

The Strategic Impact of Lend-Lease and United States Foreign Relations during the Second  
World War.

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The deadliest war in human history is now in its fourth year. In the Soviet capital of Moscow, a small group of American journalists were gathered at the residence of the American Ambassador to the Union of the Socialist Soviet Republics, the elderly Admiral William Harrison Standley. The date was March 8, 1943. Standley had been called out of retirement to serve in this posting. He was the only still active naval officer who had seen action in the Spanish American War decades earlier. Journalists from major agencies across the nation were attending a press conference. Despite his age, Standley had just returned from a trip across the USSR to inspect the delivery of Lend-Lease material. The journalists showed little interest in the summary of the trip until one journalist asked about the amount of goods being sent. Standley then admitted, "The Russian authorities seem to want to cover up the fact that they are receiving outside help. Apparently, they want their people to believe that the Red Army is fighting this war alone."<sup>1</sup> The journalists were shocked at this admission and sought clarification. Standley reiterated what he had just said. With this confirmation, the room vacated. The journalists raced back to their office space to relay this quote to their papers and, in turn, the American people.<sup>2</sup>

Allied nations at the time of their greatest need looked to the United States of America for aid. The Lend-Lease agreements of World War II represent a dramatic and unique shift in United States aid packaging due to their unprecedented generosity and consequential impact, the lion's share of which was given unconditionally to the United Kingdom and the Union of Soviet Socialist Republics. At the end of the war over fifty billion dollars' worth of aid had been provided to nations around the world.<sup>3</sup> This equates to about \$750 billion in current value.

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<sup>1</sup> Jones, Thomas. "STANDLEY's TALK STIRS WASHINGTON". New York Times, March 9, 1943.

<sup>2</sup> Dawson, Raymond H. 1959. *The Decision to Aid Russia, 1941: Foreign Policy and Domestic Politics*. Chapel Hill: University of North Carolina Press. p. 82

<sup>3</sup> Lead Lease Administration. *1947 Report to Congress on lend-lease operations. Volume 25*, Washington: Government Printing Office P. 14

Included among the vast quantities of material the United States provided were bullets, rations, tanks and destroyers. President Roosevelt called it the “arsenal of democracy.”<sup>4</sup> Lend-Lease directly contributed to the victory of the Allied Powers and the defeat of Fascism across the globe.

The foreign policy measure of Lend-Lease provides material and financial aid from one nation to another during a war. In theory Lend-Lease material is expected to be returned to the lending nation at the conclusion of the conflict.<sup>5</sup> By the end of the Second World War almost all of the material provided by Lend-Lease was either destroyed or so badly damaged to repair and instead scrapped.<sup>6</sup> The United States government foresaw this and in the negotiations of the Lend-Lease agreements arranged the monetary value of material included in Lend-Lease. The monetary value of aid given through Lend-Lease amounted to \$50 billion. The United Kingdom received about \$31 billion and the Soviet Union received \$11 billion.<sup>7</sup> The US government’s generosity extended to many nations like Mexico, New Zealand and the Netherlands, in total thirty-six nations received aid.<sup>8</sup> Several governments in exile negotiated Lend-Lease aid to procure the resources to train and equip their military forces that assisted in the liberation of their home nations.

Lend-Lease lacks a historiography as comprehensive as other topics of the Second World War. The study of the Second World War benefits from a vast historiography and the careers of many accomplished historians have been dedicated to this field of study. Extensive research on

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<sup>4</sup> Franklin D. Roosevelt 1940 December fireside chat, <https://millercenter.org/the-presidency/presidential-speeches/december-29-1940-fireside-chat-16-arsenal-democracy> accessed 9/5/19

<sup>5</sup> Dobson, Alan P. 1986. *Us Wartime Aid to Britain, 1940-1946*. New York: St. Martin's Press. p. 13

<sup>6</sup> Lend Lease Administration. *1947 Report to Congress on lend-lease operations. Volume 25* p. 33

<sup>7</sup> *Ibid* p. 5, 11

<sup>8</sup> *Ibid* p.22

this topic yielded a wealth of primary sources and government reports. Edward Stettinius Jr. wrote the first two books that cover Lend-Lease. Stettinius served as the first administrator of the Office of Lend-Lease Administration. *Lend-Lease, Weapon for Victory* penned in two editions primarily served as part of the United States government's public relations campaign to convince the American public of the importance of Lend-Lease. The second edition contains Stettinius' firsthand account of the negotiations he assisted in with The Allied powers. The State Department document archives contained in *Foreign Relations of the United States* provide an invaluable resource of primary documents of the State Department during the Second World War. The executive agreements between the United States and both the United Kingdom and Soviet Union governing Lend-Lease explain the generous nature of Lend-Lease. The source book *Documents on Russian-American Relations: Washington to Eisenhower* contains many of the key communications between American and Soviet leaders. *World War II: A Statistical Survey: The Essential Facts and Figures for All the Combatants* edited by John Ellis contains a bevy of key statistics and data related to the conflict. The Lend-Lease Administration created a series of reports for the Congressional oversight committees. The 25<sup>th</sup> of these reports from 1947 contains an overview of the Lend-Lease fiscal costs. These primaries formed the bedrock of this project.

During the Cold War and more recent years, several historians and economists penned works that either had a focus on a Lend-Lease aid to a specific nation or the global program as a whole. These works include *The Decision to Aid Russia, 1941: Foreign Policy and Domestic Politics* by Raymond H. Dawson, *Us Wartime Aid to Britain, 1940-1946* by Alan P. Dobson, and *Aid to Russia, 1941-1946 : Strategy, Diplomacy, the Origins of the Cold War* by George C. Herring to name a few. Albert Loren Weeks wrote in 2004 *Russia's lifesaver: lend-lease aid to*

*the U.S.S.R. in World War II*. Several historians have covered the economic and industrial impact of Lend-Lease in their books. Recent books on the United States economy during the war include *Freedom's Forge: How American Business Produced Victory in World War II* by Arthur Herman and *A Call to Arms: Mobilizing America for World War II* by Maury Klein. Klein wrote the definitive narrative history of this epic struggle and the transformation of America with a deep and vivid prose. These books formed the foundation of secondary source research for this project.

The Axis powers gained a clear strategic advantage with their rapid conquests in the opening years of World War II. In a decisive campaign, the German military dominated Poland and called the Allies' bluff of their guaranteed support of Poland. Neither the United Kingdom nor the French Third Republic honored their treaty with Poland, leaving the nation to once more be divided as spoils between foreign nations.<sup>9</sup> Germany now prepared to assault the Western Allies after the spring thaw. Meanwhile Italy began its own preparations to assert dominance in the Mediterranean and North Africa. When Germany struck the Allied nations like a whirlwind, the now famous Blitzkrieg raced into Allied nations.<sup>10</sup> Striking through the neutral Low Countries, the German military cut much of the Allied military forces in half. Many German armored divisions outpaced their infantry counterparts and were halted to allow the invasion to regroup.<sup>11</sup> This brief pause and the heroic defense of several French units allowed the Dunkirk evacuation to occur. However, France soon capitulated on June 22, 1940 and the United

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<sup>9</sup> Liddell Hart, Basil Henry. 1971. *History of the Second World War*. 1st American. New York: Putnam. P. 40

<sup>10</sup> Ibid p. 66

<sup>11</sup> Weinberg, Gerhard L. 1994. *A World at Arms: A Global History of World War II*. Cambridge England: Cambridge University Press. P. 77

Kingdom effectively stood alone against the German military at its zenith.<sup>12</sup> This was truly the darkest hour for the British Empire.

The rapid defeat of all European nations except the United Kingdom in 1939 to 1940 necessitated Churchill to appeal to the United States for emergency aid. With the loss of almost all the British Expeditionary Force's equipment at Dunkirk and the U-boat blockade, Germany had a clear advantage.<sup>13</sup> This coupled with the rapid advances of Rommel and the Afrika Korps toward the oil fields of the Middle East meant that the US must commit to aiding in the war effort.<sup>14</sup> President Roosevelt understood that he faced massive opposition in Congress.<sup>15</sup> The United States Army was still a relatively small volunteer force with only a handful of combat divisions.<sup>16</sup> Despite all the opposition he knew he would face in Congress and from the American public due to the current climate of neutrality and isolationism in the United States, Roosevelt committed to assisting the Allies.<sup>17</sup>

American foreign policy considered the growing tensions in Europe long before Lend-Lease's implementation. Lend-Lease's strategic impact is clear with an understanding of foreign policy before its passage. The American public was wary of involvement in more bloodshed after the heavy losses of the Great War.<sup>18</sup> The Great Depression presented a much more important issue for the public and the United States government to focus on allocating resources.

