

was a crime for U.S. companies to lend money until the loans were settled. We must remember the conditions at the time. This act was formed at the height of the great depression. After the Johnson Act, a series of national neutrality acts were passed, and are provided herewith in contrite and to the point form.

The first Neutrality Act was enacted in 1935 when Congress prohibited all arms shipments to belligerent nations, whether Nazis, Italians or Ethiopians. The act was intended to avoid actions which might involve the United States. It was, however, not thorough enough. It had its escape clauses, such as allowing the Italian war machine to buy as much oil as it needed from the United States.

The second Neutrality Act, 1936, was an extension of the first and had a "no loans and extensions of credit" clause. Domestically, the United States of America was strictly in the depression-pits. People still wore shoes with cardboard soles. Farm prices hit the skids. There were long bread lines.

Notorious gangsters, like the Barkers, Baby Face Nelson, Dillinger, and Al Karpis, still ran amok of the law. Europe and the rest of the world were generally told to solve their own problems. After all, European armies far outweighed Hitler's. America geared much of its resources for its own people and created serious programs, such as the CCC, WPA, REA, and NYA to combat economic harshness. (Historically, the rampaging gangster era by 1940-41 became a thing of the past.)

The third Neutrality Act, 1937, covered the second and also contained a resounding "keep out of Spain"

clause. It also prohibited Americans from traveling on vessels of belligerent countries. It was signed by F.D.R. on May 1, 1937.

The fourth Neutrality Act was policy from November of 1939 to November of 1941—and will be described later.

As previously stated, American foreign involvement was rather irrelevant to the conflicts in Europe and China. However, by winter of nineteen forty only a fool could negate the worldly situation and adhere to strict, isolationism.

America did not want to march into outright war—partly because we did not have anything to go with in the first place—nor did it want to leave the isolationism entirely. The average citizen consensus of this nation hoped “to help curb the violence over there” but, to stay the heck out directly! The country was very adamant on this. One of the many polls showed that some 37% of the public favored to help any government who could pay for the munitions, while another 32% showed a different opinion and wanted complete neutrality.

In regards to helping whomever, various pro-groups—this and pro-groups—that made the issue sticky and divided. For example, the Bundists, a pro-Nazi group in America, preached that they were strong politically. Few people were actually pro-Hitler—although before he declared war on the U.S., or before thae average person heard of his concentration-camp policy, Hitler looked like a “God” or prophet.

Still, many people were apprehensive that historical events would parallel those which drew the American people into World War I. For instance, if we openly aided one side at war ie. gave plenty of aid for Britain, causes Germany to hunt any pro-British vessel, which would result in them torpedoing our ship. Bingo, people would scream for war.

We must keep in mind that hostile actions do take place in war. Two that appeared were the ***City of Flint*** incident, and the sinking of the British liner ***Athenia***, which had a loss of 28 out of 300 Americans onboard (1939); the latter Germany vehemently denied that it had anything to do with it, but postwar records attested a German U-boat had sunk it. Neutrality was strained to its limits.

So now, we come to the last pre-war Neutrality Act.

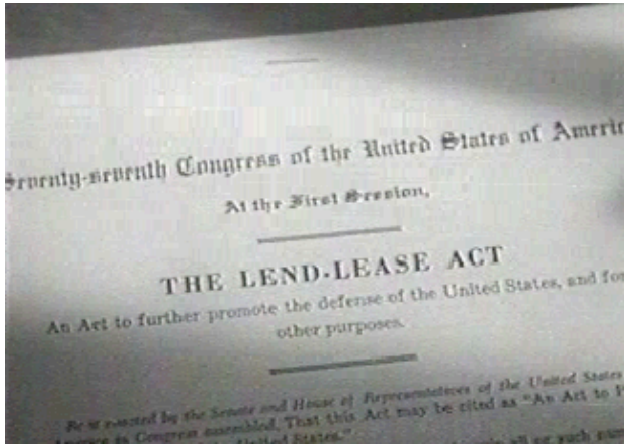
The fourth Neutrality Act worked its way around the basic idea of favoring a side. This allowed some insurance of safety. The Senate voted the bill 55 in favor, 24 opposed; the House was 243 and 172 respectively.

