



**FIFTEENTH REPORT TO CONGRESS
ON LEND-LEASE OPERATIONS**

For the Period Ended March 31, 1944



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“The President from time to time, but not less frequently than once every ninety days, shall transmit to the Congress a report of operations under this Act except such information as he deems incompatible with the public interest to disclose.”

[From Section 5, subsection b, of “An Act to Promote the Defense of the United States” (Public Law No. 11, 77th Congress, 1st Session).]

For sale by the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C.
Price 30 cents

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PRESIDENT'S LETTER OF TRANSMITTAL

TO THE CONGRESS OF THE UNITED STATES OF AMERICA:

I am submitting herewith the Fifteenth Report on Lend-Lease Operations for the period ending March 31, 1944.

United Nations forces are now about to strike new and mightier blows at Nazi-occupied Europe from offensive bases in the West, the South, and the East. The fighting men of many nations have been banded together in combined operations. They are armed with the most powerful weapons that the combined resources and ingenuity of the United Nations can produce. They are ready to bring to bear their strength to continue the crushing process against the Nazis and the German war machine.

Our American forces will go into battle side by side with the men of Britain, France, Norway, Poland, Czechoslovakia, Netherlands and our other allies. At sea, warships flying many United Nations flags will escort the fleets. In the skies, the R. A. F. will join with the United States Army Air Forces in blasting the paths for our troops and in protecting them from air attack.

For this great undertaking, the United Nations fighting partnership has been made far stronger by lend-lease and reverse lend-lease. Through lend-lease we have made certain that every man in the forces of the other United Nations who goes into battle beside an American fighting man has what he needs to hit the common enemy as hard as possible. Through reverse lend-lease, the American Forces have been similarly aided by our allies with everything they had that we needed.

On the eastern European front also, arms and other war supplies provided by the United States and the British Commonwealth, will continue to strengthen the Soviet Armies for the new blows that will be timed with our advances.

In the Far East and the Pacific our offensives in New Guinea, in Burma, and against the Japanese fortress islands in the Central Pacific are proof that the battle for Japan is not waiting upon the successful conclusion of the battle against Nazi Germany. China is being helped to the utmost of our ability.

Decisive battles are ahead. Now, more than ever, it is vital to our own American Army and Navy and Air Forces, as well as to the forces of the other United Nations, that we continue to provide our fighting partners with the additional war supplies they need to supplement their own resources. Congress has again recognized this fact by its overwhelming vote to extend the Lend-Lease Act.

Only by uniting our full strength with the full strength of the other free peoples of the world have we moved from the defensive to the offensive, from defeats to victories. By maintaining our unity now we shall certainly achieve final victory. By continuing our unity after the war we can assure a peace in which mankind can live and work and worship in peace, freedom, and security.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE,
May 22, 1944.

Chapter 1

MUTUAL AID

Lend-Lease Totals

With United Nations offensives already underway in the air, on land and by sea, and greater offensives now impending, the United States provided to its allies in the first three months of 1944, the record-breaking total of more than four billion dollars worth of lend-lease aid. This consisted of planes, tanks, and other war supplies transferred, and shipping, repair, and other services rendered under the Lend-Lease Act to strengthen the fighting power of the allied armed services fighting side by side with American forces against our common enemies. About 97 percent of all lend-lease aid has gone to the British Commonwealth, the Soviet Union and China.

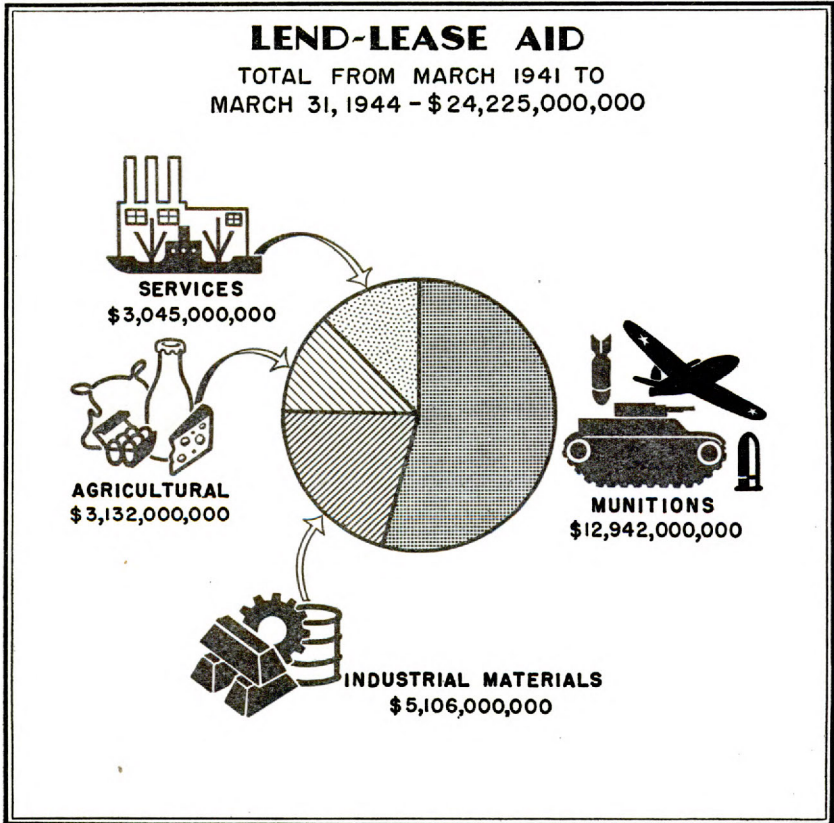
In the first sixty days of 1944 alone over 2,100 lend-lease planes, almost 2,000 tanks, and over 60,000 other military motor vehicles were sent from the United States to the forces of the other United Nations fighting the Germans and the Japanese.

Since the beginning of the lend-lease program on March 11, 1941, we have sent a total of more than 30,000 planes, about 25,000 tanks and over 800,000 other military motor vehicles to the forces of our allies. Of these totals over 23,000 of the planes, over 23,000 of the tanks and almost 550,000 of the other motor vehicles went under lend-lease. The others were paid for in cash by our allies.

Over half of all lend-lease aid has consisted of fighting equipment—planes, tanks, guns, ships, bombs and other finished munitions. The other supplies transferred under lend-lease—the industrial materials and products and the

food—have been just as essential in the fighting. A bar of steel from Pittsburgh sent to Britain ends up, for example, in a blockbuster bomb dropped by a Lancaster on Frankfurt; or pork from a hog raised in Indiana ends up in a lend-leased can of "Tushonka" eaten by a Soviet soldier just before the final attack on Odessa. Supplies for the production of munitions and foodstuffs are also weapons of war.

The balance of lend-lease aid consists of services: The cost of shipping the supplies and ferrying the planes to battle fronts around the world; servicing and repairing damaged allied men-of-war and merchant ships; factories built in the United States with lend-lease funds to produce lend-lease equipment; and the cost of such other services as the allied pilot-training program.



FOREIGN ECONOMIC ADMINISTRATION

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Chart 1

TOTAL LEND-LEASE AID

March 1941 through March 31, 1944

	Amount	% of Total
Goods Transferred:		
Munitions.....	\$12,942,271,000	53.4
Industrial Materials and Products.....	5,106,296,000	21.1
Agricultural Products.....	3,131,684,000	12.9
Total Transfers.....	21,180,251,000	87.4
Services Rendered:		
Servicing and Repair of Ships, etc....	432,311,000	1.8
Rental of Ships, Ferrying of Aircraft, etc.....	1,902,945,000	7.9
Production Facilities in U. S.....	617,465,000	2.5
Miscellaneous Expenses.....	91,834,000	0.4
Total Services.....	3,044,555,000	12.6
Total Lend-Lease Aid.....	24,224,806,000	100.0
Consignments to Commanding Generals...	*590,461,000	

*Goods consigned to United States commanding generals for subsequent transfer in the field to lend-lease countries. The value of such goods transferred is not included in the lend-lease aid total of \$24,224,806,000. Further information on consignments to commanding generals is given in Table 13, page 46.

Table 1

The total amount of lend-lease aid shown in Table 1 includes all the aid reported to April 1, 1944 that has been provided to other countries under the terms of the Lend-Lease Act by all Government departments. It includes all supplies transferred and services rendered with funds appropriated for lend-lease purposes to the President, as well as all supplies transferred and services rendered with funds appropriated to the War and Navy Departments and to the Maritime Commission under transfer authorizations specifically written into Appropriation Acts for these agencies by the Congress. The amounts of the various appropriations and authorizations are shown in Table 10 on page 42.

Mutual Benefits

The volume of lend-lease aid has been great, but what we have spent on lend-lease has been only 14 cents of every dollar spent by the United States for war purposes. The other 86 cents of each war dollar have been used for our own fighting men and our war production. By far the greater proportion of everything we have produced to fight this war has gone to the United States armed forces. But what we have provided under lend-lease to our allies is equally helping the men in our own Army and Navy and Air Forces. For our allies use the supplies we send against the same enemy our men are fighting. Our allies as well as we have one primary purpose—to defeat our common enemies as effectively and speedily as possible.

Millions of Germans and Japanese will never fight against Americans because they have been killed or captured by our allies with the help of lend-lease supplies. Lend-lease is working for America on the Russian front—in Africa and Italy—in the skies over Germany—in Burma and China and New Guinea—just as surely as it is working for the other United Nations.

United States forces and our merchant marine overseas are also receiving great quantities of supplies and services as reverse lend-lease aid, provided by our allies without payment by us. By the first of this year the aid provided to us by the nations of the British Commonwealth since June 1, 1942, totalled over \$2,000,000,000 and the rate of aid was approaching \$2,000,000,000 a year.

Just as our allies benefit from the other 86 percent of our war expenditures, so we benefit in turn from all of their war expenditures, whether they are for reverse lend-lease and mutual aid or not. In the case of the Soviet Union and China, for example, virtually all of their resources are needed for fighting the invaders of their own soil and it is essential to the success of our own military operations that their resources be so used. This is a United Nations war. The total fighting and productive power that each of the United Nations can put into our combined operations to defeat our common enemies is of benefit to all the others.

The allocation of supplies among the theatres of war and among the forces of the United Nations is governed by combined military strategic decisions. Whether supplies produced in one nation are transferred to another of the United Nations under lend-lease or mutual aid, or whether they are retained, the guiding principle is always the same—how can they be used most effectively to bring about the defeat of the enemy?