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<sup>12</sup> Willmott, H. P. 1991. *The Great Crusade: A New Complete History of the Second World War*. 1st Free Press pbk. New York: Free Press. P. 157

<sup>13</sup> Weinberg, Gerhard L. *A World at Arms: A Global History of World War II* P. 80

<sup>14</sup> Willmott, H. P. *The Great Crusade: A New Complete History of the Second World War*. p. 188

<sup>15</sup> Divine, Robert A, and Mazal Holocaust Collection. 1965. *The Reluctant Belligerent: American Entry into World War II*. America in Crisis. New York: John Wiley & Sons. P. 102

<sup>16</sup> Ellis, John. 1993. *World War II: A Statistical Survey: The Essential Facts and Figures for All the Combatants*. New York, NY: Facts on File. P. 228

<sup>17</sup> Divine, Robert A, and Mazal Holocaust Collection. *The Reluctant Belligerent: American Entry into World War II*. P. 175

<sup>18</sup> Casey, Steven. 2001. *Cautious Crusade: Franklin D. Roosevelt, American Public Opinion, and the War against Nazi Germany*. Oxford: Oxford University Press. P. 23

The United States Congress passed three neutrality laws in 1935, 1937, and 1939 respectively.<sup>19</sup> Each of these laws responded to the growing conflicts around the globe. Roosevelt publicly opposed this aggression, but the United States chose not to intervene in these conflicts. The 1937 act responded directly to the Spanish civil war for example.<sup>20</sup> Germany, Italy, and Japan continued to annex more land around the globe. As war loomed in Europe, many Americans were uncertain about US involvement in a potential second cataclysmic war. With the worst years of the depression over and the economy firmly on the path of recovery, Franklin Roosevelt ran for an unprecedented third presidential term in 1940. The American people elected Roosevelt over his opponent Wendell Willkie of Indiana.<sup>21</sup> In breaking the precedent of George Washington, the United States would now not face a change of government during the now waging of the Second World War. Roosevelt, despite his open support of neutrality in the election campaign, did not maintain true neutrality. A policy measure that would assist The Allied Powers while in the confines of neutrality was needed. Cash and carry answered the initial need but with some limitations.

In the weeks after the German invasion of Poland the US government implemented cash and carry. This bill augmented the Neutrality Act of 1937 by permitting the sale of military hardware to belligerent nations in conflicts in which the US did not participate.<sup>22</sup> However, those nations had to pay cash for the goods up front and provide all necessary transportation.<sup>23</sup> The Atlantic Ocean and the German U-boat blockade caused the European Allies to have difficulty

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<sup>19</sup> Divine, Robert A, and Mazal Holocaust Collection. *The Reluctant Belligerent: American Entry into World War II*. p. 102

<sup>20</sup> Ibid p. 132

<sup>21</sup> Weinberg, Gerhard L. 1994. *A World at Arms: A Global History of World War II*. p. 323

<sup>22</sup> Divine, Robert A, and Mazal Holocaust Collection. *The Reluctant Belligerent: American Entry into World War II*. P. 43

<sup>23</sup> Divine, Robert A, and Mazal Holocaust Collection. *The Reluctant Belligerent: American Entry into World War II*. P. 57

fulfilling the transportation need of cash and carry. Congress passed the Neutrality Act of 1939 in November and repealed the previous two Neutrality Acts. This new law guaranteed the continuation of cash and carry with better defined provisions. However, US citizens could not sail ships into belligerent ports or trade directly with belligerent nations. Great Britain and France wished to continue normal economic trade with the US as well as purchase military hardware and munitions.<sup>24</sup> The Allied nations purchased a small amount of hardware with cash and carry. Both nations had limited cash reserves in the US and transporting large amounts of gold and currency across the Atlantic was hazardous.<sup>25</sup> Cash and carry did not last with these limitations. Roosevelt and his policy advisors understood this. Lend-Lease proved to be a much better solution. Cash and carry did however prove that even in the opening weeks of the Second World War the United States was committed to assisting the European allies. The United States Congress repealed the Neutrality Act of 1939 in November of 1941 apart from Cash and carry which remained a foreign policy device of the United States government in the Cold War era.<sup>26</sup>

President Roosevelt gave the task of developing the policy that would enable the United States to better support the Allied Powers to one of his most accomplished subordinates, Harry Hopkins.<sup>27</sup> Secretary of Commerce Harry Hopkins had held key role in the development of New Deal policies. Hopkins was a member of Roosevelt's inner circle and wielded considerable power and influence. He worked so closely with Roosevelt that he was given a room in the White House.<sup>28</sup> Hopkins began developing the concept of Lend-Lease in the fall of 1940. In December, Roosevelt convened a press conference to present the new idea to the press. Using the

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<sup>24</sup> Biggs, Barton. 2009. *Wealth, War and Wisdom*. John Wiley & Sons. P. 43

<sup>25</sup> Ibid p.55

<sup>26</sup> Herman, Arthur. 2012. *Freedom's Forge: How American Business Produced Victory in World War II*. 1st ed. New York: Random House. P. 190

<sup>27</sup> Stettinius, Edward R. *Lend-Lease, Weapon for Victory*. P. 12

<sup>28</sup> Herman, Arthur. *Freedom's Forge: How American Business Produced Victory in World War II*. P. 45



now famous house fire and garden hose analogy, Roosevelt stressed that any material that was provided would be expected to be returned.<sup>29</sup> He told reporters, "Suppose my neighbor's home catches fire, and I have a length of garden hose four or five hundred feet away. If he can take my garden hose and connect it up with his hydrant, I may help him to put out his fire...I don't say to him before that operation, "Neighbor, my garden hose cost me \$15; you have to pay me \$15 for it."... I don't want \$15--I want my garden hose back after the fire is over."<sup>30</sup> President Roosevelt encouraged the United States Congress to pass a bill as quickly as possible.

After the New Deal legislation, the Lend-Lease Act was one of the most important pieces of legislation of the Roosevelt Administration. Officially entitled An Act to Promote the Defense of the United States, it empowered the president to provide aid and military materials to Allied nations during the war. The act provided the president with the flexibility of defining what was necessary to promote the defense of the United States. This power was any defense article for the government of any country whose defense the President deems vital to the defense of the United States.<sup>31</sup> The method of repayment was left to the executive decision of the president as well. While it was debated hotly, the bill passed both Houses quickly and was signed into law on March 11, 1941.<sup>32</sup> Roosevelt immediately directed the creation of the Office of Lend-Lease Administration to manage the procurement and delivery of material. Edward Stettinius Jr. was named its first administrator. He was an experienced businessman and former chairman of US Steel. Stettinius would hold this position until September of 1943.<sup>33</sup> Next came the duty of the

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<sup>29</sup> Herman, Arthur. *Freedom's Forge: How American Business Produced Victory in World War II*. p.55

<sup>30</sup> Franklin D. Roosevelt. 1940. Franklin Roosevelt's Press Conference December 17, 1940. <http://docs.fdrlibrary.marist.edu/odlpc2.html> Accessed 9/14/19

<sup>31</sup> An Act to Promote the Defense of the United States, dated January 10, 1941. Records of the U.S. House of Representatives, HR 77A-D13, Record Group 233, National Archives.

<sup>32</sup> Herman, Arthur. *Freedom's Forge: How American Business Produced Victory in World War II*. p. 70

<sup>33</sup> Stettinius, Edward R. 1944. *Lend-Lease, Weapon for Victory*. New York: Macmillan Company p. 10

Foreign Service to meet with the beleaguered leaders of The Allied powers to negotiate the agreements that would enable their nations to receive Lend-Lease aid. All Allied nations received Lend-Lease aid of some kind. Lend-Lease was critical to not only Allied victory in Europe but also in the Pacific theater.

