Neutrality Laws

While hostilities were building in Europe and the Far East, the U.S. Congress passed three pieces of legislation-- known collectively as the Neutrality Acts--designed to keep America out of war. Congress was determined to avoid the mistakes which had drawn America into the First World War.

Between 1935 and 1937, Congress passed three separate neutrality laws that clamped an embargo on arms sales to belligerents, forbade American ships from entering war zones and prohibited them from being armed, and barred Americans from traveling on belligerent ships. The acts made no distinction between which country was an aggressor and which country was a victim. Clearly, Congress was determined not to repeat what it regarded as the mistakes that had plunged the United States into World War I.

The Neutrality Act of 1935

Prohibited shipment of American weapons to any belligerent nation. Against the wishes of FDR, this act did not differentiate between "the good guys and the bad guys" (nations defending themselves and nations on the attack).

The Neutrality Acts of 1935 was officially signed into law in August of 1935 to impose a general embargo on arms trading and the delivery of war materials between all parties in a conflict or war. Furthermore, the Neutrality Acts of 1935 declared that citizens of the United States who were to travel on waring ships did so at their own risk—the government would not share in any retribution for attacks or causalities on said vessels.


The Second Neutrality Act of 1936

Forbade American loans to any belligerent nation, again, without distinguishing between aggressors and victims.

Passed in February of 1936, The Neutrality Act of 1936 effectively renewed the provisions of the Neutrality Act of 1935 for a 14-month period. Additionally, the Neutrality Act of 1936 forbade any forms of financing, including all loans of forms of credit supplied to belligerent nations.

The Third Neutrality Act of 1937

Made the two previous laws a permanent part of American national policy and it forbade U.S. citizens to travel on ocean-going vessels of nations at war. This was clearly designed to prevent another incident like the sinking of the Lusitania, a British passenger ship with Americans aboard that was torpedoed by Germany in WWI.

In January of 1937, the United States Congress passed a joint resolution that outlawed the sale of all weapons with Spain (Spain was in the midst of a civil war). The Neutrality Act of 1937, which was passed in May, included several provisions from the previous Neutrality Acts, only without expiration dates attached.

Furthermore, the Neutrality Act of 1937 included isolation practices for all international civil wars. The Neutrality Act of 1937 also prohibited U.S. ships from transporting any passenger or military article to belligerent nations. U.S. citizens were forbidden from travelling, via waterways, to belligerent nations. The Neutrality Act of 1937 included a “cash and carry” provision which was formally devised by Roosevelt's top advisor, Bernard Baruch.

The cash and carry provision stated that the President may authorize the sale of supplies and materials to belligerent nations in Europe, so long as the recipient arranged for the transport of said goods and provided payment immediately in cash. This provision was included in the Neutrality Act of 1937 because it was believed that due to the immediacy of liquid payment, the United States would not be drawn into conflict. Roosevelt viewed the provision as a means to aid Great Britain and France in the event of a war with Nazi Germany. France and Britain were the benefactors of the provision because of their geographic location and naval powers—they were the only two nations that controlled the seas and were thus able to take advantage of such transactions.

FDR and WWII

Japanese Invasion of China

The Neutrality Act of 1937 was put to the test when Japan invaded China in July of 1937. Roosevelt decided to help the Chinese. Since neither China nor Japan had actually declared war, Roosevelt claimed the Neutrality Act of 1937 did not apply, and he authorized the sale of weapons to China.

Neutrality Act of 1939

In the spring of 1939, Germany, Japan, and Italy continue militaristic policies and expansion. President Roosevelt wanted more flexibility to meet the challenges in both hemispheres, so he suggested amending the Neutrality Acts. He asked Congress to eliminate the ban on arms sales to nations at war. In a compromise with Isolationists, warring nations could buy weapons from the United States only if they paid cash and carried the arms on their own ships.

This policy, called “Cash and Carry”, obviously favored Britain and France. Roosevelt felt that the best way to keep America out of the war was by providing the arms to help France and Britain defeat Hitler.

Destroyers for Bases:

In the spring of 1940, Britain asked President Roosevelt to transfer old American Destroyers to them. They had lost nearly half of their destroyers and needed more to protect their cargo ships from German submarines. Roosevelt agreed to transfer to 50 destroyers left over from WWI to Britain in exchange for the right to build American bases on British controlled islands.


The Lend Lease Act:

By the end of 1940, Great Britain had run out of funds to wage its war against Germany. Roosevelt came up with the Lend Lease Act as a way to remove the cash requirements of the Neutrality Acts. Under the Act the United States would be able to lend or lease arms to any country considered “vital to the defense of the United States.” This act meant that the United States could send weapons to a country if that country promised to return or pay rent for them after the war. Roosevelt used the Lend-Lease Act to aide Great Britain, China, and the Soviet Union.

To explain the Lend-Lease Act to Americans, FDR used an analogy of a garden hose …

“Well, let me give you an illustration: Suppose my neighbor’s home catches fire, and I have a length of garden hose 400 or 500 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. Now, what do I do? I don’t say to him before that operation, ”Neighbor, my garden hose cost me $15; you have to pay me $15 for it.” What is the transaction that goes on? I don’t want $15 - I want my garden hose back after the fire is over. All right. If it goes through the fire all right, intact, without any damage to it, he gives it back to me and thanks me very much for the use of it. But suppose it gets smashed up - holes in it - during the fire; we don’t have to have too much formality about it, but I say to him, ”I was glad to lend you that hose; I see I can’t use it any more, it’s all smashed up.” He says, ”How many feet of it were there?” I tell him, ”There were 150 feet of it.” He says, ”All right, I will replace it.” Now, if I get a nice garden hose back, I am in pretty good shape.

In other words, if you lend certain munitions and get the munitions back at the end of the war, if they are intact - haven’t been hurt - you are all right; if they have been damaged or have deteriorated or have been lost completely, it seems to me you come out pretty well if you have them replaced by the fellow to whom you have lent them.”

The Selective Service and Training Act (the draft):

In 1940, the United States passed the nation’s first peacetime military draft. Under the Selective Service and Training Act, 16 million men between the ages of 21 and 35 were registered. Of these, 1 million were to be drafted for one year. Roosevelt himself drew the first draft numbers. ”This is a most solemn ceremony,” he told a national radio audience. ”It is accompanied by no fanfare - no blowing of bugles or beating of drums. There should be none.”