All the experience and information that we have available indicate that in proportion to their available resources our principal allies are putting into this war fully as much as we are, including our lend-lease aid. This is true in terms of the percentage of their manpower in uniform, in terms of the percentage of gross national production each is devoting to war purposes, and in terms of their increased taxes and increased national indebtedness in relation to national income.

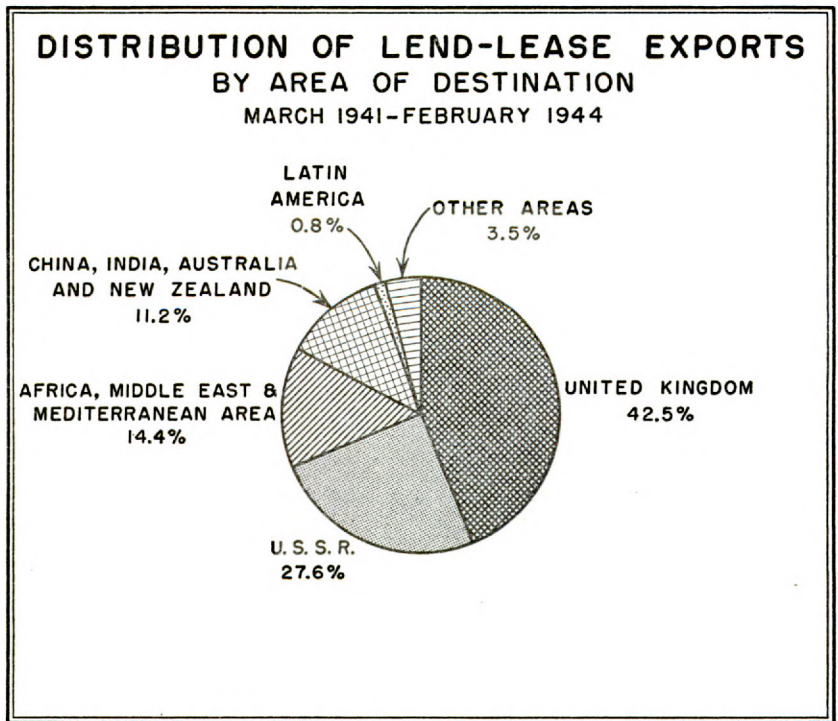
There is no way, of course, by which a statistical balance sheet of the contributions made by the various United Nations to the winning of the war can be drawn up. The millions who have given their lives in many lands—the homes destroyed—the sacrifices and the courage—all these are vital and human factors which cannot be adequately measured but are essential for our ultimate victory along with planes, tanks, guns, and ships, and dollars, pounds, and rubles.

Lend-lease and reverse lend-lease are not a system of debits and credits. They involve neither gifts, nor loans or transfers of money. They are, instead, a system of mutual war supply that has been evolved by the United Nations to make possible the effective combined operations by which we are fighting and winning the war. The benefits which we and all of the United Nations have already mutually received from this system are beyond price.

Before we had found how to strengthen each other through mutual aid and had become United Nations, the forces of aggression and tyranny were well on the way to the conquest of the world. It was less than three years ago that defeat and disaster or the imminent threat of disaster were the daily portion of each and all of the peace-loving nations of the world. Now it is the United Nations who are winning the

battles; it is we who have mobilized the tremendous striking power that can bring ultimate victory.

We are on the eve of new and greater offensives. When our men go into the battles that lie ahead they will be part of a United Nations fighting team that has been made infinitely stronger through lend-lease and mutual aid. They will have fighting shoulder to shoulder with their friends whom we aided in adversity and who now aid us. We shall win final victory far sooner, and the cost in lives will be far less, because we have learned to work together—as free peoples—to our mutual benefit.



FOREIGN ECONOMIC ADMINISTRATION

Chart 2

LEND-LEASE EXPORTS TO ALL COUNTRIES

Thousands of Dollars

	Mar. 1941- Feb. 1942	Mar. 1942- Feb. 1943	Mar. 1943- Feb. 1944	Total
Ordnance and Ammunition.	118,951	1,037,422	1,563,632	2,720,005
Aircraft and Parts	95,707	1,015,324	1,911,438	3,022,469
Tanks and Motor Vehicles.	146,504	870,247	2,222,892	3,239,643
Watercraft	13,185	95,997	283,219	392,401
Total Munitions	374,347	3,018,990	5,981,181	9,374,518
Industrial Materials and Products	296,556	1,477,176	2,639,836	4,413,568
Agricultural Products	439,629	1,092,315	1,875,587	3,407,531
Total	1,110,532	5,588,481	10,496,604	17,195,617

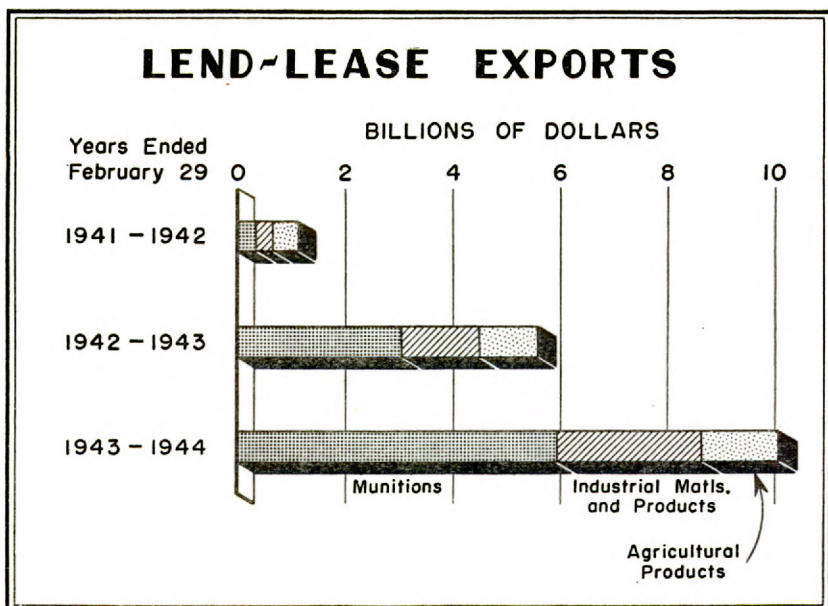
Table 2

Lend-Lease Exports

Lend-lease exports—the supplies actually shipped to our allies—totalled over \$17,000,000,000 between March 11, 1941, and March 1, 1944.

The difference between the dollar figures reported for lend-lease aid up to April 1, 1944, and the total of lend-lease exports is made up of the following factors:

1. The value of supplies transferred under the Lend-Lease Act which were exported during March. These export figures have not yet been tabulated.
2. The value of supplies transferred and awaiting export.
3. The value of supplies transferred for use in this country.
4. The value of lend-lease services (these totalled over \$3,000,000,000 up to April 1, 1944).
5. The value of ships leased for the duration of the war, which are included in transfers but are not listed as



FOREIGN ECONOMIC ADMINISTRATION

Chart 3

exports (these totalled over \$1,900,000,000 up to March 1, 1944).

6. The value of supplies purchased outside the United States and transferred under lend-lease.

Because export figures show the theatres of war to which lend-lease supplies have actually been sent, they are used in the succeeding chapters of this report.

CHAPTER 2

THE UNITED KINGDOM

Three years ago, on March 11, 1941, Great Britain stood alone between the United States and the tide of Axis aggression that had swept across Western Europe. The German air force, infinitely superior in numbers to the RAF at that time, smashed at Britain's cities from the air. At sea, German submarines and surface raiders cut and jabbed at the lifelines which brought from overseas the food and other supplies without which Britain could not live. And always imminent was the threat of invasion from across the English Channel by German armies far stronger and far better equipped than the forces in Britain.

LEND-LEASE EXPORTS TO UNITED KINGDOM

Thousands of Dollars

	Mar. 1941- Feb. 1942	Mar. 1942- Feb. 1943	Mar. 1943- Feb. 1944	Total
Ordnance and Ammunition..	39,537	316,285	682,469	1,038,291
Aircraft and Parts.....	31,752	307,749	694,054	1,033,555
Tanks and Motor Vehicles....	33,482	120,803	758,113	912,398
Watercraft.....	8,066	63,902	113,423	185,391
Total Munitions.....	112,837	808,739	2,248,059	3,169,635
Industrial Materials and Products.....	222,693	656,586	973,629	1,852,908
Agricultural Products.....	420,719	755,826	1,107,307	2,283,852
Total.....	756,249	2,221,151	4,328,995	7,306,395

Table 3

Three years later, in the spring of 1944, Britain has become the mightiest military base in the history of the world. From hundreds of airfields American, British, and other allied planes roar out by the thousands day and night to pound the industrial centers of Nazi Germany, to smash at the heart of Nazi air power, Nazi communications, and Nazi defenses, and to drive the German fighters from the skies. At sea the U-boat campaign has been virtually defeated. On the crowded British Isles is assembled a gigantic United Nations striking force of men and equipment, ready to strike at the hour appointed for the invasion of Europe.

Lend-lease aid to Britain since March 11, 1941, has had an important part in this transformation. In three years of lend-lease operations we have shipped to the United Kingdom over seven billion dollars worth of lend-lease supplies. Britain, of course, produces herself by far the greater part of the war equipment that she needs, but these supplies have been a vital supplement to her own resources. Sixty percent of them were shipped in the past year—between March 1, 1943, and March 1, 1944.

Over a billion dollars of the total consists of airplanes, plane engines, and spare parts. Britain's Lancasters and Halifaxes and most of her fighters are produced in her own factories but RAF Mitchell and Douglas A-20 bombers, RAF Thunderbolts and Mustangs and other American-made fighters and bombers flown by allied pilots are daily joining with the USAAF in attacking German invasion defenses in the occupied countries. At sea, additional thousands of lend-lease carrier-based fighter planes and dive bombers and long-range patrol bombers have helped to knock out the U-boat offensive and bring 99 out of every hundred ships in convoys safe to port.

Over a billion dollars' worth of ordnance and ammunition and almost a billion dollars worth of tanks and other military motor vehicles have been shipped to the United Kingdom under lend-lease—three-quarters of them in the past year. Many of the demolition and incendiary bombs that the RAF has rained on German cities were included in lend-lease shipments of ordnance and ammunition.

