

There are banks at the end of the democratic road

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As some may have noticed, I am not blogging much, and for good reason. Colleagues, friends and my family have told me to take a rest for a week, and for once I'm vaguely complying.

Today's news from the Eurozone forces me to break my silence.

On a day when the UK has celebrated the power of the City of London, and the Queen acknowledged their power by attending at their celebrations in St Paul's Cathedral across Europe another threat is clearly emerging. That is a threat to democracy at least as serious as that posed by the City itself, and to which no doubt they are a more than willing party.

Is it any surprise that the call for a closer political union for the Eurozone is called a banking union? And is it also any surprise that this would result in a loss of budgetary and fiscal powers for the nation states of Europe to be subject to this plan? A state without its own currency, budgetary or fiscal powers is no state at all. The bankers, and the Germans will have won.

As Dani Rodrik has argued, it is not possible to have the nation state, democracy and economic globalisation all at the same time. What is extraordinary is seems that not only is the nation state to be sacrificed to maintain the banker's order, so too is democracy.

Have no doubt whatsoever what is in threat at this moment: it is democracy and even freedom itself. Both are to be sacrifice - as will for all practical purposes be the lives of millions of Europeans - to the task of making sure that the values of the meaningless assets that bankers created must be maintained and be paid for, whatever the cost in terms of human misery. For that is what this struggle is about. It is about the right of a tiny minority to be paid, whatever their folly, and the right of the rest to live lives in which they have choice, opportunity and freedom.

I note that even German politicians are warning that this choice is under threat and that

the Germans - with their insane, wrong headed and utterly illogical dedication to an economic programme as absurd in its own way as George Osborne's austerity programme for the UK (from which it differs little) - are imperilling the safety of Europe for the third time in a century

I wish I did not share that view

But I do.

There are banks at the end of the democratic road, and right now it looks like they're in sight. We're facing truly troubling times.