 4.06 \)), this value differed marginally from the scale midpoint of 5.5, \( t(15) = 1.90, p < .08 \). For other sections of the German population the picture looks somewhat different. In accordance with the finding reported above that the handling of the Euro in the price estimation experiment increased identification with the Euro as the Germans’ currency and led to distancing from the DM (Jonas, Greitemeyer, Graupmann, & Frey, 2002), we also found that priming people (aged \( M = 57 \) years, \( SD = 14.61 \)) with the European flag decreased people’s missing the DM (\( M = 4.91 \)) whereas the German flag prime increased missing the former national currency (\( M = 6.31 \), \( t(62) = 1.90, p = .06 \)).

Thus, although there are several indicators suggesting that the DM still is a very important national symbol for the Germans the findings reported also show that the attitude towards the Euro is changing. Especially handling
of the Euro or confronting people with European symbols leads to an increased liking of the Euro and decreases the importance of the DM.

References