The Destroyers for Bases Agreement was the first major aid package sent to the British. Before Lend-Lease was even formulated, The United Kingdom was in desperate need of reinforcing their aging naval fleet. The losses in the Battle of the Atlantic put a heavy strain on the Royal Navy, with the responsibility to defend not only the Home Islands, but many far flung colonies. During 1940 alone the allies lost over 3.6 million tonnage worth of naval and merchant ships. The costliest month was June with 505,000 tonnage lost.<sup>34</sup> The Wolf Pack tactics of Kriegsmarine U-boats was inflicting most of these losses. The British government struck a deal with the United States government to alleviate the warship losses. The United States provided 50 older destroyers in exchange for leases of several military bases the United Kingdom owned in the Western Hemisphere.<sup>35</sup> The two nations finalized The Destroyers for Bases Agreement on September 2, 1940 with negotiations conducted by United States Secretary of State Cordell Hull and British Secretary of State for Foreign Affairs Edward Wood.<sup>36</sup> The Bases were located, “on the eastern side of the Bahamas, the southern coast of Jamaica, the western coast of St. Lucia, the west coast of Trinidad in the Gulf of Paria, in the island of Antigua and in British Guiana within

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<sup>34</sup> Ellis, World War II: A Statistical Survey: The Essential Facts and Figures for All the Combatants. p.266-267

<sup>35</sup> Destroyers for Bases Agreement, 2 September 1940, *Private Laws, Concurrent Resolutions, Treaties, International Agreements Other Than Treaties, and Proclamations*. Part 2 of *United States Statutes At large Containing the Laws and Concurrent Resolutions Enacted During the Second and Third Sessions of the Seventy-Sixth Congress of the United States of America, 1939-1941, and Treaties, International Agreements Other Than Treaties, Proclamations, and Reorganization Plans*. Vol. 54. (Washington: Government Printing Office, 1941), 2406-2408.

<sup>36</sup> Goodhart, Philip. 1965. *Fifty Ships That Saved the World: The Foundation of the Anglo-American Alliance*. [1st ed. in the U.S.A.]. Garden City, N.Y: Doubleday. P. 15

fifty miles of Georgetown.”<sup>37</sup> The lease would last for 99 years with no rent payments necessary to the British government.<sup>38</sup> Of note is that all these locations have since been closed permanently or turned over to Canadian authority.

The Royal Navy designated the newly transferred destroyers as the Town Class.<sup>39</sup> These vessels played a key role in the Allied war effort. HMS Campbeltown had a historic impact. Campbeltown was part of the British raid on the key German controlled French port of St Nazaire. This port was one of only a handful of Atlantic ports that had repair facilities large enough to service the Kriegsmarine’s capital ships like Tirpitz.<sup>40</sup> During Operation Chariot a large force of Royal Navy Commandos and Royal Naval personnel attacked the dry docks. The Campbeltown was disguised like a German ship and loaded with high explosives. The losses incurred in the raid were heavy, however, it was a success as Campbeltown rammed the giant gate and the warship exploded.<sup>41</sup> This massive explosion permanently disabled the dry dock. The sacrifice of the Campbeltown and her crew prevented any German capital ship from being repaired outside of Germany.<sup>42</sup> The positive impact of the agreement set the groundwork for the negotiation of the Lend-Lease.

In the spring of 1941, the United States government prepared to provide Lend-Lease aid to the Western Allies. The Destroyers for Bases Agreement was not directly considered part of Lend-Lease but was still a clear element of US war aid to the United Kingdom. Lend-Lease aid dwarfed the Bases Agreement in sheer scale. After the passage of the Lend-Lease Act, Churchill

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<sup>37</sup> Destroyers for Bases Agreement

<sup>38</sup> Destroyers for Bases Agreement

<sup>39</sup> Goodhart, Philip. *Fifty Ships That Saved the World: The Foundation of the Anglo-American Alliance* P. 20

<sup>40</sup> Henshaw, John. 2018. *Town Class Destroyers: A Critical Assessment*. Wiltshire, England: Crowood Press. P. 55

<sup>41</sup> The attack on St. Nazaire, 1942 Plymouth Command, The London Gazette Supplement 38086 September 1947

<sup>42</sup> Goodhart, *Fifty Ships That Saved the World: The Foundation of the Anglo-American Alliance*. p. 55

proclaimed in a radio speech, “The Lease-Lend Bill must be regarded without question as the most unsordid act in the whole of recorded history.”<sup>43</sup> In total over \$31 billion of aid was provided during the remainder of the war.<sup>44</sup> Negotiations began in earnest in the spring of 1941. Harry Hopkins stepped down as Commerce Secretary to focus on foreign negotiations of Lend-Lease. American diplomats led by both Hopkins and Secretary of State Cordell Hull made several trips to London. These delegations had an unprecedented amount of flexibility as they were acting on the authority of the President, who had by the Lend-Lease Act the sole authority to deem what was necessary for the defense of the United States of America.<sup>45</sup> The negotiations are recorded in the official records of the US State Department. These documents provide a clear picture of these critical talks. President Roosevelt directed Hull to secure collateral in advance of shipment: “Although I presume the agreement will not provide primarily for a return to the United States of cash, I think, nevertheless, you should consult with Secretary Morgenthau (Treasury Secretary) in regard to the broad provisions of the agreement”.<sup>46</sup> The British economy was in crisis as a consequence of the naval blockade and running short on all manner of goods. Strict rationing alleviated some of the pressure, but the British government was quickly running out of money. The British Ambassador Lord Halifax made it clear that Lend-Lease had to include food and monetary loans.<sup>47</sup> The United States delegation was slow to agree to this provision but came around by the summer of 1941. These important meetings led to the first shipment of Lend-Lease to depart for Britain and her overseas territories.

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<sup>43</sup> Churchill, Winston, and Charles Eade. 1943. *The End of the Beginning: War Speeches*. Speeches / Winston S. Churchill. London: Cassell and Company LTD. P. 265

<sup>44</sup> Lend Lease Administration. *1947 Report to Congress on lend-lease operations. Volume 25* p. 6

<sup>45</sup> Kimball, Warren F, and Mazal Holocaust Collection. 1969. *The Most Unsordid Act: Lend-Lease, 1939-1941*. Baltimore: Johns Hopkins Press p.215

<sup>46</sup> Foreign Relations of the United States Diplomatic Papers, 1941, The British Commonwealth; The Near East and Africa, Volume III P. 5-6

<sup>47</sup> Kimball, Warren F, and Mazal Holocaust Collection. *The Most Unsordid Act: Lend-Lease, 1939-1941*. p.223

The early shipments of Lend-Lease material were limited compared to shipments in the following years but represented the United States' commitment to the preservation of the United Kingdom. These shipments consisted mostly of food, surplus equipment, and older combat aircraft.<sup>48</sup> The Great Depression had caused the US military to remain relatively small. The United States did not have a large amount of surplus, but the Roosevelt Administration committed none the less.<sup>49</sup>

President Roosevelt and Prime Minister Churchill met at the Atlantic Conference in August of 1941 to determine the future of Allied cooperation. This historic meeting was held in Placentia Bay, Newfoundland aboard the USS Augusta.<sup>50</sup> Only a few weeks prior Germany had invaded the USSR. With American commitment to support the communists, all pretense of neutrality was dropped. While the United States had not officially declared war, Roosevelt and his Administration's rhetoric was now firmly supportive of The Allied Powers. Roosevelt and Churchill spent a significant amount of time in high level meetings to determine the course of their two nations' goals in the evolving war in Europe.<sup>51</sup> Roosevelt lacked the full support of Congress join in the European war by declaring war against Germany, thus frustrating Churchill. However, in these meetings Roosevelt and Hopkins cemented Churchill's support for the defense of the USSR. With key compromises made, the Atlantic Charter was signed by both Roosevelt and Churchill on August 14<sup>th</sup>, 1941.<sup>52</sup>

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<sup>48</sup> Ibid p. 232

<sup>49</sup> Klein, Maury. 2015. *A Call to Arms: Mobilizing America for World War II*. Paperback. New York: Bloomsbury Press. p. 375

