

The penny (or is that cent?) has dropped

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[FT.com / Currencies - Greek rescue speculation helps euro bounce back.](#)

As the FT notes:

Concerns over Greece's fiscal position have weighed heavily on the euro in recent weeks.

As a consequence, the euro hit an eight-month low of \$1.3583 against the dollar last Friday.

This has been the cause of outright glee amongst the libertarian right. There's nothing like a crisis for a state to keep them happy.

But now the penny has dropped in Europe and as the FT notes:

But the euro rebounded on Tuesday on heightened speculation that officials would announce support measures for Greece at Thursday's European Union leaders summit.

It so happens I'm not a fan of the single currency: I'd rather have more rather than fewer currencies. I like the opportunity to price economies into work. But if you're going to have one currency the reality is that support for all members is not an extra, it's a condition of membership. So, for example, Germany has no choice but use its surplus to support Greece.

Finally it looks like that reality is dawning on Europe. About time too.

Fiscal unity then has to follow, of course. It's the next logical step.