Much of the fighting equipment that was sent to the United Kingdom in the first two years of lend-lease went on to Egypt and North Africa for the twin drives that began at El Alamein and Algiers and ended with the expulsion of the Axis from Africa. Now lend-lease tanks and trucks and guns by the thousands, the tens of thousands and the hundreds of thousands are strengthening the attacking power of the British and allied forces who will join with our own troops in the coming invasions.

The export figures show not quite \$200,000,000 worth of watercraft sent to the United Kingdom. That is the cost of the landing barges, the PT boats and other fighting craft small enough to be shipped aboard cargo vessels. We have also leased to the British over 30 convoy-escort aircraft carriers and many more destroyer escorts and corvettes, in addition to merchant ships. Ships that are leased and sail away under their own power are not included in the export figures. We have leased to the British most of the 1,400 naval craft so far turned over to the forces of our allies. All warships and merchant ships leased under the Lend-Lease Act are leased for the duration of the war. Title remains with the United States.

With the aid of these reinforcements from our shipyards the British Navy has continued to carry a major share of the burden in the Atlantic and the Mediterranean, with important assistance from our own Navy and from Canadian, as well as from Polish, Norwegian, Dutch, Greek, and French naval units, while the main force of the United States Navy has been directed against the Japanese in the Pacific.

The industrial materials and products shipped to the United Kingdom under lend-lease are also directly connected with the air offensive now under way, with the land offensives to come and with the war at sea.

Britain is a war production arsenal of the United Nations second only to the United States. From the beginning of the war to the first of this year her factories turned out 90,000 planes, 83,000 tanks, armored cars and carriers, and over 1,000,000 trucks, besides vast quantities of other arms. Over three-quarters of all the new planes provided in 1943 to the

RAF and the Royal Navy were produced in British factories. Toward this great war production record lend-lease industrial materials and products have made a substantial contribution by supplementing Britain's own resources.

We have shipped 5,750,000 tons of steel and over 500,000 tons of other metals. These metals have come out of British factories fabricated into millions of additional tons of guns, shells, planes, tanks, fighting ships, and other weapons that Britain could otherwise not have produced. We have shipped hundreds of thousands of tons of explosives to be made into the bombs that the RAF drops on Berlin. We have also sent machinery and tools and component parts needed for British war production. We have sent hundreds of millions of gallons of petroleum products, including much of the aviation gasoline that powers the 2,000-plane RAF attacks.

Shipments of food and other agricultural products to the United Kingdom have also been of vital importance to British war production and British fighting power. These shipments,

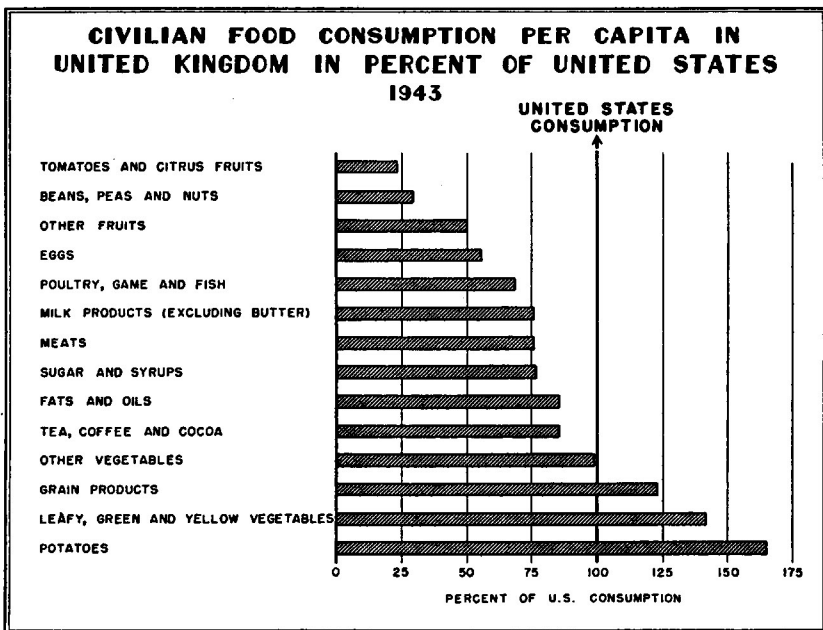


Chart 4

ESTIMATED FOOD SUPPLIES, IN POUNDS PER CAPITA PER YEAR, MOVING INTO CIVILIAN CONSUMPTION

Item	Supplies, pre-war		Supplies, 1943 ¹		Percentage change, 1943 compared with pre-war		Per capita supplies in United Kingdom, 1943, as percentage of per capita U.S. supplies
	United States	United Kingdom	United States	United Kingdom	United States	United Kingdom	
Milk and milk products, excluding butter, total milk solids (fat and non-fat)	Lb. 55.0	Lb. 38.3	Lb. 64.4	Lb. 49.2	Pct. +17	Pct. +28	Pct. 76
Meats, including cured, canned, and edible offal (as carcass weight)	134.9	136.4	141.3	107.3	+5	-21	76
Poultry, game, and fish (edible weight)	26.1	30.6	27.6	18.8	+6	-39	68
Eggs (fresh equivalent)	35.6	24.4	41.2	22.9	+16	-6	56
Oils and fats (fat content)	45.1	45.6	44.5	38.4	-1	-16	86
Sugars and sirups (sugar content)	105.3	94.5	84.0	65.0	-20	-31	77
Potatoes and sweetpotatoes	142.7	177.0	155.1	255.8	+9	+45	165
Pulses (beans, peas, and lentils) and nuts (weight without shell)	15.8	9.5	19.3	5.6	+22	-41	29
Tomatoes and citrus fruits (fresh fruit equivalent)	88.3	46.8	103.0	23.2	+17	-50	23
Other fruits and fruit products (fresh equivalent)	151.3	93.5	104.1	52.0	-31	-44	50
Leafy, green, and yellow vegetables	85.7	99.3	93.4	132.7	+9	+34	142
Other vegetables	62.3	48.6	65.4	64.4	+5	+33	98
Grain products	200.7	211.0	201.2	247.4	.....	+17	123
Beverages (tea, coffee, cocoa)	16.0	13.5	14.3	12.3	-11	-9	86

Source: Report of a special Joint Committee set up by the Combined Food Board published by the U. S. Department of Agriculture.

¹ Including Victory garden production.

Note: The figures in the above table are national averages and should not be taken to represent the actual supply received by each individual consumer.

Table 4

although constituting only about 10 percent of Britain's overall food supply, have provided a much higher proportion of some of the most essential caloric and protective foods needed to maintain the rations of Britain's armed forces and war workers. Coupled with a great increase in Britain's home food production they have made it possible for the war workers and fighting forces of the British Isles to have enough to eat to sustain an intensive war effort that is now in its fifth year.

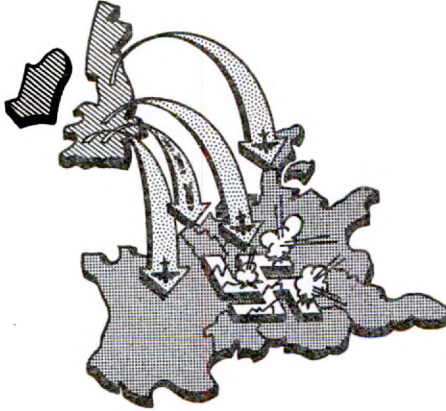
Even with the help of lend-lease foods, however, this result has been attained only by very strict rationing. The British people eat far less well than the people of the United States. Compared to the average American civilian the average Britisher in 1943 was able to obtain only 76% as much milk and milk products, 76% as much meat, 68% as much poultry and fish, 56% as many eggs (and in Britain's case these were almost entirely dried eggs), 23% as much citrus fruit and tomatoes, and 50% as much other fruits and fruit products. The only important foods the British civilian gets more of than the American civilian are potatoes, such vegetables as carrots and cabbage, and bread.

Reverse Lend-Lease Aid

Besides the benefit we receive from the lend-lease aid which we provide to the United Kingdom, because of what British fighting men are able to do toward defeating our common enemies with the supplies we send, United States forces in the United Kingdom have received a very large volume of supplies and services from the British as reverse lend-lease aid, without payment by us.

By the first of this year the dollar value of goods, services, and facilities provided by the United Kingdom to United States Army, Navy and Air Forces and to our Merchant Marine totalled \$1,526,170,000. Almost all of this aid was provided in the British Isles themselves. Not counting construction materials, reverse lend-lease supplies provided on the spot in Britain already amounted to about three million ships' tons by January 1, 1944. These figures do not reflect the value of the vital information on military equipment freely turned over

LEND-LEASE AND REVERSE LEND-LEASE HELP IN THE BOMBING OF EUROPE



WE HAVE FURNISHED TO THE ROYAL AIR FORCE -

Thousand of Fighters and
 Bombers
 Incendiary and Demolition
 Bombs
 Explosives for Making More
 Bombs
 Aviation Gasoline for Lancasters
 and Halifaxes
 Materials and Tools for Plane
 Production
 Food for Pilots and Aircraft
 Factory Workers

THE UNITED KINGDOM HAS FURNISHED TO OUR AIR FORCE -

Construction of Airfields, Supply
 Bases, Housing
 Planes, Bombs and Other
 Supplies
 Special Equipment for Long
 Range Fighters
 High Altitude Clothing for
 Bomber Crews
 Repair Shops, Factories and
 Civilian Labor
 Home Grown Fresh Foods

Chart 5

to us by the British, who had over 2 years of battle experience before we entered the war. No financial valuation can be, or is, of course, placed on this type of aid, either by the British or ourselves.

One-third of all the supplies and equipment currently required for our very great forces in the United Kingdom are provided by the United Kingdom and are provided as reverse lend-lease, without payment by us. The cost of this aid to the United Kingdom, including shipping, averaged about \$90,000,000 a month in the last three months of 1943.

The 8th and 9th United States Air Forces have received reverse lend-lease aid particularly vital to the success of their operations. Following is a list of a few of the many thousands of different types of reverse lend-lease supplies, equipment, and services, as reported by our Air Forces up to the end of 1943, which gives some indication of the extent and variety of this aid:

Bomber and fighter airfields and air bases, advanced airports, combat crew replacement centers, barracks, repair depots, warehouses, and storage facilities, etc., which cost the British \$355,000,000 through the end of 1943 to build and equip for us. Ten thousand civilian employees with an annual pay roll of \$12,000,000 have been employed on the construction program for United States forces, principally on airfields and air bases.