<sup>50</sup> Kimball, Warren F, and Mazal Holocaust Collection. *The Most Unsordid Act: Lend-Lease, 1939-1941* p. 212

<sup>51</sup> Divine, Robert A, and Mazal Holocaust Collection. *The Reluctant Belligerent: American Entry into World War II*. p. 270

<sup>52</sup> Atlantic Charter. 1941 <https://avalon.law.yale.edu/wwii/atlantic.asp> accessed 9/21/19

The Atlantic Conference provided an important meeting of senior United States and British Military leaders. The military situation in Europe and the Mediterranean had swung in favor of The Axis. Greece fell to a combined German and Italian invasion in April.<sup>53</sup> The Commonwealth garrison on Crete had to be evacuated a month later in response to a successful German paratrooper assault. The Axis Powers blockaded Malta and were using Crete as a base to launch aerial sorties into North Africa.<sup>54</sup> The United Kingdom needed to replace the equipment lost in these battles and quickly.<sup>55</sup> American generals now accepted that American troops may soon be deployed abroad and would need this equipment as well. The United States government was growing increasingly worried at the aggression of Japan in the east and American military assets were stretched thin. Trade sanctions and embargos had been placed on Japan to discourage its advances in China.<sup>56</sup> Japan saw the United States as vulnerable and prepared a massive offensive across the Pacific to occur at the end of 1941.<sup>57</sup>

The unprovoked Japanese attack on Pearl Harbor on December 7<sup>th</sup>, 1941 propelled the US into the Second World War. The sleeping giant had been rudely awoken. In one of the most important speeches in United States history, Roosevelt proclaimed: "I believe that I interpret the will of the Congress and of the people when I assert that we will not only defend ourselves to the uttermost, but will make it very certain that this form of treachery shall never again endanger us."<sup>58</sup> Within the week, both Germany and Japan had honored their pact with Japan and declared war on the United States of America.<sup>59</sup> The US could now provide unrestricted and

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<sup>53</sup> Willmott, H. P. *The Great Crusade: A New Complete History of the Second World War*. P 198

<sup>54</sup> Ibid p. 423

<sup>55</sup> Kimball, *The Most Unsordid Act: Lend-Lease, 1939-1941*. P. 250

<sup>56</sup> Weinberg, Gerhard L. 1994. *A World at Arms: A Global History of World War II*. p. 371

<sup>57</sup> Ibid p. 375

<sup>58</sup> <http://www.ushistory.org/documents/infamy.htm> accessed 11/2/19

<sup>59</sup> Weinberg, Gerhard L. 1994. *A World at Arms: A Global History of World War II*. p. 382

unprecedented aid to The Allied Powers. Roosevelt called an emergency conference with Churchill. The Arcadia Conference occurred from December 22, 1941, to January 14, 1942 and was key to the development of Allied military strategic goals. Both Roosevelt and Churchill agreed to a “Germany First” priority<sup>60</sup>. Defeating the Afrika Korps and liberating North Africa was key to this. The “soft underbelly” of Southern Europe would then be open to attack.

The Anglo-American Mutual Aid Agreement cemented Lend-Lease aid from the United States to the United Kingdom. Secretary Hull and Ambassador Halifax negotiated the agreement from June 1941 to February 1942. Hull wanted guarantees that, “All materials which we obtain under the Lend-Lease Act are required for the prosecution of the war effort.”<sup>61</sup> The British Cabinet agreed to this provision except in the case of food. Final negotiations of the agreement occurred during the Arcadia Conference. Churchill did not give his approval until after the conference ended as he “was too preoccupied to take the matter up here and that he would be obliged to wait until his return to London.”<sup>62</sup> Sumner Welles, Acting Secretary of State, and Ambassador Halifax signed the Anglo-American Mutual Aid Agreement on February 28, 1942. The agreement specified, “Aid furnished ... the terms and conditions thereof shall be such as not to burden commerce between the two countries, but to promote mutually advantageous economic relations between them and the betterment of world-wide economic relations.”<sup>63</sup> The United States sought “the reduction of tariffs and other trade barriers.”<sup>64</sup> Alongside the Lend-Lease

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<sup>60</sup> Dobson, Alan P. 1986. *Us Wartime Aid to Britain, 1940-1946*. New York: St. Martin's Press. P. 144

<sup>61</sup> *Foreign Relations of the United States Diplomatic Papers, 1941, The British Commonwealth; The Near East and Africa, Volume III* p. 17

<sup>62</sup> *Ibid* p.54

<sup>63</sup> *Anglo-American Mutual Aid Agreement: February 28, 1942 Department of State Bulletin, February 28, 1942.* Washington, DC: Government Printing Office, 1942.

<sup>64</sup> *Ibid*

negotiations, Secretary Hull laid the groundwork for the United Nations. In return for the Lend-Lease aid, the United Kingdom agreed to assist in that organization's creation.

Most of the documents mentioned in this project were executive agreements and not a treaty. The Constitution requires the United States Senate to ratify a treaty after the president signs the treaty for it to go into effect. This process can take some time as the Senate can hold a treaty in committee and slow its implementation. An executive agreement does not have this requirement and is used to enable enforcement on a faster timetable.<sup>65</sup>

Other nations quickly began petitioning the United States for Lend-Lease aid to strengthen their war effort. The United States State Department sent diplomats around the globe to negotiate these agreements.<sup>66</sup> Preparation began quickly for the invasion of Europe and millions of Allied troops mustered in the United Kingdom. The United States was the "Arsenal of democracy" and the United Kingdom was the "barracks of democracy".

The Allied Powers began the liberation of occupied nations not in Europe first, but in North Africa. The Allied generals understood that cutting Axis forces off from the valuable resources of North Africa and the Middle East would reduce their long-term strategic capabilities.<sup>67</sup> The British held the Germans in Egypt. Lend-Lease supplies arrived by way of both the Mediterranean and the Red Sea. Allied troops landed in Algeria in November of 1942. Stettinius notes that he traveled personally to the theater to organize the supply lines of both Lend-Lease and relief aid.<sup>68</sup> The surge of troops and supplies overwhelmed the Axis armies and

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<sup>65</sup> Dobson, Alan P. *Us Wartime Aid to Britain, 1940-1946*. p.174

<sup>66</sup> Stettinius, Edward R. *Lend-Lease, Weapon for Victory*. p. 176

<sup>67</sup> Ibid p. 243

<sup>68</sup> Ibid p. 249



on May 14, 1943, Axis forces surrendered.<sup>69</sup> The Allied Powers achieved an important victory and now prepared to launch invasions on Sicily, Italy, and eventually France.

The Allied invasion of Normandy began on June 6, 1944. The assault succeeded through both the determination of Allied soldiers and Lend-Lease hardware. The Allies prepared and armed for several years to execute the invasion effectively. Troops from many nations participated. Many of the non-American troops were armed with weapons and hardware produced in the United States.<sup>70</sup> The invasion established a foothold in France. Within a few months Allied troops liberated France. In Eastern Europe, Soviet troops advanced on Germany armed with Lend-Lease material and hardware.<sup>71</sup> The Soviet conquest of Axis occupied land was in stark contrast to the near defeat of the Soviet Union only a few years prior. Lend-Lease aid assisted in The Allied Powers victories over The Axis Powers in Western Europe and assisted in the Soviets defeat of The Axis Powers in Eastern Europe

The Molotov–Ribbentrop Pact between Germany and the Soviet Union did not last long after the invasion of Poland. Hitler ordered his generals to plan to invade the Soviet Union.<sup>72</sup> Operation Barbarossa quickly caused the need for providing Lend-Lease aid to the Union of the Socialist Soviet Republics. One of the largest military operations in European history occurred in June of 1941 when The Axis Powers invaded the Union of Soviet Socialist Republics. Millions of soldiers backed by thousands of tanks streamed into the Communist controlled lands<sup>73</sup>. The Soviet military fought hard to defend against the invasion, but by October, German forces

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<sup>69</sup> Willmott, H. P. *The Great Crusade: A New Complete History of the Second World War*. p. 345

<sup>70</sup> Dobson, Alan P. *Us Wartime Aid to Britain, 1940-1946*. p. 170

<sup>71</sup> Jones, Robert Huhn. 1969. *The Roads to Russia: United States Lend-Lease to the Soviet Union*. [1st ed.]. Norman: University of Oklahoma Press. p. 270

<sup>72</sup> Weinberg, Gerhard L. *A World at Arms: A Global History of World War II* p. 375

<sup>73</sup> Ellis, John. *World War II: A Statistical Survey: The Essential Facts and Figures for All the Combatant* p.167

advanced on Moscow's doorstep.<sup>74</sup> Roosevelt and his advisors saw that the USSR desperately needed Lend-Lease aid to survive the Axis invasion.

