

HITLER AND THE BANKSTERS: THE ABOLITION OF INTEREST-SERVITUDE



This article was written for mature and thoughtful people who want to understand today in light of yesterday. It was not written for baboons who start to howl the moment they hear “Hitler” – the way the monkeys of my youth used to howl in front of my window in South Africa when they heard a thunderclap.

Its author is a relatively young South African banker by the name of Stephen Goodson.

At the end of November 1918, Adolf Hitler returned to Munich and then proceeded to a military camp in Traunstein in south-eastern Bavaria. When the camp was disbanded in April 1919, he went back to Munich, which was still being ruled by a Soviet republic founded by a Polish Jew Kurt Eisner (real name Salamon Kosmanowsky).

At the beginning of May, a few days after the communist revolution had been terminated on May 1, 1919 by the Bavarian Freikorps, Hitler was summoned as a member of the 2nd Infantry Regiment to attend a course on political instruction. The purpose of this course of lectures was to provide the soldiers with a background of politics, which would enable them to monitor the many revolutionary and political movements present in Munich at that time.

One of the lecturers was a former construction engineer turned economist, Dr Gottfried Feder (1881-1941).(1) His first lecture was entitled “The Abolition of the Interest-Servitude”. Hitler was enthralled by what he heard, and this was to be a turning point in his political career. The following quotations from Mein Kampf reflect his initial thoughts.

“ For the first time in my life I heard a discussion which dealt with the principles of stock exchange capital and capital which was used for loan activities. After hearing the first lecture delivered by Feder, the idea immediately came into my head that I had found a way to one of the most essential prerequisites for the founding of a new party.

To my mind, Feder’s merit consisted in the ruthless and trenchant way in which he described the double character of the capital engaged in stock exchange and loan transactions, laying bare the fact that this capital is ever and always dependent on the payment of interest. In fundamental questions his statements were so full of common sense that those who criticized him did not deny that au fond his ideas were sound, but they doubted whether it be possible to

put these ideas into practice. To me this seemed the strongest point in Feder's teaching, though others considered it a weak point.(2)

And again,

...I understood immediately that here was a truth of transcendental importance for the future of the German people. The absolute separation of stock exchange capital from the economic life of the nation would make it possible to oppose the process of internationalization in German business without at the same time attacking capital at such, for to do this would be to jeopardize the foundations of our national independence. I clearly saw what was developing in Germany, and I realized then that the stiffest fight we would have to wage would not be against the enemy nations but against international capital. In Feder's speech I found an effective rallying-cry for our coming struggle.”(3)

Further, he wrote,

“The struggle against international finance capital and loan capital has become one of the most important points in the program on which the German nation has based its fight for economic freedom and independence.”(4)

A few weeks later Hitler received an instruction from his superiors to investigate a political association called the Deutsche Arbeiterpartei (German Workers Party). At this meeting held in the Sterneckerbrau Inn in Munich, about 20 to 25 persons were present. The main speaker was Dr Gottfried Feder.

Shortly thereafter Hitler joined this party and received a provisional certificate of membership numbered seven. His first act on assuming control of the party was to rename it the Nationalsozialistische Deutsche Arbeiterpartei (National Socialist German Workers Party).

Feder, who was the principal drafter of the party's 25 points, became the architect and theoretician of the program (5) until his unfortunate dismissal as Secretary of State for Economic Affairs in August 1934.

Approximately 40 percent of Feder's "The Program of the NSDAP" is devoted to economic and financial policies. Below are some of the highlights.

Adolf Hitler prints its two main points in leaded type:

“THE COMMON INTEREST BEFORE SELF-THE SPIRIT OF THE PROGRAM ABOLITION OF THE THRALLDOM OF INTEREST – THE CORE OF NATIONAL SOCIALISM.” “Once these two points are achieved, it means a victory of their approaching universalist ordering of society in the true state over the present-day separation of state, nation and economics under the corrupting influence of the individualist theory of society as now constructed. The sham state of today, oppressing the working classes and protecting the pirated gains of bankers and stock exchange speculators, is the area for reckless private enrichment and for the lowest political profiteering; it gives no thought to

its people, and provides no high moral bond of union. The power of money, most ruthless of all powers, holds absolute control, and exercises corrupting, destroying influence on state, nation, society, morals, drama, literature and on all matters of morality, less easy to estimate.(6)

“Break down the thralldom of interest” is our war cry.(7) What do we mean by thralldom of interest? The landowner is under this thralldom, who has to raise loans to finance his farming operations, loans at such high interest as almost to eat up the results of his labor, or who is forced to make debts and to drag the mortgages after him like so much weight of lead.