452,000 tons of equipment and supplies have been furnished. Some of the items of aid:

1100 Spitfires and other planes.

1,357,000 sq. ft. of steel and light alloy sheets for repair and adaptation needs in our plane depots.

235,000 synthetic rubber shock absorbers.

32,000 bombs of various sizes.

7,000 sets of armor plate for heavy bombers.

5,000 collapsible rubber dinghies with devices for the release of parachutes at the time of hitting water.

10,600 aircraft tires.

35,000 108-gallon belly tanks for fighter aircraft.

9,600 pieces of protective body armor.
9,300 bullet proof glass panels for aircraft.
43,000 easily jettisoned lightweight gas tanks for long-range fighters. It is planned to produce these at the rate of 22,000 per month with 4,000 persons employed on this task.
43,000 electrically heated muffs for gunners.
2,000 parachutes.
1,750,000 pairs of socks.
1,500,000 pairs of knitted woolen gloves and substantial quantities of other types of clothing.
44,500,000 yards of Sommerfeld track.
60,000 aircraft, warship, and armed vehicle recognition devices.
All requirements for aircraft engine spark plugs.
12 factories working solely on production of transformers for U. S. Air Forces.
50 mobile repair shops for the repair of American bombers forced to make crash landings in the United Kingdom.
625 British-type fighter gun sights.
Special photographic equipment, for one out of each three aircraft in bomber squadrons, to take pictures of the target during the bomb run.
Large quantities of specially heated winter flying clothing.
Various types of specialized radio equipment.

Chapter 3

THE SOVIET UNION

During the past winter the armies of the Soviet Union have driven the Nazis from almost all of the Ukraine and the Crimea, from the Leningrad and Kalinin regions, and from large areas of White Russia. They have advanced into Rumania and Czechoslovakia. Odessa and Sevastopol have fallen. These magnificent winter and spring drives have climaxed over a year of almost continuous offensive action since the fall of Stalingrad—action in which over three-quarters of the invaded soil of the Soviet Union has been liberated and Hitler's armies have suffered millions of casualties and vast losses in vital war equipment. Now the Soviet Union is preparing new blows to be struck from the east while the forces of the United States, Great Britain, and the other allies strike new blows from other directions.

The fighting on the eastern front and the fighting on the west have been and will continue to be closely interrelated. We are all fighting the same enemy—Nazi Germany. What the Soviet Army has done to Hitler's war machine on the eastern front—what the combined American, British, and allied forces have done in the Mediterranean campaigns and in the tremendous air offensive against Germany—these actions have supplemented each other. Together they have greatly reduced the power that Hitler can summon for the Nazis' final defensive stand. Together the coming combined blows of the Soviet, British, American, and other United Nations fighting forces will destroy the Nazis and completely break the war-making power of Germany.

LEND-LEASE EXPORTS TO U. S. S. R.

Thousands of Dollars

	Mar. 1941- Feb. 1942	Mar. 1942- Feb. 1943	Mar. 1943- Feb. 1944	Total
Ordnance and Ammunition	5,092	262,372	364,752	632,216
Aircraft and Parts	26,223	347,342	488,428	861,993
Tanks and Motor Vehicles	20,335	355,673	542,125	918,133
Watercraft . . . . .	.....	17,081	102,732	119,813
Total Munitions	51,650	982,468	1,498,037	2,532,155
Industrial Materials and Products	15,374	387,763	938,312	1,341,449
Agricultural Products	3,241	263,917	598,637	865,795
Total	70,265	1,634,148	3,034,986	4,739,399

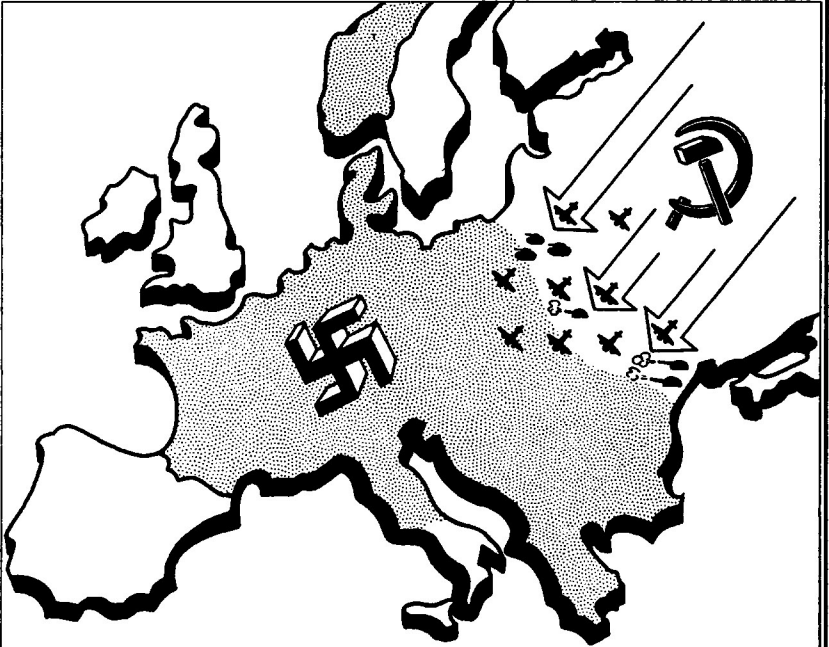
Table 5

The Soviet Union has supplied its armies for their part in these combined operations principally from its own factories. But in the fighting on the eastern front there have also been large quantities of American equipment that in Russian hands has done heavy damage to the German war machine and brought its final defeat much closer. Great Britain and Canada, too, have sent large quantities of supplies for the Soviet war effort.

The United States has sent to the Soviet Union since the beginning of the lend-lease program almost four and three-quarter billion dollars worth of war supplies. Two-thirds of that amount was shipped in the twelve months between March 1, 1943, and March 1, 1944.

Up to March 1, 1944, we sent to Russia 8,800 planes, more than we had sent under lend-lease to any other military theatre. These included light and medium bombers, pursuit planes, and transport planes. In the first sixty days of 1944 alone we sent more than 1,000 combat planes. The Soviet Air Force has shown a preference for Airacobra P-39 fighters, Douglas A-20 attack bombers, and B-25 Mitchell mediums and

LEND-LEASE ON THE EASTERN FRONT



WE HAVE SENT TO THE U.S.S.R., TO MARCH 1, 1944:

8,800 planes	200,000 tons of explosives
4,500 tanks	7,000,000 pairs of army boots
190,000 trucks	840,000 tons of petroleum products
66,000 other vehicles	1,450,000 tons of steel

WITH THE HELP OF LEND-LEASE WEAPONS AND MATERIALS THE SOVIET ARMY HAS:

Eliminated millions in the Nazi armies including 500,000 in the last two months alone.

Destroyed in one year 14,000 Nazi aircraft, 25,000 tanks and 40,000 guns.

Driven Hitler's armies back 800 miles toward the German borders.

FOREIGN ECONOMIC ADMINISTRATION

Chart 6

many Russian fliers have made outstanding combat records flying these planes against the Nazis. The Russians are now also getting Thunderbolt P-47's.

More than 4,000 of the planes sent to Russia have been flown all the way from factories in the United States to the battle fronts.

Mobile equipment sent to the Soviet Union from the United States includes over 190,000 military trucks, 36,000 jeeps, 5,200 tanks and tank destroyers, and 30,000 other military motor vehicles, including several thousand artillery prime movers of the fast tractor type, ordnance service trucks, huge tank transporters, and motorcycles. General Sherman tanks manned by Soviet crews have been in the thick of the fighting alongside tanks produced in Soviet factories as the Red Army liberated the Ukraine and the Crimea and recaptured Odessa. American trucks have been essential to maintaining the rapidly lengthening supply lines of the Soviet forces in the face of deep spring mud and the destruction of railroads and bridges by the retreating Germans.

To assist in rebuilding and expanding railroads leading to the advancing front, the United States has sent under lend-lease over 350,000 tons of railroad rails, locomotive and car wheels and axles. A program for supplying completed locomotives and freight cars was also undertaken late in the fall of 1943. Over 200 locomotives and 1,000 flat-cars have already been shipped. Many more will be sent. As the Soviet Army advances farther and farther toward the German border, the magnitude of the transportation and supply job to the front lines will increase. American equipment will continue to help maintain that mobility of the Soviet forces that has already been so unpleasant a surprise to the German high command.

Another important United States contribution to the Red Army's communications has consisted of 275,000 field telephones and 850,000 miles of field telephone wire.

Substantial as shipments of American fighting equipment to the U. S. S. R. have been, by far the greater part of the equipment used by the Red Army has been produced in Soviet

factories. Shipments of industrial materials and products from the United States, however, have been of important assistance to the Soviet's own production. We have sent, for example, 1,450,000 tons of steel, 420,000 tons of aluminum, copper, nickel, zinc, brass and other non-ferrous metals, 200,000 tons of explosives and almost \$200,000,000 of machine tools.

In addition to almost 7,000,000 pairs of Red Army boots, we have sent 35,000 tons of leather for production in Soviet factories of additional army boots, together with almost 30,000,000 yards of woolen cloth, and 60,000,000 yards of cotton cloth for Soviet Army uniforms.

Lend-lease shipments of food to maintain Soviet Army rations totalled 2,600,000 tons to March 1, 1944. Food shipments have included wheat, flour, and other cereal products; dried peas and beans; canned, cured and dehydrated meats, principally pork; lard, pork fat and vegetable oils, powdered milk, dried eggs, and dehydrated vegetables.

The liberation of the Ukraine has not yet, of course, relieved the serious food shortages suffered by the people of the Soviet Union for almost three years. Very severe rationing continues and it will be many months—years perhaps—before agricultural production in the devastated and pillaged Ukraine is fully restored. Lend-lease food shipments, which have provided the thin margin necessary to maintain the Soviet Army rations, will be as important as ever in the months of decisive battles that lie ahead. In the meantime, to help increase Russia's production of her own foods as fast as possible, particularly in the Ukraine, we have also shipped almost 13,000 tons of seeds. Of these, 3,700 tons were shipped in the first two months of 1944 alone.