The USSR and the United States had a complicated foreign relationship in 1941. The two nations had no formal delegations to one another during the period from the October Revolution in 1917 until the early 1930s. In 1933, Roosevelt reestablished formal relations and appointed the first ambassador to the communist nation.<sup>75</sup> The USSR and United States America did not come to any lasting trade agreements, but the foundation for future deals were laid. The Molotov-Ribbentrop Pact did sourer relations. Isolationists in the United States called for their country not to provide aid to the communists.<sup>76</sup> Politicians on both sides of the aisle in Congress held strong anti-communist positions. Roosevelt's position changed as the war progressed. The President denounced Soviet aggression against Finland during a speech in 1939.<sup>77</sup> This presents the conclusion that Roosevelt's change of heart may have been pragmatic in nature alone. The State Department sent Sumner Wells, the Under Secretary of State, in the summer of 1940 to the USSR to meet with Soviet leaders. He reported back to Washington that the alliance between the USSR and Germany was unstable and would not last long.<sup>78</sup>

Roosevelt's mood towards the USSR improved. He passed along secret intelligence to Stalin about German invasion plans in the weeks before Barbarossa.<sup>79</sup> Hopkins was a vocal supporter of the USSR in Roosevelt's inner circle. Hopkins implored the President to provide the

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<sup>74</sup> Weinberg, Gerhard L. *A World at Arms: A Global History of World War II* p. 400

<sup>75</sup> Dawson, Raymond H. 1959. *The Decision to Aid Russia, 1941: Foreign Policy and Domestic Politics*. Chapel Hill: University of North Carolina Press P. 10

<sup>76</sup> Divine, Robert A, and Mazal Holocaust Collection. *The Reluctant Belligerent: American Entry into World War II*. p. 194

<sup>77</sup> Weeks, Albert Loren. 2004. *Russia's lifesaver: lend-lease aid to the U.S.S.R. in World War II*. Lanham, Md: Lexington Books. p. 53

<sup>78</sup> Dawson, Raymond H. *The Decision to Aid Russia, 1941: Foreign Policy and Domestic Politics*. P. 16

<sup>79</sup> Weeks, Albert Loren. *Russia's lifesaver: lend-lease aid to the U.S.S.R. in World War II*. Lanham p. 101

USSR with Lend-Lease aid even before the invasion. Now Hopkins was vindicated and on July 10, 1941 the Soviet ambassador met with Roosevelt. Konstantin Umansky came cap in hand, Stalin had requested an emergency shipment of military aircraft.<sup>80</sup> Roosevelt ordered the Lend-Lease Administration to begin preparations for sending aid to the besieged Soviets. Roosevelt deployed Hopkins to Moscow to begin negotiations on July 26.<sup>81</sup>

Hopkin's trip to Moscow sent clear indication to the Soviet government of Roosevelt's commitment to the preservation of the USSR. The common enemy of Axis fascism brought together both democratic and authoritarian nations. Hopkins garnered the support of the government of the United Kingdom during his travel to Moscow.<sup>82</sup> Churchill had been a vocal opponent to communism in the past but knew that a two front war was the United Kingdom's benefit. Hopkins only spent a few days in Moscow as he had to return for the Atlantic Conference. He met with Stalin at the Kremlin twice, to lay the groundwork for a future Allied diplomatic delegation trip in the fall of 1941.<sup>83</sup> Stalin was informed that the United States would send material, supplies, and food in the form of Lend-Lease to the USSR. The meetings with Stalin were key to Hopkin's other objective. Roosevelt wanted him to assess the status of the USSR as early reports from the front made it appear that the country would not last long.<sup>84</sup> Hopkins directly asked Stalin of the military status of the frontline. In his report to President Roosevelt, Hopkins provided a rebuke of the grim picture that permeated about the Soviet

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<sup>80</sup> Dawson, *The Decision to Aid Russia, 1941: Foreign Policy and Domestic Politics*. p.142

<sup>81</sup> Weeks, Albert Loren. *Russia's lifesaver: lend-lease aid to the U.S.S.R. in World War II*. Lanham p. 107

<sup>82</sup> Weeks, Albert Loren. *Russia's lifesaver: lend-lease aid to the U.S.S.R. in World War II*. Lanham p. 108

<sup>83</sup> Weeks, Albert Loren. *Russia's lifesaver: lend-lease aid to the U.S.S.R. in World War II*. Lanham p. 110

<sup>84</sup> Jones, Robert Huhn. *The Roads to Russia: United States Lend-Lease to the Soviet Union*. p. 175

defense. Stalin convinced him that the Soviets would not falter and collapse. Hopkins recommended that aid be sent to the Soviets without delay.<sup>85</sup>

Roosevelt wrote Stalin personally after Hopkins' report on the state of the Soviet defense him. He wrote, "We are at the moment cooperating to provide you the very maximum of supplies that you most urgently need. Already many shiploads have left our shores, and more will leave in the future."<sup>86</sup> Roosevelt declared that the defense of the Soviet Union from Germany was vital to the defense of the United States of America. He continued in his letter: "We realize fully how vitally important to the defeat of Hitlerism is the brave and steadfast resistance of the Soviet Union and we feel therefore we must not in any circumstance delay to act quickly and immediately in this matter of planning the program for the future of allocation of our joint resources."<sup>87</sup> Roosevelt ordered the Lend-Lease Administration to prepare emergency shipments for transport to the Soviet Union.

It was now time for the nations of The Allied Powers to negotiate the terms of Lend-Lease to the Union of Soviet Socialist Republics. The Moscow conference was held from September 29<sup>th</sup> to October 1<sup>st</sup>, 1941. During the Atlantic conference, Roosevelt convinced the United Kingdom to participate in this conference as equals.<sup>88</sup> W. Averell Harriman represented the United States of America and Max Aitken represented the United Kingdom. Harriman had been part of the negotiations with the United Kingdom with involvement at the Atlantic Conference the month prior. He hailed from a wealthy New England banking family. He joined

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<sup>85</sup> Ibid p. 180

<sup>86</sup> Jados, Stanley S, ed. 1965. *Documents on Russian American Relations: Washington to Eisenhower*. Washington, D.C.: Catholic University of America Press. p.94

<sup>87</sup> Ibid p.94

<sup>88</sup> Weeks, Albert Loren. *Russia's lifesaver: lend-lease aid to the U.S.S.R. in World War II*. Lanham, Md: Lexington Books. P. 47

the State Department as a special envoy at Roosevelt's request. Roosevelt wrote to Stalin just before the delegation's arrival, "Mr. Harriman is well aware of the strategic importance of your front and will I know, do everything that he can to bring negotiations in Moscow to a successful conclusion."<sup>89</sup> Aitken held the position of Minister of Supply in Churchill's war cabinet. The USSR diplomats received requests directly from Stalin on addressing the most pressing material shortages. The Western delegations in turn had direct lines to their respective governments.