So is the worker, producing in shops and factories for a pittance, whilst the shareholder draws dividends and bonuses which he has not worked for. So is the earning middle class, whose work goes almost entirely to pay the interest on bank overdrafts.(8)

Thralldom of interest is the real expression for the antagonisms, capital versus labor, blood versus money, creative work versus exploitation. The necessity of breaking this thralldom is of such vast importance for our nation and our race, that on it alone depends our nation’s hope of rising up from its shame and slavery; in fact, the hope of recovering happiness, prosperity and civilization throughout the world. It is the pivot on which everything turns; it is far more than a mere necessity of financial policy. Whilst its principles and consequences bite deep into political and economic life, it is a leading question for economic study, and thus affects every single individual and demands a decision from each one: Service to the nation or unlimited private enrichment. It means a solution of the Social Question.(9)

Our financial principle: Finance shall exist for the benefit of the state; the financial magnates shall not form a state within the state. Hence our aim to break the thralldom of interest.

Relief of the state, and hence of the nation, from its indebtedness to the great financial houses, which lend on interest.

Nationalization of the Reichsbank and the issuing houses, which lend on interest.

Provision of money for all great public objects (waterpower, railroads etc), not by means of loans, but by granting non-interest bearing state bonds or without using ready money.

Introduction of a fixed standard of currency on a secured basis.

Creation of a national bank of business development (currency reform) for granting non-interest bearing loans.

Fundamental remodeling of the system of taxation on social-economic principles. Relief of the consumer from the burden of indirect taxation, and of the producer from crippling taxation (fiscal reform and relief from taxation).(10)

Wanton printing of bank notes, without creating new values, means inflation. We all lived through it. But the correct conclusion is that an issue of non-interest bearing bonds by the state cannot produce inflation if new values are at the same time created.

The fact that today great economic enterprises cannot be set on foot without recourse to loans is sheer lunacy. Here is where reasonable use of the state's right to produce money which might produce most beneficial results.”(11)

Feder was appointed Secretary of State for Economic Affairs when the National Socialists came to power on January 30, 1933, but his efforts to implement official National Socialist economic policy were immediately frustrated by Dr. Hjalmar Schacht, who had been appointed President of the Reichsbank in March 1933. Schacht was an enigmatic character. Although he was born in Tingleff, Schleswig-Holstein in 1877, his family originally came from Hungary. In 1903 at the age of 26 he joined the Dresdner Bank, and in 1908 he became a Freemason.

He was also a student of Hebrew(12) as he deemed that knowledge of this language was necessary if one wished to advance one's career in banking.

Schacht immediately set out to destroy Feder's plans, which culminated in the latter's removal from office in August 1934, after Schacht had been appointed head of the Ministry of Economic Affairs.

This tragic dismissal may be partially attributed to Hitler's lack of a deep understanding of financial and economic matters. He admitted as much when he first met Feder in 1919,

”Thus the judgement arrived at by Gottfried Feder determined me to make a fundamental study of a question with which I had hitherto not been very familiar.”(13)

A somewhat attenuated version of monetary reform was introduced. In order to finance the state's work and rearmament programs, two dummy corporations called Gesellschaft fuer Offentliche Arbeiten (Offa) and Metallforschung Gesellschaft (Mefo) were established. These corporations accepted bills of exchange from suppliers who fulfilled state orders. These bill of exchange were then discounted at the Reichsbank at a rate of 4 percent. They were issued for three months only, which was clearly unsatisfactory in view of the long-term nature of the various projects they were financing. They could, however, be extended at three monthly intervals for up to five years.

In January 1939 matters came to a head when Schacht refused extension of RM3 billion worth of Offa and Mefo bills, because of fears of “inflation”. On January 7, 1939, he sent Hitler the following memorandum:

“1) The Reich must spend only that amount covered by

2) Full financial control must be returned to the Ministry of Finance. (Then forced to pay for anything the army desired.)

3) *Price and wage control must be rendered effective. The existing mismanagement must be eliminated.*

4) *The use of money and investment markets must be at the sole discretion of the Reichsbank. (This meant a practical elimination of Goering's Four Year Plan)"(14)*

By these means Schacht intended to collapse the German economy, which during the period 1933-39 had increased its gross national product by 100 percent. From being a ruined and bankrupt nation in January 1933 with over six million unemployed persons, Hitler had transformed Germany into a socialist paradise and the most powerful and prosperous state in the history of Europe. He angrily rejected the recommendations of the Reichsbank, describing them as "mutiny".(15)

On January 19, 1939 he sacked the impudent lackey of international finance.(16) Without further ado he instructed the Reichsbank to issue all credits requested by the state. A form of Federgeld (Feder money) was now in circulation, although the bills of exchange still attracted nominal interest.

A new Reichsbank law, which was promulgated on June 15, 1939, made the bank "UNCONDITIONALLY SUBORDINATED TO THE SOVEREIGNTY OF THE STATE."(17) Article 3 of the law decreed that the bank should be "directed and managed according to the instructions and under the supervision of the Fuehrer and Reich Chancellor."(18) Hitler was now his own banker, but having departed from the fold of international swindlers and usurers he would, like Napoleon Bonaparte, suffer the same fate: an unnecessary war followed by the ruination of his people and country.