Because the Soviet Union has not had sufficient refining capacity to meet the tremendous demands of this war for petroleum products, we have sent 840,000 tons of aviation gasoline, high-grade lubricating oils and other similar petroleum products needed by the Red Air Force and the Red Army. We have also shipped almost \$50,000,000 worth of petroleum refinery equipment to the Soviet Union. This is now being

installed in the U. S. S. R. under the direction of American engineers. In the meantime Soviet engineers, technicians and operators have come to this country to study American refinery methods so that they can operate the plants in Russia after they have been erected. When this project is completed the Soviet will be able to meet a greatly increased share of its war requirements for aviation gasoline and other products from its own sources of crude petroleum.

Aid From Britain

The British, also, have provided the Soviet Union with very substantial aid. They have sent 5,031 tanks, of which 3,803 were produced in British factories and 1,223 were Canadian built. They have sent over 4,100 planes produced in Britain; over 150,000,000 rounds of ammunition for anti-tank and other guns; 2,487 Bren guns and other ordnance and munitions items.

In addition to military equipment, the British have sent large quantities of raw materials and machine tools for Soviet war production. These shipments have included over 300,000 tons of aluminum, copper, rubber, jute, sisal, tin, wool and graphite from British Commonwealth and Colonial Empire sources, together with over \$80,000,000 worth of machine tools and other manufacturing equipment.

Chapter 4

THE PACIFIC AND FAR EAST THEATRES

Almost two billion dollars worth of lend-lease war supplies have been shipped to the Pacific and Far East theatres for the war against Japan. Approximately three-fifths of these supplies have consisted of fighting equipment for the Australian, New Zealand, Chinese, Dutch, British, and Indian army, air, and naval forces fighting beside the United States forces. Almost all of the remaining shipments have consisted of industrial materials and products for the production of fighting equipment, food, and strategic raw materials in Australia, New Zealand, and India.

The rising offensive power of United Nations forces in these theatres—as elsewhere—has been accompanied by a rising flow of lend-lease supplies. Shipments in the 12 months ending March 1, 1944, were more than 60 percent greater than in the preceding year. They have included thousands of planes, thousands of tanks, and tens of thousands of trucks and other military motor vehicles.

India and China

While the United States Navy is striking through the central Pacific in the direction of Japan from the west and combined United States-Australian-New Zealand-Dutch forces are moving up from the south in the direction of the Philippines, other combined Chinese-Indian-British-United States forces have been attacking from the east.

India is the base for operations against the Japanese in Burma. These allied operations are aimed at reopening a land route to China. Lend-lease equipment has had an important role in the Burma campaign this year. The Chinese 22nd and 38th Divisions, which include a Chinese tank corps, have made up a major part of the forces under General Stilwell that have advanced down the Hukaung and Mogaung valleys in upper Burma, killed thousands of Japanese, retaken 7,500 square

miles, and are now over half-way to the Chinese frontier. These divisions were trained and equipped in India under lend-lease. Fighting in cooperation with American veterans of Guadalcanal, they have been using American tanks, guns, and trucks with notable success. As they advance toward the borders of China, American Army engineers are building the Ledo Road behind them. To the south, air-borne British jungle veterans have been cutting Japanese communications lines, while other British and Indian troops have fought back

LEND-LEASE EXPORTS TO INDIA AND CHINA

Thousands of Dollars

	Mar. 1941- Feb. 1942	Mar. 1942- Feb. 1943	Mar. 1943- Feb. 1944	Total
Ordnance and Ammunition	16,163	117,367	92,733	226,263
Aircraft and Parts	9,068	56,160	126,475	191,703
Tanks and Motor Vehicles	26,294	108,922	127,280	262,496
Watercraft	106	2,669	22,287	25,062
Total Munitions	51,631	285,118	368,775	705,524
Industrial Materials and Products	13,671	86,476	205,261	305,408
Agricultural Products	365	24,068	28,831	53,264
Total	65,667	395,662	602,867	1,064,196

Table 6

a Japanese counter-thrust in the Kohima-Imphal area. These forces are also making use of lend-lease arms, in addition to equipment produced in India and Britain.

In the air over Burma the RAF and Indian Air Force are using American as well as British planes in combined operations with the USAAF. In the Bay of Bengal powerful task forces built up in recent months have already struck at Sabang in Japanese-occupied Dutch Sumatra. Most of the warships in this fleet are British, but most of the planes that took off from aircraft carriers in that operation were American. They included lend-lease Grumman Hellcats and Corsairs.

From the northeastern Indian Province of Assam runs the air line which has been our only direct connection with China since the Burma Road was cut two years ago. It was established in April 1942. Although this air line crosses wild jungle country with mountains rising to 15,000 feet and has been subject to attack by Japanese fighter planes, it has now, after many months of intensive effort, become probably as busy as any air-supply line in the world. Day in and day out great numbers of transport planes make the trip. How many planes are flying this route cannot be revealed, but it can be said that the monthly tonnage of supplies carried into China each month "over the hump" is now fifteen times what it was a year ago and our shipments are increasing from month to month.

These planes carry into China all the aviation gasoline and bombs, and many of the other supplies needed for General Chennault's 14th U. S. Air Force and the Chinese Air Force squadrons inside China that have been equipped with lend-lease planes and are manned by Chinese flyers trained under lend-lease in the United States and India. The transport planes also carry in lend-lease equipment for the Chinese Army and for the Chinese arsenals. Although new air supply records have been established on the route "over the hump," the total tonnage that can be carried by air transport anywhere is, of course, small compared to the quantities that can be shipped by land or sea. Therefore, the great majority of lend-lease shipments to the India-China theater have, of necessity, so far gone only as far as India and Burma. Eventually direct communications with China will be reestablished, not only on land, but by sea as well. When that time comes—as it certainly will—we shall be able to pour lend-lease supplies into China in the volume needed to enable the Chinese forces, combined with the other Allied forces, to achieve the final and complete defeat of Japan.

The industrial materials and products shipped to India under lend-lease have had four principal purposes—all directly connected with the fighting now under way and with the greater

operations to come: first, equipment to increase the capacity of Indian docks, railroads, and highways so that they can be adequate to military transport and supply needs; second, equipment to build airfields and military roads at strategic locations; third, machinery, tools, and materials for the production of military equipment in India's important munitions industry; fourth, supplies needed to increase India's production of such strategic materials as mica, jute, and shellac which are essential to war production in the United States.

Reverse Lend-Lease

The volume of reverse lend-lease aid provided to United States forces in India has gone up by leaps and bounds. In January and February of this year alone American troops received over \$35,000,000 worth of supplies. This was as much in two months as we had received in the entire year of 1942 and half as much as we had received in the entire year of 1943.

Reverse lend-lease aid furnished to the United States in India up to March 1, 1944, totalled almost \$150,000,000. This came to us without payment on our part and saved many thousands of tons of shipping space. Petroleum products, including aviation gasoline from the British refinery at Abadan for the United States Air Forces in India, make up a large part of the total.

Other supplies received in the two months of January and February 1944 alone, included:

- 6,800,000 pounds of vegetables,
- 170,000 pairs of socks,
- 300,000 yards of cloth,
- 175,000 pairs of trousers,
- 700,000 gallons of Diesel oil,
- 200,000 sets of underwear,
- 4,000,000 pounds of meat and fish,
- 2,000,000 pounds of fruit,
- 1,000,000 pounds of beverages,
- 500,000 pounds of bread,
- 700,000 dozens of eggs.

Australia and New Zealand

Australia, with a total population of 7,172,000, has had almost 860,000 enlistments in her armed services since the beginning of the war. A comparable percentage for the United States would have put 16,000,000 men into our armed services. The Royal Australian Air Force alone numbers more than 75,000 men. New Zealand, in proportion to her population, has made similarly striking contributions to the United Nations fighting forces.

Some of the Australian and New Zealand forces are still engaged in the European theater. Many more have joined with the American forces in the Southwest and South Pacific theatres under over-all United States command against the Japanese. While American ground forces have predominated in the Solomons campaign, New Zealand troops are also participating and Australian divisions have carried on a very large share of the tough jungle fighting in New Guinea. The Australian and New Zealand air forces and their navies,

LEND-LEASE EXPORTS TO AUSTRALIA AND NEW ZEALAND

Thousands of Dollars

	Mar. 1941- Feb. 1942	Mar. 1942- Feb. 1943	Mar. 1943- Feb. 1944	Total
Ordnance and Ammunition..	2,086	72,667	45,347	120,100
Aircraft and Parts.....	10,488	55,597	125,489	191,574
Tanks and Motor Vehicles...	1,357	80,001	116,512	197,870
Watercraft.....	.....	1,674	3,420	5,094
Total Munitions.....	13,931	209,939	290,768	514,638
Industrial Materials and Products.....	10,267	109,683	198,763	318,713
Agricultural Products.....	3,119	8,774	16,295	28,188
Total.....	27,317	328,396	505,826	861,539

Table 7

which include numbers of cruisers and destroyers, have effectively reinforced the predominantly American air and naval forces in the operations in this theatre. Netherlands units equipped under lend-lease, are also fighting both in the air and on the ground, in the campaign that is now moving northward toward the Philippines. Some of these Dutch fighting men, who escaped from the Japanese-occupied Indies, are participating in the action at Hollandia, the first piece of Netherlands East Indies territory recovered from the Japanese.

To supplement the equipment for these combined forces furnished from British and Australian war production, the United States has shipped them under lend-lease almost \$200,000,000 worth of aircraft and another \$200,000,000 worth of tanks and other military motor vehicles. Shipments of ordnance and ammunition have also bulked large.

Raw materials, machine tools and component parts shipped under lend-lease from the United States have had an important role in the greatly increased production of military equipment for use against the Japanese that has been achieved by Australian factories since 1941. Despite manpower shortages, Australia and New Zealand have also been able, with the help of lend-lease shipments of seed, fertilizer, farm equipment, tin plate, and canning equipment, to increase substantially the production and processing of food for American forces in the Pacific.

Reverse Lend-Lease

Australia and New Zealand are providing food at the rate of a billion pounds a year to United States Forces. In the Southwest Pacific almost all the food for our troops is provided as reverse lend-lease. Our forces in the South Pacific receive large quantities as well.