Stalin attended several sessions personally to emphasize the importance of these meetings to the survival of his nation. He also wanted to know the routes that the deliveries would be taking to arrive in country. The conference representatives determined that delivery by way of Alaska and the North Atlantic would constitute the bulk of delivery routes. The United Kingdom reached an agreement that it would transfer or loan several of its warships to bulk up the fledgling Red Fleet.<sup>90</sup> The delegations then turned to payment methods. The United Kingdom expected some financial compensation as their government was being bankrupted to fund their part of the war. The United States on the other hand made no such demands. Roosevelt had directly told the American delegation that that conversation would happen later in the war when he would meet with Stalin personally.<sup>91</sup> Stalin agreed to send gold in return for the successful delivery of British aid.<sup>92</sup> The conference was a resounding success despite Stalin's high expectations. In the end, the USSR would be receiving strategically vital material reinforcement from the United States of America and United Kingdom. The Three Powers signed the Moscow Supply Protocol.<sup>93</sup> Stalin wrote Roosevelt personally after the conclusions of the conference

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<sup>89</sup> Jados, Stanley S, ed. *Documents on Russian-American Relations: Washington to Eisenhower*. p. 95

<sup>90</sup> Jones, Robert Huhn. *The Roads to Russia: United States Lend-Lease to the Soviet Union* p. 190

<sup>91</sup> Ibid p.170

<sup>92</sup> Dawson, Raymond H. *The Decision to Aid Russia, 1941: Foreign Policy and Domestic Politics*. p. 250

<sup>93</sup> Ibid P. 255

acknowledging, “The Soviet government is most grateful for your statement that the implications of the conference will be carried out to the utmost.”<sup>94</sup> Stalin recognized in private that the United States and United Kingdom would provide the support needed to defend the Union of Soviet Socialist Republics.

The United States State Department drastically increased its presence in Moscow to better facilitate cooperation with its new ally. The veteran Admiral William Harrison Standley was appointed the new Ambassador to the USSR. Standley had previously held the position of Chief of Naval Operations from 1933 to 1937.<sup>95</sup> Roosevelt selected him to represent the United States Navy during the Moscow conference. In this role, Standley played a key role to developing the routes that the supply ships would take to deliver aid materials.<sup>96</sup> Along with him, dozens of diplomats and military attachés arrived in Moscow after Soviet troops pushed the Germans away from the city in the winter of 1942.<sup>97</sup> The Soviets now had to drive Axis forces from their homelands.

Admiral Standley traveled extensively throughout the Soviet Union to manage relations with the communists and manage Lend-Lease delivery. He brought the experience of his tenure as Chief of Naval Operations to manage the influx of materials. By the summer of 1942, tanks, planes, rifles, and assorted ordinance arrived in ports across the Soviet Union. Murmansk Harbor had to expand dock space to handle the massive convoys arriving from the United States and the United Kingdom. Standley remained Ambassador until September of 1943 when he was recalled to Washington. His interview and remarks of Soviet propaganda caused some of the more vocal

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<sup>94</sup> Jados, Stanley S, ed. *Documents on Russian-American Relations: Washington to Eisenhower*. p. 94

<sup>95</sup> Dawson, *The Decision to Aid Russia, 1941: Foreign Policy and Domestic Politics*. p. 33

<sup>96</sup> Ibid p. 44

<sup>97</sup> Ibid p. 52

critics of Lend-Lease in Congress to question the programs usefulness.<sup>98</sup> Despite these objections Congress continued to allocate funding to Lend-Lease.

The management of Lend-Lease aid changed over the course of the Second World War. Roosevelt promoted Edward Stettinius Jr. to the office of Secretary of State after Cordell Hull's health declined in 1944. Stettinius proved to be an effective administrator and diplomat. He had to coordinate with other agencies and industrial leaders to procure Lend-Lease hardware. The office of Lend-Lease Administration merged with several other executive branch agencies to form the Foreign Economic Administration.<sup>99</sup> Leo Crowley helmed this agency until the end of the Second World War. Billions of dollars' worth of Lend-Lease aid now streamed across the globe. The Foreign Economic Administration established depots in European ports as the Allied armies liberated Western Europe. Lend-Lease recipients received their equipment from these centralized locations. These locations tended to be hectic and poorly managed.<sup>100</sup> President Roosevelt however saw these depots as an opportunity to expand United States influence.

After the war, Stettinius played a key role in the development of the United Nations during his tenure as Secretary of State under President Harry Truman. Truman appointed him to the new role of United States Ambassador to the United Nations in 1946. He only served for six months then resigned due to conflicts with Truman.<sup>101</sup> He retired to private life and passed away in 1949. Stettinius served in key United States government postings during the war and assisted greatly in United States foreign policy actions.

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<sup>98</sup> Weeks, Albert Loren. *Russia's lifesaver: lend-lease aid to the U.S.S.R. in World War II*. Lanham p. 123

<sup>99</sup> Ibid p.130

<sup>100</sup> Ibid p. 145

<sup>101</sup> Fontaine André. 1968. *History of the Cold War*. [1st American ed.]. New York: Pantheon Books. p. 375

Roosevelt communicated extensively with other Allied Powers Leaders specifically informing them of the upcoming shipments. In one letter to Stalin, Roosevelt wrote Stalin, “For January and February our shipments have and will include 449 light tanks, 408 medium tanks, 244 fighter planes, 24 B-25s, and 223 A-20s”<sup>102</sup> He also reported about future provisions when he wrote, “I have given instructions that you are to receive during the remainder of 1943 the following additional planes over the new protocol agreement: 78 B-25 bombers and 600 P-40-N fighters.”<sup>103</sup> This correspondence shows how active Roosevelt was in managing Lend-Lease. Roosevelt managed his Presidential Administration personally and tirelessly. This behavior began during the early days of his Administration in the darkest days of the Great Depression. His inner circle of advisors and Cabinet Secretaries held a great deal of power and influence in Roosevelt’s name. He met with other world leaders many times during the Second World War. He maintained extensive correspondence with both Churchill and Stalin. He more than likely wanted to have met with them more in person often, but distance and personal safety prevented some meetings. The German U-boat threat presented a great risk. When Roosevelt traveled to Africa to attend the Tehran Conference, he did so in a large United States naval fleet under total radio silence.<sup>104</sup> The Allied Powers leadership conferences dictated the grand strategy of the Allied war effort. These meeting also served as excellent times to update Lend-Lease agreements and for beneficiaries to request specific materials.<sup>105</sup> The critical impact of Lend-Lease was illustrated best on the Eastern Front.

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<sup>102</sup> Jados, Stanley S, ed. *Documents on Russian-American Relations: Washington to Eisenhower*. p97

<sup>103</sup> Ibid p.116

<sup>104</sup> Willmott, H. P. *The Great Crusade: A New Complete History of the Second World War*. P.236

<sup>105</sup> Stettinius, Edward R. *Lend-Lease, Weapon for Victory* p. 323



The Eastern Front of the Second World War encompassed many horrific and cataclysmic battles between Soviet troops and Axis soldiers. Soviet troops slowly pushed the Axis out of Russia. The defense of Stalingrad in fall and winter of 1942-43 turned the tide in the Soviets favor. This also protected valuable supply lines of Lend-Lease material arriving by way of the Middle East.<sup>106</sup> In the aftermath of Kursk in the spring of 1943, Axis forces began a fighting retreat.<sup>107</sup> The invasion of Italy and Soviet advancements in the Eastern Europe knocked out most of the Axis powers beside Germany by the end of 1944. The Allied Leaders met at Yalta and agreed that Germany must unconditionally surrender.<sup>108</sup> Soviet troops surrounded Berlin in April of 1945 with Germany surrendering unconditionally on May 8<sup>th</sup>, 1945.<sup>109</sup>

The strategic impact of Lend-Lease applied to the US Homefront as well as the far-flung battle fields. The economic production of the US during the war displayed the limitless ability of the American people. Lend-Lease commitments quickly burned through the surplus of the US military. During the 1930s due to the Great Depression, the US did not produce as much military hardware and ships as it had in previous decades.<sup>110</sup> Further with the London and Washington naval treaties, the United States Navy as well was limited on the amount of capital ships that could be built.<sup>111</sup> However, the United States government understood the importance of military related research and development. The United States based scientists, engineers, and physicists made great strides in shipbuilding, armament development, and improved aircraft designs. Roosevelt ordered the establishment of the Advisory Committee on Uranium in 1939.<sup>112</sup> This

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<sup>106</sup> Herring, George C. 1973. *Aid to Russia, 1941-1946: Strategy, Diplomacy, the Origins of the Cold War*. Contemporary American History Series. New York: Columbia Univ. Press. p. 233

<sup>107</sup> Willmott, H. P. *The Great Crusade: A New Complete History of the Second World War*. P. 300

<sup>108</sup> Weinberg, Gerhard L. *A World at Arms: A Global History of World War II* p.454

<sup>109</sup> Ibid 632

<sup>110</sup> Herman, Arthur. *Freedom's Forge: How American Business Produced Victory in World War II*. p. 12

<sup>111</sup> Ibid p. 15

<sup>112</sup> Klein, Maury. *A Call to Arms: Mobilizing America for World War II* p. 755

organization was the beginning of what became the Manhattan project. The United Kingdom and France desired access to this United States military hardware as theirs was destroyed on the battlefields across the globe. As demand rose, the United States economy had to answer swiftly. President Roosevelt and his Administration had dramatically increased the Federal governments size and scope to combat the Great Depression.<sup>113</sup> He turned this experience to organize the American people and economy to victory.

