

### III. Economics

## ‘ReArm Europe’ Summons Schacht’s Nazi Ghost To Fight Russia

by Paul Gallagher

March 31—Britain’s and Europe’s leaders have rejected United States President Donald Trump’s interest in negotiating peace with Russia over Ukraine. Preparing for war with Russia instead, they want hundreds of billions of euros to be drawn from every corner of Europeans’ savings, and from every program—even including the European Investment Bank—for a rearmament drive.

The “ReArm Europe” policy of the European Commission is a plan to plunder Europeans’ “unused savings,” up to trillions of euros, to invest in war production and military infrastructure. Part of “ReArm Europe” is called the “European Savings and Investment Union.” It will promise a high return, and deliver, instead, a NATO war of Europe against Russia before the end of the 2020s.

At least 800 billion new euros for guns and “infrastructure” for Europe, is the demand from European Commission President Ursula von der Leyen, who does not want popular or parliamentary voting to interfere with a “ReArm Europe” executive order of the Commission. Von der Leyen and her fellow European Commissioners think Europeans are “wasting their savings,” not earning enough. She wants to “turn Europeans’ savings into much-needed investments”—in war production.

At least 500 billion euros for arms and “green” spending by Germany, is the legislation from Friedrich Merz and passed by a “lame-duck” Bundestag already voted out by the people.

These are *minimum* estimates, for a policy of sucking every form of Europe’s 14 trillion euros in savings into war investment funds, outside national budgets.



Claudio Celani

*The Vultures of BlackRock*

And then: War with Russia; millions of dead European “investors” and their children.

The German Bundestag vote clearly tricked the voters, and put through a dramatic shift in policy toward immediate rearmament which the population had not only not supported, but had tended to support parties which opposed it. The people of Germany had

a promise from the Chancellor candidate of the Christian Democrats—Friedrich Merz—that if he were elected Chancellor, he would not allow any release of the “debt brake” for the Federal government in Germany.

Instead, immediately upon being elected, Merz announced that that debt brake was to be suspended, specifically to allow unlimited borrowing for military infrastructure, ammunition production, weapons production, and the production of factories for the same, to dramatically expand the military capabilities of the German economy.

And the financial megacompany to handle the investments of all these dragooned savings? Of course: BlackRock, Inc., the world’s largest asset management company, whose top officer for Germany was Friedrich Merz.

### **The New Central Bank Schachts**

Look behind Merz and von der Leyen. The scheme for this deadly surprise by them, was set out in September 2024, in a report written by Mario Draghi, central banker of Italy and powerful head of the European Central Bank in recent years. Draghi once coined the phrase, “Whatever it takes” to bail out Europe’s biggest banks—and he meant, “Whatever it takes from you.” Draghi’s report to the European Commission last year called for 750-800 billion euros in new European-wide borrowing—from the people of Europe—for military spending and “climate change.”

The other most powerful central banker of the past ten years became the top global killer of fossil fuel investment, Mark Carney of the Bank of Canada, Bank of England, Bank for International Settlements, Global Financial Alliance for Net Zero, etc. Carney preached and used central bank power so that, as he said in 2020 at the UN, “companies that don’t adapt [to net zero carbon] will go bankrupt, no question.”

Now emerging as the “Trump fighter” likely new Prime Minister of Canada, Carney has spent his transition time meeting with King Charles, British Prime Minister Keir Starmer, French President Emmanuel Macron, and European Commission members, supporting European rearmament against Russia.

Draghi and Carney will throw their central-bank weight into ReArm Europe and its Savings and Investment Union.

### **The New ‘Mefo Bills’**

This is an attempt to repeat, “neo-liberally,” the work of Adolf Hitler’s 1930s Economics Minister and Reichsbank chief, Hjalmar Schacht—who was also a Liberal!

Schacht pulled together money from German industrialists in late 1932 to push through the first “surprise”: the naming of Hitler as a minority Chancellor. And then, as the Nazis’ central banker and Economics Minister 1933-39, Schacht pulled off a second surprise: the incredibly rapid shift of Germany from a disarmed country to a war economy. In 1933, just 2% of the German GDP was military production; in 1935, arms and ammunition production was 20% of all German economic activity.

Schacht had the reputation of being a central banker, and was supposedly above politics. Suddenly, he became the central cog in the forced drive to make Germany a war economy. Schacht did this, beginning with a May 2, 1933 Nazi government cabinet meeting, with a scheme to funnel and compel German business investment and household savings into rearmament.

The leading arms manufacturing companies in Germany were told to form a completely fictitious company, which was called Metallforschung, a meaningless name for a nonexistent company which started to issue bonds for rearmament production, called Mefo Bills. They had the guarantee of Schacht’s central bank, the Reichsbank. Pressure to invest in Mefo Bills began to be placed not only on individual household savers in Germany, but on corporations, and entire business associations representing sectors of the German economy. Importing industrial companies, for example, needed to get foreign exchange from Schacht’s Reichsbank, and had to organize their sectors for Mefo Bills. Industries with little to offer rearmament, like the clothing industry, were denied foreign exchange and shrank. The lightning shift to rearming Germany, from 2% of GDP to 20% of GDP in less than two years, was only the beginning for Schacht.

Simply: “ReArm Europe” and “Savings and Investment Union” are a European Commission policy to turn the European populations’ savings into a new bubble of Europe-wide debt, the Russia war bubble. If those populations let it succeed, this bubble will end with millions of casualties of war.