The 1944 reverse lend-lease program in Australia and New Zealand calls for between \$200,000,000 and \$250,000,000 worth of food alone, including several hundred million pounds of meat. Up to the first of this year we had already received such quantities as:

Almost 250,000,000 pounds of beef and other meats,
Almost 34,000,000 dozen eggs,
Over 175,000,000 pounds of fresh fruits and vegetables,
Over 27,000,000 pounds of butter,
Over 55,000,000 pounds of sugar,
Over 100,000,000 pounds of canned vegetables and other
canned goods.

Reverse lend-lease from Australia and New Zealand is by no means limited to food, however. By January 1, 1944, the supplies, facilities, and services our forces had received as reverse lend-lease had cost these countries over \$450,000,000 and the rate of reverse lend-lease aid was rising. Besides the bases, barracks, airfields, hospitals, and other facilities built for our forces, the fighting equipment, the spare parts, and repair services that have been furnished, Australian and New Zealand factories are producing many hundreds of thousands of uniforms and we expect to receive a million pairs of Army boots alone in 1944.

Of special importance to our combined offensive operations this year in the direction of the Philippines is the construction in Australian and New Zealand shipyards of large numbers of landing craft, barges, and other small boats for American forces in amphibious island operations. Australia is now engaged in building \$40,000,000 worth of these craft, besides turning over fleets of trawlers, launches and small coastal steamers previously built. By the first of this year New Zealand had already spent \$6,500,000 on its part of the ship construction program.

Chapter 5

OTHER AREAS

Africa, Middle East, and Mediterranean

Seventy-five percent of all lend-lease shipments for the war in the Mediterranean-African-Middle East theatre has consisted of fighting equipment—planes, guns, tanks, military trucks, landing boats, and other munitions items. This equipment has been used by the British and allied fighting men who have continued to make up the majority of all the United Nations forces engaged in this theatre and are now fighting

LEND-LEASE EXPORTS TO AFRICA, MIDDLE EAST, AND MEDITERRANEAN AREA

Thousands of Dollars

	Mar. 1941– Feb. 1942	Mar. 1942– Feb. 1943	Mar. 1943– Feb. 1944	Total
Ordnance and Ammunition . .	41,009	213,864	299,147	554,020
Aircraft and Parts	3,880	139,472	304,764	448,116
Tanks and Motor Vehicles . . .	62,807	175,074	548,926	786,807
Watercraft	4,549	9,161	23,521	37,231
Total Munitions	112,245	537,571	1,176,358	1,826,174
Industrial Materials and Products	29,313	206,104	274,253	509,670
Agricultural Products	4,947	37,593	106,833	149,373
Total	146,505	781,268	1,557,444	2,485,217

Table 8

shoulder to shoulder with American forces in Italy—the British, French, New Zealanders, Australians, Greeks, Jugoslavs, Poles, Indians, and others.

General Sherman tanks paced Montgomery's men in the break-through at El Alamein and American trucks helped keep the 8th Army rolling 1,500 miles across Lybia, Cyrenaica, and Tripolitania to Tunisia. There the 8th Army joined with other British forces, the American forces, and the French in driving the Germans from Africa, in the conquest of Sicily and the invasion of Italy.

With North Africa as a base, powerful French army, navy, and air forces have been re-created and provided with American equipment under lend-lease. The French are fighting and flying beside our men in Italy; they have retaken and garrisoned Corsica, which is close to northern Italy and southern France; their warships, reconditioned and equipped in American shipyards, are hitting at the Nazis in the Mediterranean and the Adriatic. Many additional French troops are preparing to join in the greater operations to come for the liberation of their homeland. Over \$300,000,000 worth of equipment and supplies have been consigned to the American commanding general in the field for lend-lease transfer to the French forces, in addition to lend-lease shipments made direct from the United States.

Civilian supplies shipped to French Africa under lend-lease are paid for at full landed cost. With the help of these shipments production of food and other materials needed for the United Nations war effort is being increased. We have sent to Tunisia and Morocco, for example, equipment to increase production at the phosphate mines. The fertilizer produced by these mines is needed both for the United Kingdom's intensive food-production program and for the restoration of food production in the liberated areas of occupied Europe. Seeds, insecticides, farm tools, parts for agricultural machinery, binder twine and other supplies have been sent to increase the production in North Africa of food needed by our forces. Railroad equipment has been sent to West Africa and Equatorial Africa so that greater quantities of peanut and palm oils, cocoa, mahogany, tin, copper, jute and other strategic materials and commodities needed by the United Nations can be brought out from the interior to the coast.

Lend-lease shipments to the Middle East have consisted almost entirely of munitions and of equipment and supplies essential to military transport and communications. Small quantities of supplies needed for local production of food and war materials have also been sent to this area. The great majority of civilian supplies sent to the countries of the Middle East from the United States have gone through cash purchase channels.

Reverse Lend-Lease

Substantial amounts of foodstuffs, especially cereals and fresh vegetables, have been furnished by the French to our armed forces in the Mediterranean area under reverse lend-lease, in addition to other supplies and services. This aid to the United States already totalled about \$30,000,000 by the first of this year.

Lend-lease and reverse lend-lease aid in French North and West Africa are furnished under an agreement between the United States and the French Committee of National Liberation. Under this agreement we furnish military aid on a straight lend-lease basis and we receive cash payment for essential civilian supplies. In addition, the French under reverse lend-lease make available to us munitions, food, and other war supplies.

South and Central American Countries

Lend-lease shipments to the other American Republics have consisted entirely of airplanes, tanks, guns, and other munitions, together with some naval patrol craft and a small amount of materials and equipment for use in arsenals and shipyards producing military equipment. These shipments are sent under the direction of the Joint Chiefs of Staff as part of the hemisphere defense program. No civilian supplies of any kind have been supplied to any other American Republic under lend-lease. No lend-lease aid has been provided to Argentina and the defense requirements of Panama are met by our own Panama Canal defenses.

Up to March 1, 1944, actual lend-lease shipments to the other American Republics had a total value of less than

LEND-LEASE EXPORTS TO LATIN AMERICA*

Thousands of Dollars

	Mar. 1941- Feb. 1942	Mar. 1942- Feb. 1943	Mar. 1943- Feb. 1944	Total
Ordnance and Ammunition		6,465	16,795	23,260
Aircraft and Parts	557	26,691	26,676	53,924
Tanks and Motor Vehicles	26	15,973	21,083	37,082
Watercraft		146	612	758
Total Munitions	583	49,275	65,166	115,024
Industrial Materials and Products	70	3,487	17,216	20,773
Agricultural Products		15	46	61
Total	653	52,777	82,428	135,858

*The 20 other American Republics.

Table 9

\$136,000,000, while lend-lease transfers in the same period totaled \$169,000,000. This was less than 1 percent of lend-lease exports to all areas. Two-thirds of these military supplies went to Brazil. In 1943 lend-lease exports to Latin America amounted to less than 12 percent of all United States exports to this area. Over 88 percent of our exports to Latin America were paid for in cash and went almost entirely through commercial channels. The dollar volume of United States commercial exports to Latin America in 1943 was, in fact, almost 50 percent higher than the average of our exports in the pre-war years 1936-1938.

Thirteen of the American Republics receiving lend-lease aid have either declared war on the Axis or have announced a state of belligerency and are members of the United Nations. The others have broken diplomatic relations with the Axis. These nations have given us military, economic warfare, and political aid through joint anti-submarine patrols on sea and in the air, permission to establish United States military, naval, and air bases and to fly United States planes over their

territory, the severance of trade with the Axis, and active cooperation in the suppression of Axis subversive activities.

The American Republics have also cooperated with us in developing the production of raw materials absolutely essential to the war industry of the United States. We are receiving from Latin America a billion dollars worth a year of such strategic commodities as copper, lead, tungsten, tin, quinine, rubber, quartz crystals, mercury, rope fibers, vegetable fats and oils, and many others. Without the alloys supplied to us by the other American republics we would have been greatly handicapped in our production of alloy steel needed for our munitions production. Without the 99 percent of our quartz crystals that come from South America we could not have produced the radio-location and other communications equipment so vital to all our air and naval operations.

Other Shipments

Lend-lease exports totalling \$603,013,000 are listed as going to other countries. These consist principally of supplies and equipment exported to Canada. These exports include military equipment and its components for re-export from Canada to the United Kingdom or other United Nations either directly or after further fabrication in Canadian factories. Such goods are transferred by the United States under lend-lease, not to Canada, but to the countries of ultimate destination. Other lend-lease exports to Canada have included trainer planes and small quantities of other supplies for the use of Norwegian, Polish, and other United Nations units in training on Canadian soil. The balance of lend-lease exports to Canada consists of supplies Canada has purchased for cash in this country for her own war effort, using the lend-lease procurement machinery.

Canada has her own mutual aid program under which she is supplying, without payment, to the United Kingdom, the Soviet Union, Australia, New Zealand, and other United Nations, \$2,000,000,000 of additional war supplies produced in her own factories and shipyards.

Chapter 6

STATISTICAL TABLES AND CHARTS

AMOUNTS OF LEND-LEASE AID AUTHORIZED

The amount of lend-lease aid that may be provided under the various acts is summarized as follows:

I. Lend-Lease Appropriations to the President

First Lend-Lease Appropriation.....	\$7,000,000,000
Second Lend-Lease Appropriation.....	5,985,000,000
Third Lend-Lease Appropriation (Fifth Supp. 1942).....	5,425,000,000
Fourth Lend-Lease Appropriation.....	6,273,629,000
Total.....	24,683,629,000

II. Transfers Authorized From Other Appropriations

Direct appropriations have been made to the War and Navy Departments and to the Maritime Commission for the procurement of items which are in the main common to the uses of our own armed forces and those of our allies. These items when produced can be used, in other words, by our armed forces or those of our allies in the manner in which they can be most effective in defeating our common enemies. It is not until they are ready for distribution that they are allocated by the military experts in accordance with the strategic needs. The Appropriation Acts in question authorize transfers to our allies up to stated amounts under the Lend-Lease Act. That does not mean that transfers up to the stated amounts will necessarily be made. All that it means is that there is sufficient flexibility for the military authorities to assign the supplies where they will do the most good in winning the war.