Working on a daily basis, it dropped all the embargoes and provided on a cash and carry basis sale of arms to belligerents. A belligerent purchaser was defined as *anyone* from any country who was not an official government purchasing agent. This meant any person could purchase, so it seemed, but since England for the most part ruled the high seas of the Atlantic, it usually meant cash-and-carry for the allies in the Atlantic.

Incidentally, Canada was at war. Withal, the act worked hand in hand with a newly established "Declaration of Panama," approved by all the Americas with the exception of Canada. The Declaration established a geographical "safety" zone of some 300 miles of sea surrounding all the Americas, in which European nations at war could not war into.

The Neutrality Act furthermore forbade, with the exception of the Pacific and the Western hemisphere, all U.S. ships from transporting the "cash and carry" munitions; forbade U.S. merchant vessels from being armed; forbade Americans to sail as passengers or sailors on any belligerent or warring vessel (there were still neutral

LEND LEASE AID



ports in Europe); and also barred U.S. vessels, including passenger liners, from sailing through carefully defined "war zones," notably the arctic routes.

With danger prevailing, and Hitler's military blockading, bombing and choking to death the people of Britain, Roosevelt did something drastic and unusual. Outweighing Britain's survival over isolationism disaster he announced the destroyer-for-bases deal; it began as a secret deal.

What began as secretive negotiations by F.D.R. and Churchill for U.S. destroyers ended up as a large deal involving leased military bases from Britain; in fact, the touchy subject was almost dropped and killed by Roosevelt when he retorted that he would not purchase "any headaches for the United States. We don't want your colonies," he once wrote the British Prime Minister.

In all events a compromise was worked out whereby key British Commonwealth bases in Newfoundland and Bermuda were freely presented to the United States, and five bases in the Caribbean were traded for fifty WWI destroyers. (Because of an old statute of 1919, the President was able to do so without contravening neutrality policy or the Walsh Act. Also, the idea that the bases were for "Defense" was evident, but still Congress voiced some passable objections.) On September 3,

America began forging her strength for defense and the assistance of the Allies.

1940, diplomatic notes relating to the transfer of 50 over-age destroyers for bases were signed by Lord Lothian, British Ambassador to the U.S., and American Secretary of State Cordell Hull. Within a month the first destroyers were sailed out of the Americas, manned by British sailors, forming part of convoys—stuffed with tons of food and supplies raised by non-government relief agencies.

“Exchange Rights”, pertaining to the vessels, and a 99-year lease of seven bases were signed by Prime Minister Winston Churchill and the new Ambassador to England, John G. Winant on March 27, 1941.

Under the agreements, the United States was given jurisdiction over bases in Newfoundland, Bahamas, Bermuda, British Guiana (Trinidad), Jamaica, Antigua, and St. Lucia. However, a commitment of fifty old stackers, as the ancient destroyers were dubbed, was not going to win the war alone—although, they were a great symbol of American-British relations. For many *U-boat captains*, they were a scourge to look at through a periscope.

The single most important act before Pearl Harbor was the Lend-Lease Act. It was passed after a long and heated debate: in the U.S. Senate 60-31, in the House 260-165. Its result brought mixed sentiments. Churchill hailed it as a “new Magna Carta.” Roosevelt called it a “commitment to collective security.” Senator Vandenberg felt he was “witnessing the suicide of the Republic,” and paradoxically some 68% of the public polled favored taking the Lend-Lease step. Nevertheless, by the close of March, 1941, Congress voted a huge \$7 billion appropriation.

Lend-Lease reversed the whole business of cash-and-carry aid. It was a remarkable way of providing aid at a