The United States military swelled with new draftees with the passage of the Selective Training and Service Act of 1940. The attack on Pearl Harbor caused a mass influx of volunteers to join up. Millions of Americans were serving in the military by the end of 1942. Eventually sixteen million Americans answered the call to defend their nation during the Second World War.<sup>114</sup>

The United States economy required immense resources to win the war and the American people had to endure great sacrifices. The Office of Price Administration implemented rationing policies as early as the summer of 1941. The need for rationing preceded the United States entry into the war due to the high demand for food supplies to maintain the United Kingdom. Lend-Lease shipments to several nations including the United Kingdom and USSR<sup>115</sup> This did provide important business to the American agricultural industries which were still recovering from the devastation of the Dust Bowl disasters. Rationing extend to other resources as well. Congress passed the Emergency Price Control Act in February of 1942. This law's goal was to extend the US government's control of the economy to prevent harmful price fluctuations. Extreme price

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<sup>113</sup> Jeffries, John W. 1996. *Wartime America: The World War II Home Front*. American Ways Series. Chicago: I.R. Dee. p. 22

<sup>114</sup> Ellis, World War II: A Statistical Survey: The Essential Facts and Figures for All the Combatants p.240

<sup>115</sup> Klein, Maury. *A Call to Arms: Mobilizing America for World War II*. Paperback. New York: Bloomsbury Press. p. 434

fluctuation during a large war can wreak a nation's economy. The law established a temporary system of courts to govern and enforce the price controls.<sup>116</sup> This law remained in force until 1943 when the United States Congress chose not to renew the law.

The War Production Board oversaw the production of military hardware. The agency's leadership combined government officials, industrial CEOs, and labor union leaders. The Board converted many civilian factories to produce all manner of military hardware.<sup>117</sup> Loans and contracts given by both this federal agency and state counterparts funded the conversion process. The field offices organized scrap drives and other grass roots event to give the American public a sense of ownership in supporting the war effort beyond war bonds. The drives proved to be effective event to gather renewable resources to wage war.<sup>118</sup>

The Second World War drove the creation of new factories, mines, refineries, oil derricks, shipyards, workshops, and so many other industrial sites. Recent advancements in machine tools dramatically improved the tools needed to create these sites and produce the military material. Before the war, the United States led the world in these advancements.<sup>119</sup> The United States outpaced all nations in its production. The United States benefited from the Atlantic and Pacific Oceans protecting it from enemy attacks. Even so, both the Germans and Japanese did conduct submarine raids off American shores.

The United States began converting factories over from civilian focused products to military hardware and support products. American factories and shipyards produced over \$150

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<sup>116</sup> Ibid p. 421

<sup>117</sup> Ibid p. 371

<sup>118</sup> Jeffries, John W. *Wartime America: The World War II Home Front*. American Ways Series. p. 95

<sup>119</sup> Ibid p. 64

billion worth of hardware during the Second World War.<sup>120</sup> Many car factories began to produce armored cars and tanks. Factories not only produced American designs but also designs from foreign nations<sup>121</sup>. Tanks and fighters were commonly produced on behalf of other members of The Allied Powers as Russian and British factories were prime targets from Axis bombing. Hardware produced from foreign designs were not considered Lend-Lease and so those orders fell under cash and carry.<sup>122</sup> When the United States entered the war in December of 1941, the United States military mobilized rapidly. As more factories converted or were built, American troops armed to fight the Axis. Early naval victories in the Pacific including the Battle of the Coral Sea and Midway showcased aircraft built in these factories.<sup>123</sup> With these decisive victories, The United States of America demonstrate its role as the arsenal of democracy!

Liberty class cargo ships provided the life blood of the ocean trade lanes. Shipyards on both coasts produced theses ships around the clock. American shipyards built a staggering 2,710 ships of this class.<sup>124</sup> These ships traveled in massive conveyes protected by escort destroyers and cruisers. Merchant marines piloted these to all corners of the globe, from Murmansk to the Normandy landing zones and eventually liberated French ports. Without these ships, the Allied soldiers around the globe would have lacked the vital hardware need to win the war. The Axis vessels hunted these ships ruthlessly.

The Axis Powers understood that Lend-Lease material being delivered to Allied nations was a major strategic threat. German high command intensified the convoy raiding on both the

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<sup>120</sup> Herman, Arthur. *Freedom's Forge: How American Business Produced Victory in World War II*. p. 33

<sup>121</sup> Klein, Maury. *A Call to Arms: Mobilizing America for World War II*. Paperback. New York: Bloomsbury Press. p. 621

<sup>122</sup> Stettinius, Edward R. *Lend-Lease, Weapon for Victory*. p. 212

<sup>123</sup> Weinberg, Gerhard L. *A World at Arms: A Global History of World War II* p. 423

<sup>124</sup> Ellis, John. *World War II: A Statistical Survey: The Essential Facts and Figures for All the Combatants*. p. 301

surface and sub surface across the globe. German and Italian shipyards reallocated resources to increase production of submarines. These shipyards completed 910 submarines of all classes by the end of the war.<sup>125</sup> The Axis convoy raiding caused massive damage to Allied supply lines. During the course of the war, over twenty-four point one million tons of allied shipping was lost to enemy action.<sup>126</sup>

The United States Congress recognized the Lend-Lease program's resounding success and importance; however, the cost to support this program proved to be staggering. Several members of Congress in both chambers also presented concerns that there were few safeguards that prevented the hardware provided by Lend-Lease from falling into the hands of potential enemies.<sup>127</sup> A United States Senate delegation visited several of the Lend-Lease Administration overseas field offices and found that large amounts of material and hardware had not been properly delivered in the summer of 1944 to European Allies.<sup>128</sup> Roosevelt requested the law be extended to continue after the war. Congress amended the Lend-Lease Act in 1944 to not continue when hostilities ended.<sup>129</sup> The Lend-Lease Act gave the President of The United States exceptionally broad interpretations of defining what was necessary to the defense of the United States of America. Congress recognized this power as too broad except when the United States was facing the grave dangers of a global war.

By the beginning of 1945, the Second World War now appeared in The Allies Powers favor and post war world order would soon be on the horizon. Unfortunately, President Roosevelt did not live to see that new world order evolve. He died of a Hemorrhagic stroke on

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<sup>125</sup> Ibid p.300

<sup>126</sup> Ibid p. 268

<sup>127</sup> Herring, George C. 1973. *Aid to Russia, 1941-1946: Strategy, Diplomacy, the Origins of the Cold War*. P. 321

<sup>128</sup> Jones, Robert Huhn. *The Roads to Russia: United States Lend-Lease to the Soviet Union* p. 230

<sup>129</sup> Herring, George C. 1973. *Aid to Russia, 1941-1946: Strategy, Diplomacy, the Origins of the Cold War*. P. 327

April 12, 1945. The nation mourned his loss and Harry S. Truman rose to be the new President of the United States. Truman continued Roosevelt's method of direct management of the Executive Branch during his tenure as President.<sup>130</sup> Truman supported the Lend-Lease program, but he knew it would end once the war ended. Truman led the United States of America to final victory in Europe and the Pacific.

On May 8, 1945 Germany surrendered unconditionally thus ending the Second World War in Europe. On September 2, 1945, Japan surrendered, and the Second World War ended in the Pacific.<sup>131</sup> With the end of armed conflicts, Lend-Lease ended officially after the surrender of Japan and the conclusion of the war. In total \$50 billion of aid was given to nations around the globe.<sup>132</sup> The United States of America exited the war as a major superpower. The nation enjoyed influence around the globe.