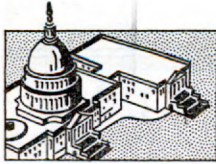
War Department:

Third Supplemental, 1942.....	\$2,000,000,000
Fourth Supplemental, 1942.....	4,000,000,000
Fifth Supplemental, 1942.....	11,250,000,000
Sixth Supplemental, 1942.....	2,220,000,000
Military Appropriation Act, 1943.....	12,700,000,000
Navy Department: Second Supplemental, 1943.....	3,000,000,000
Departments other than War: Third Supplemental, 1942....	800,000,000

Total..... 35,970,000,000

In addition to the foregoing, Congress has with certain limitations authorized the leasing of ships of the Navy and merchant ships constructed with funds appropriated to the Maritime Commission without any numerical limitation as to the dollar value or the number of such ships which may be so leased. (See for example, Public Law 1, 78th Cong., approved February 19, 1943, and Public Law 11, 78th Cong., approved March 18, 1943.)

Table 10



APPROPRIATIONS
BY CONGRESS

LEND-LEASE AID

BY SOURCE OF FUNDS

TO THE PRESIDENT



WAR
DEPARTMENT

NAVY
DEPARTMENT

MARITIME
COMMISSION

TREASURY
DEPARTMENT

AGRICULTURE
DEPARTMENT

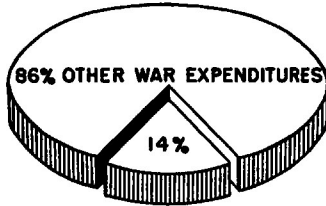


GOODS AND SERVICES FURNISHED TO LEND-LEASE COUNTRIES

FOREIGN ECONOMIC ADMINISTRATION

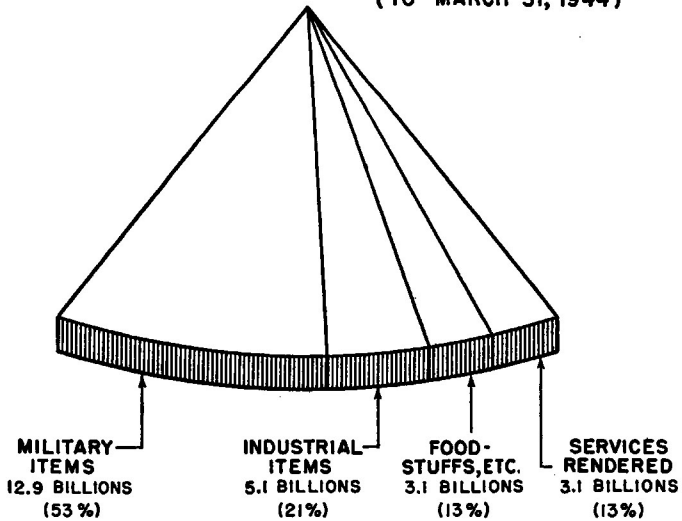
Chart 7

LEND-LEASE AND TOTAL WAR COSTS



LEND-LEASE AID

TOTAL LEND-LEASE AID \$24,200,000,000
(TO MARCH 31, 1944)



FOREIGN ECONOMIC ADMINISTRATION

Chart 8

BREAK-DOWN OF LEND-LEASE AID

	Mar. 1941- Mar. 1942	Apr. 1942- Mar. 1943	Apr. 1943- Mar. 1944	Total
	Percent	Percent	Percent	Percent
Munitions (Including Ships)	27.8	50.8	59.4	53.4
Industrial Materials and Products . .	22.1	21.8	20.5	21.1
Agricultural Products	22.4	12.8	11.3	12.9
Services	27.7	14.6	8.8	12.6
Total	100.0	100.0	100.0	100.0

Table 12

GOODS CONSIGNED TO U. S. COMMANDING GENERALS, IN THE FIELD, FOR SUBSEQUENT TRANSFER UNDER LEND-LEASE TO FOREIGN GOVERNMENTS AS OF FEBRUARY 29, 1944

Category	Amount
Ordnance	\$214,855,000
Aircraft and Parts	28,080,000
Tanks and Other Vehicles	229,782,000
Miscellaneous Equipment and Supplies	102,449,000
Total	575,166,000

Virtually all of these supplies have been consigned for the Chinese forces in India, Burma, and China, and for the French forces in the Mediterranean theater.

Table 13

LEND-LEASE AID

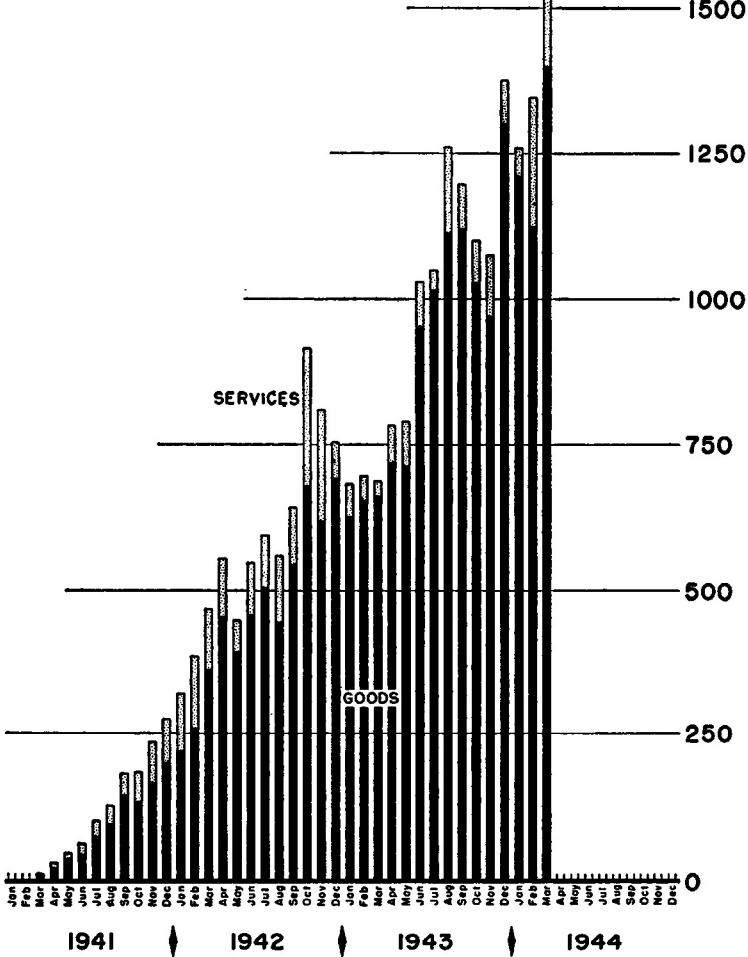
Millions of Dollars

	Monthly			Cumulative		
	Goods	Services	Total	Goods	Services	Total
Jan. 1941.....						
Feb.....						
Mar.....	6	4	10	6	4	10
Apr.....	20	8	28	26	12	38
May.....	35	10	45	61	22	83
Jun.....	41	22	63	102	44	146
Jul.....	73	28	101	175	72	247
Aug.....	95	31	126	270	103	373
Sep.....	144	37	181	414	140	554
Oct.....	132	50	182	546	190	736
Nov.....	164	70	234	710	260	970
Dec.....	200	74	274	910	334	1,244
Jan. 1942.....	220	102	322	1,130	436	1,566
Feb.....	260	128	388	1,390	564	1,954
Mar.....	362	106	468	1,752	670	2,422
Apr.....	455	99	554	2,207	769	2,976
May.....	394	55	449	2,601	824	3,425
Jun.....	459	89	548	3,060	913	3,973
Jul.....	504	91	595	3,564	1,004	4,568
Aug.....	446	114	560	4,010	1,118	5,128
Sep.....	544	99	643	4,554	1,217	5,771
Oct.....	680	235	915	5,234	1,452	6,686
Nov.....	620	190	810	5,854	1,642	7,496
Dec.....	694	63	757	6,548	1,705	8,253
Jan. 1943.....	627	55	682	7,175	1,760	8,935
Feb.....	656	41	697	7,831	1,801	9,632
Mar.....	663	24	687	8,494	1,825	10,319
Apr.....	720	63	783	9,214	1,888	11,102
May.....	716	74	790	9,930	1,962	11,892
Jun.....	954	77	1,031	10,884	2,039	12,923
Jul.....	1,018	32	1,050	11,902	2,071	13,973
Aug.....	1,114	148	1,262	13,016	2,219	15,235
Sep.....	1,121	76	1,197	14,137	2,294	16,431
Oct.....	1,028	73	1,101	15,165	2,368	17,533
Nov.....	971	105	1,076	16,136	2,473	18,609
Dec.....	1,300	77	1,377	17,436	2,550	19,986
Jan. 1944.....	1,214	45	1,259	18,650	2,595	21,245
Feb.....	1,124	226	1,350	19,774	2,821	22,595
Mar.....	1,406	224	1,630	21,180	3,045	24,225

