

Germany is doing what Rishi Sunak did not, by offering ...

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The [BBC has reported that](#):

Germany is to offer unlimited loans to businesses to help steer them through the coronavirus pandemic, its finance minister says.

Olaf Scholz said there was no "upper limit" to the loans, which would be made available through Germany's state-owned bank KfW.

Mr Scholz said the situation was "very serious" and that the economy - and small businesses in particular - needed to be protected, adding: "We will put all weapons on the table."

KfW has access to a support fund of about half a trillion euros, Reuters reports.

Let's be clear: some of these loans will never be recovered.

Let's also be clear; KfW will need state aid to get over that.

And let's also be clear, that KfW can have that state aid because it is state-owned.

But three important things follow.

First, the German idea of a balanced budget will be shattered by this, and thank goodness for that.

Second, German business will survive coronavirus because of this, when many in the UK will not right now.

And third, then, Germany will come out the other side of this crisis in a much better place than we will as a result.

And how will this be paid for? I very strongly suspect European Central Bank quantitative easing will fund this arrangement. I hope it will do the same for other

eurozone countries.

Just as such an arrangement in the UK could also be quantitative easing funded if we wanted.

But it seems that we do not want that.

The sooner Rushi Sunak is back at the Dispatch Box the better.

Hat tip: Tim Rideout