The lessons learned from the implantation of Lend-Lease influenced future aid packages offered by the US. Large scale aid packages would be a cornerstone of American foreign policy during the Cold War. The Marshall plan drew on Lend-Lease to help rebuild war ravaged Europe. The victory of the Allies in the Second World War would not have been possible without the unprecedented aid the United States provided in Lend-Lease.

American foreign Policy shifted significantly dramatically in the wake of the Second World War. Lend-Lease aid packages ended with the conclusion of the Second World War, but the United States of America continued to provide substantially generous aid packages around the globe. Europe's industrial base and cities were revenged by the intense fighting and bombing

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<sup>130</sup> Fontaine André. *History of the Cold War*. p. 343

<sup>131</sup> Weinberg, Gerhard L. *A World at Arms: A Global History of World War II* p. 875

<sup>132</sup> Lead Lease Administration. *1947 Report to Congress on lend-lease operations. Volume 25* p. 5

during the Second World War. Inspired by the success of Lend-Lease the United States Secretary of State George Marshall developed a massive aid package to assist in the rebuilding of Europe. Dubbed the Marshall Plan, this foreign policy measure provided billions of dollars in capital and materials to many nations. American foreign policy shifted to counter The Soviet Union's expansion and occupation of Eastern Europe during year following the Second World War. The strategy of containment developed during this period. A key policy of containment was the providing of major aid packages and defense hardware. Marshall proclaimed in June of 1947: "It is logical that the United States should do whatever it is able to do to assist in the return of normal economic health in the world, without which there can be no political stability and no assured peace."<sup>133</sup> The United States government hoped to expand international influence through the Marshall plan and subsequent aid packages without military intervention.<sup>134</sup>

The Alliance between the United States of America, the United Kingdom, and the Union of Soviet Socialist Republics reshaped international politics for decades to come. The United Kingdom and the Soviet Union received the majority of Lend-Lease aid.<sup>135</sup> The two nations responded dramatically different after the war in their response to how Lend-Lease preserved their national sovereignty. The Soviet government presented the impact of Lend-Lease to the Soviet population as minimal and inconsequential. Stalin continued to preach anti-capitalist and anti-western rhetoric. Soviet Minister of Foreign Affairs Vyacheslav Molotov claimed that "our country supplied the needs of our heroic army with all essentials, including first class, qualitative superior to the enemy."<sup>136</sup> The Soviet government pushed out propaganda downplaying the

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<sup>133</sup>George Marshall. The Marshall Plan Speech June 1947 <https://www.marshallfoundation.org/marshall/the-marshall-plan/marshall-plan-speech/> accessed 11/16/19

<sup>134</sup> Fontaine André. *History of the Cold War*. P. 502

<sup>135</sup> Lead Lease Administration. *1947 Report to Congress on lend-lease operations. Volume 25* p. 8,9

<sup>136</sup> Jones, Robert Huhn. *The Roads to Russia: United States Lend-Lease to the Soviet Union* p. 248

massive and generous support of United Kingdom and the United States. In 1962 Soviet Premier Nikita Khrushchev proclaimed that: “Capitalists earned billions of dollars on war deliveries. They fattened themselves on the blood of people lost during two world wars.” P. 249 the United States spent over \$296 billion to prosecute the Second World War.<sup>137</sup> Lend-Lease aid accounted for 16.9 % of total United States spending.<sup>138</sup> This sacrifice propelled the Allies to victory over the Axis. The Soviet Union overcome the German invasion by utilizing equipment, materials, and munitions from both the United States and the United Kingdom. Relations between the United States and Union of Soviet Socialist Republics continued to sour over in the immediate years following the end of the war.<sup>139</sup>

The United Kingdom expressed a deep gratitude for the assistance that the United States provided during the war to save the British Empire. Churchill on numerous occasions praised both Roosevelt and the American people for their sacrifice. Churchill declared “The Lease-Lend Bill must be regarded without question as the most unsordid act in the whole of recorded history.”<sup>140</sup> He praised the United States for “fraternal association of the English-speaking peoples”<sup>141</sup> The United States and the United Kingdom worked closely to form and strength the United Nations. The two nations also formed the North Atlantic Treaty Organization to counter Soviet aggression.<sup>142</sup> Through these actions the two nations maintained a close military and economic alliance in the decades following the Second World War.

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<sup>137</sup> Stephen Daggett. 2010. Costs of Major U.S. Wars. Congressional Research Service <https://fas.org/sgp/crs/natsec/RS22926.pdf> accessed 11/3/19

<sup>138</sup>  $296/50 = P \times 100$

<sup>139</sup> Fontaine André. *History of the Cold War*. p. 411

<sup>140</sup> Churchill, Winston, and Charles Eade. 1943. *The End of the Beginning : War Speeches*. Speeches / Winston S. Churchill. London: Cassell and Company LTD. P. 265

<sup>141</sup> The Sinews of Peace Speech 1946

<sup>142</sup> Fontaine André. *History of the Cold War*. P. 563



President Truman directed the Treasury Department to secure the return or repayment of Lend-Lease.<sup>143</sup> The vast majority of vehicles, aircraft, and equipment had either been lost or were in no shape to be returned. The warships provided by Lend-Lease were mostly either put in reserve fleets or scraped for parts and materials to recoup losses.<sup>144</sup> Over time the United Kingdom paid off the monetary loans that the US provide through Lend-Lease. The final payment was fulfilled on December 29<sup>th</sup>, 2006, 61 years after the war ended.<sup>145</sup> The US government gave some leeway to the USSR and came to an arrangement in 1972. The USSR paid most of the remaining debt balance off in the form of trade deals and precious metals. The United States government then forgave the remaining debt.<sup>146</sup>

Lend-Lease proved to be The Allied Powers victory in the Second World War. The United States of America served as the arsenal of democracy for many nations around the globe. The United States exited the Second World War a global superpower with parity from only the USSR. President Roosevelt proved to be an extremely pragmatic statesman. Despite running on the platform of neutrality, Roosevelt understood that the United States needed to step up to protect the ideals of democracy and sovereignty in the face of fascist tyranny. He deployed United States Foreign Service diplomats across the globe to formulate Lend-Lease aid. Men like Hopkins, Stettinius, and Harriman represented the United States in meetings, conferences, and battlefields to assist the beleaguered Allied nations. The Cash and carry program lead to the need for a more robust and generous program of material aid. The United States foreign policy of Lend-Lease during the Second World War represented a dramatic and unique shift in United

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<sup>143</sup> Biggs, Barton. 2009. *Wealth, War and Wisdom*. John Wiley & Sons. P. 178

<sup>144</sup> Klein, Maury. *A Call to Arms: Mobilizing America for World War II* p.632

<sup>145</sup> Britain Pays Off Final Instalment of Us Loan - After 61 Years

Philip Thornton - <https://www.independent.co.uk/news/business/news/britain-pays-off-final-instalment-of-us-loan-after-61-years-430118.html> accessed 10/30

<sup>146</sup> Klein, Maury. *A Call to Arms: Mobilizing America for World War II*, p. 634

States aid packaging due to their unprecedented generosity and consequential impact. The weapons, materials, hardware, planes, tanks, and warships directly impacted Allied victory. This program featured unprecedented generosity. When Roosevelt first spoke of Lend-Lease he declared: “The best immediate defense of the United States is the success of Great Britain in defending itself; and that, therefore, quite aside from our historic and current interest in the survival of democracy, in the world as a whole, it is equally important from a selfish point of view of American defense, that we should do everything to help the British Empire to defend itself.”<sup>147</sup> In a letter to Stalin he wrote: “We realize fully how vitally important to the defeat of Hitlerism is the brave and steadfast resistance of the Soviet Union and we feel therefore we must not in any circumstance delay to act quickly and immediately in this matter of planning the program for the future of allocation of our joint resources.”<sup>148</sup> Roosevelt and his presidential administration understood the need to defeat the Axis and protect the Allied nation’s sovereignty.

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<sup>147</sup> Franklin D. Roosevelt. 1940. Franklin Roosevelt's Press Conference December 17, 1940. <http://docs.fdrlibrary.marist.edu/odlpc2.html> Accessed 9/14/19

<sup>148</sup> Jados, Stanley S, ed. *Documents on Russian American Relations: Washington to Eisenhower*. p. 94

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