Events quickly unraveled. On March 31, 1939, Poland received a blank check(19) from England, which unilaterally offered to guarantee her sovereignty; not only if Germany invaded Poland, but also if Poland invaded Germany! This merely served to stiffen Polish resistance to Hitler's genuine desire to achieve a permanent solution of all outstanding issues emanating from the Treaty of Versailles.

During the next five months the Polish government progressively intensified the oppression, harassment of and attacks on the 1.5 million ethnic Germans living in Poland. These attacks, in which over 58 000 German civilians were killed by Poles in an orgy of savagery, culminated in the Bromberg Massacre on September 3, 1939, in which 5 500 people were murdered. These provocations and atrocities were stoically ignored.(20) Eventually Hitler was forced to employ military intervention in order to protect the Germans in Poland.

On August 30, 1939, in an act of great statesmanship, Hitler again offered to the Poles the Marienwerder proposals,(21) namely retention of the existing 1919 borders, the return of Danzig (97% German), the construction of a 60-mile autobahn and rail link connecting West and East Prussia (from Schoenlanke to Marienwerder) and an exchange of German and Polish populations. On the orders of the international bankers, the British Foreign Secretary, Lord Halifax, strongly advised the Poles NOT to negotiate. This is how and why World War II was started. The ensuing forced war resulted in victory for the international financiers and defeat and slavery for all the people of Europe.

Today the bankers reign supreme. The European Union with its commissars in Brussels and its so called “European” Central Bank headquartered in Frankfurt,(22) increasingly resembles the old Soviet Union. However, with the recent ongoing “sovereign” debt crisis and the collapse of the Euro, the plan for a united Europe anchored in perpetual debt enslavement has received a major setback and has indeed started to disintegrate.

Notwithstanding the inability of Adolf Hitler to permanently liberate Europe, it behooves us to appreciate that what he achieved was not done in vain. It is incumbent on us to learn and understand the fundamentals of usury and to spread that knowledge relentlessly, until our material and spiritual liberties have been restored.

End Notes

1. In 1917 Feder formed an organization called the Deutscher Kampfbund gegen Zinsknechtschaft (German Fighting League for the Breaking of Interest Slavery).
2. Adolf Hitler, *Mein Kampf*, Hurst and Blackett, London, 1922, 122.
3. *Ibid.*, 124.
4. *Ibid.*, 124.
5. Gottfried Feder, *The Program of the NSDAP, The National Socialist German Workers’ Party and its General Conceptions*, translated by E.T.S. Dugdale, Fritz Eher Verlag, Munich, 1932.
6. *Ibid.*, 21.
7. *Ibid.*, 25.
8. *Ibid.*, 26.
9. *Ibid.*, 27.
10. *Ibid.*, 30.
11. *Ibid.*, 43.
12. Roger Elletson, *Monetary Parapometrics: A Case Study of the Third Reich*, Christian International Publications, Wilson, Wyoming, 1982, 16.
13. Hitler, *op.cit.*, 125.
14. Edward N. Peterson, *Hjalmar Schacht: For and Against Hitler*, The Christopher Publishing House, 179.
15. David Marsh, *The Bundesbank: The Bank That Rules Europe*, William Heinemann Ltd. London, 1992, 119.
16. David Irving, *The War Path: Hitler’s Germany 1933-1939*, Macmillan, London, 1978, 172. Footnote: “Montagu Norman, governor of the Bank of England, told the U.S. ambassador in London that Schacht was his constant informer over 16 years about Germany’s precarious financial position (U.S. Ambassador Joseph Kennedy reported this to Washington on February 27, 1939.) In 1945, Norman tried to intercede for Schacht at Nuremberg through a fellow Freemason on the British prosecuting team, Harry Phillipmore (Schacht was also a

Freemason). The U.S. team flatly rejected Phillimore's advances, but the British judge, Birkett, successfully voted for an acquittal.

17. Marsh, op.cit., 128
18. Marsh, op.cit., note 40, 300.
19. This was a check that was guaranteed to bounce, as England was only prepared to come to Poland's aid in the event of a German or Polish invasion, but not one from the Soviet Union. The Poles were unaware of this circumscription. The Soviets took by far the larger portion of Poland viz. 77 300 square miles, as opposed to the 49 800 square miles acquired by Germany.
20. David L. Hoggan, *The Forced War: When Peaceful Revision Failed*, Institute for Historical Review, Costa Mesa, California, 1989, Chap. 16, "The Terrified Germans of Poland", 388-90 and *The Lodz Riots*, 4-7.
21. *Das Letzte Angebot (The Last Offer) in Verheimlichte Dokumente-Was den Deutschen verschwiegen wird*, Fz-Verlag, Munich, 1993, 172-4. It contains all 16 points.
22. Mayer Anselm Rothschild (1743-1812) founded his banking empire in Frankfurt. He infamously counseled his five sons, "Let me control a nation's money and I care not who writes its laws."