Table 11

LEND-LEASE AID

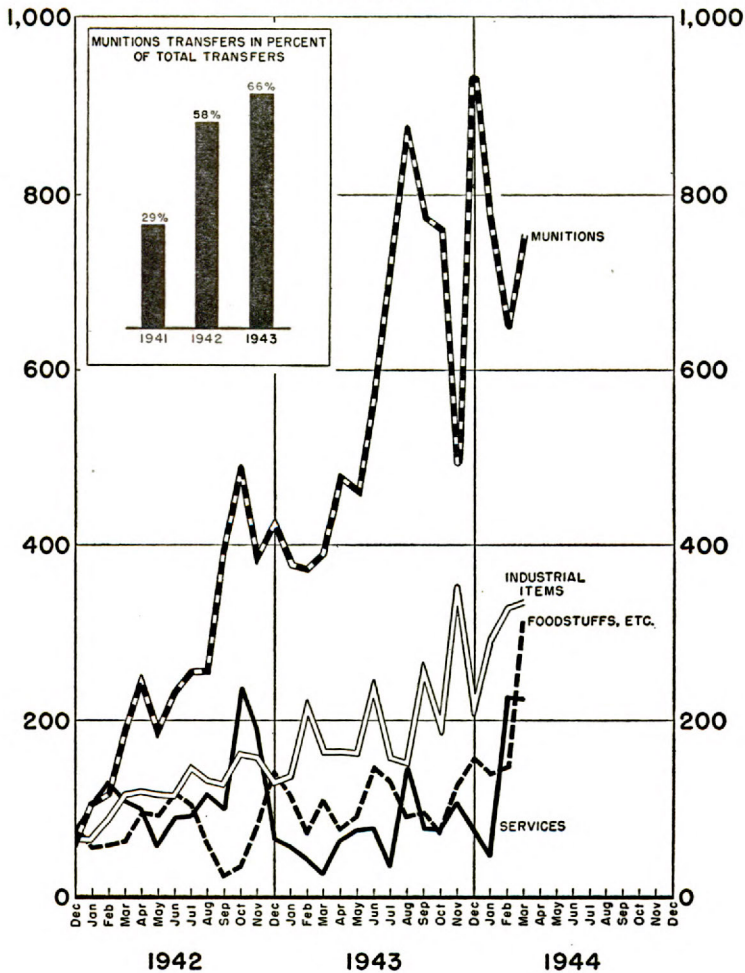
MILLION \$
MONTHLY



FOREIGN ECONOMIC ADMINISTRATION

Chart 9

GOODS TRANSFERRED AND SERVICES RENDERED MONTHLY IN MILLIONS OF DOLLARS



FOREIGN ECONOMIC ADMINISTRATION

Chart 10

LEND-LEASE EXPORTS

March 1941 through February 29, 1944

Millions of Dollars

	United Kingdom	U. S. S. R.	Africa, Middle East, and Mediterranean Area	China, India, Australia, and New Zealand	Other Countries	Total
MUNITIONS						
Ordnance	328	238	239	145	77	1,027
Ammunition	710	394	315	202	72	1,693
Aircraft and Parts	1,034	862	448	383	295	3,022
Tanks and Parts	587	280	452	154	84	1,557
Motor Vehicles and Parts	325	638	335	306	79	1,683
Watercraft	185	120	37	30	20	392
Total	3,169	2,532	1,826	1,220	627	9,374
INDUSTRIAL MATERIALS AND PRODUCTS						
Machinery	387	507	111	156	27	1,188
Metals	602	485	153	198	19	1,457
Petroleum Products	518	34	65	124	2	743
Other	346	315	181	147	37	1,026
Total	1,853	1,341	510	625	85	4,414
AGRICULTURAL PRODUCTS						
Foodstuffs	1,825	782	142	52	24	2,825
Other Agricultural Products	459	84	7	29	4	583
Total	2,284	866	149	81	28	3,408
TOTAL EXPORTS	7,306	4,739	2,485	1,926	740	17,196

Table 14

LEND-LEASE EXPORTS TO ALL COUNTRIES

Thousands of Dollars

	Mar. 1941- Feb. 1942	Mar. 1942- Feb. 1943	Mar. 1943- Feb. 1944	Total
United Kingdom	756,249	2,221,151	4,328,995	7,306,395
U. S. S. R.	70,265	1,634,148	3,034,986	4,739,399
Africa, Middle East and Mediterranean Area.	146,505	781,268	1,557,444	2,485,217
China, India, Australia and New Zealand . . .	92,984	724,058	1,108,693	1,925,735
Latin America	653	52,777	82,428	135,858
Other Countries	43,876	175,079	384,058	603,013
Total	1,110,532	5,588,481	10,496,604	17,195,617

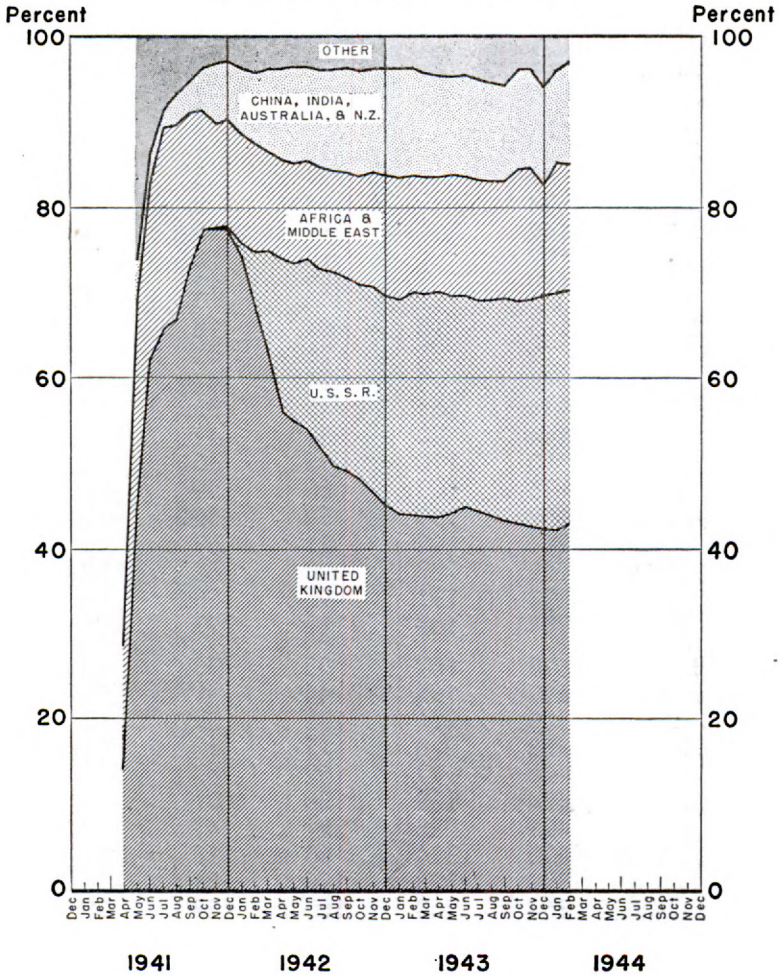
Percentage Distribution

	Mar. 1941- Feb. 1942	Mar. 1942- Feb. 1943	Mar. 1943- Feb. 1944	Total
United Kingdom	68.1%	39.7%	41.2%	42.5%
U. S. S. R.	6.3	29.2	28.9	27.6
Africa, Middle East and Mediterranean Area.	13.2	14.0	14.8	14.4
China, India, Australia, New Zealand	8.4	13.0	10.6	11.2
Latin America	0.1	0.9	0.8	0.8
Other countries	3.9	3.2	3.7	3.5
Total	100.0	100.0	100.0	100.0

Table 15

LEND-LEASE EXPORTS PERCENTAGE DISTRIBUTION BY COUNTRY

CUMULATIVE FROM MARCH 1941



FOREIGN ECONOMIC ADMINISTRATION

Chart 11

LEND-LEASE EXPORTS—MONTHLY

Millions of Dollars

	United Kingdom	U. S. S. R.	Africa, Middle East, and Mediterranean Area	China, India, Australia, and New Zealand	Other Countries	Total
Mar. 1941.....					1	1
Apr.	1				4	5
May.	9		5	1	1	16
Jun.	26		6	1	2	35
Jul.	49		19	1	3	72
Aug.	46		14	5	2	67
Sep.	74		7	2	3	86
Oct.	142		12	12	1	167
Nov.	107		10	18	2	137
Dec.	119	1	23	12		155
Jan. 1942.....	105	15	24	18	13	175
Feb.	79	55	26	22	12	194
Mar.	149	97	25	47	11	329
Apr.	144	164	45	55	17	425
May.	144	70	37	47	8	306
Jun.	210	110	35	36	14	405
Jul.	175	103	66	59	21	424
Aug.	152	150	58	56	18	434
Sep.	214	102	71	67	18	472
Oct.	222	128	98	82	32	562
Nov.	204	191	95	55	16	561
Dec.	207	167	112	97	25	608
Jan. 1943.....	178	167	93	75	22	535
Feb.	222	185	44	49	28	528
Mar.	310	211	132	67	57	777
Apr.	353	210	117	68	27	775
May.	400	177	152	83	36	848
Jun.	424	139	100	101	26	790
Jul.	401	232	221	147	32	1,033
Aug.	370	324	165	113	27	999
Sep.	398	303	190	81	33	1,005
Oct.	364	263	165	128	32	952
Nov.	272	344	120	88	33	857
Dec.	353	345	77	96	35	906
Jan. 1944.....	311	285	58	75	59	788
Feb.	372	201	63	62	69	767
TOTAL EXPORTS.	7,306	4,739	2,485	1,926	740	17,196

Table 16

LEND-LEASE FOOD SHIPMENTS IN RELATION TO SUPPLY AND TO U. S. CIVILIAN POPULATION

	Exports in Percent of Supply		Exports in Ounces per Week per United States Civilian	
	Year 1943	1st Quarter 1944	Year 1943	1st Quarter 1944
All Meats (Dressed Weight Basis) . . .	9.5	8.2	5.6	5.5
Beef and Veal	1.3	1.3	0.3	0.4
Lamb and Mutton	11.1	17.1	0.3	0.4
Pork	15.4	7.1	5.0	4.7
All Milk Products (Fluid Milk Equiv.)	3.8	2.8	11.3	8.3
Dry Whole Milk	13.7	9.5	0.04	0.04
Dry Skim Milk	41.9	6.1	0.6	0.1
Condensed and Evaporated Milk	12.8	6.0	1.3	0.7
Butter	3.8	1.3	0.2	0.07
Cheese	14.3	16.6	0.4	0.5
Eggs	12.4	11.1	2.4	2.2
Edible Fats and Oils	16.3	9.2	2.7	1.6
Canned Fish	26.8	4.9	0.6	0.1
Fruits:				
Canned Fruits and Juices	6.9	5.8	0.8	0.7
Dried Fruits	20.3	17.9	0.7	0.6
Vegetables:				
Canned Vegetables	1.5	2.2	0.3	0.4
Dried Beans	11.4	8.9	0.8	0.7
Dried Peas	9.9	17.4	0.3	0.5
Corn and Corn Products (Grain Equiv.)	0.1	0.1	0.9	0.5
Wheat and Wheat Products (Grain Equiv.)	1.0	1.5	3.1	3.7

Table 17

STATUS OF NATIONS
Lend-Lease Countries and United Nations

Country	Declared Eligible for Lend-Lease Aid	Lend-Lease Agreement Signed	Reciprocal Aid Agreement Signed	United Nations Declaration Signed	Earliest Date of Existence of State of War With Any Axis Power	Earliest Date of Severance of Diplomatic Relations With Any Axis Power
Argentina	May 6, 1941					Jan. 26, 1944
Australia	Nov. 11, 1941	(¹)	Sept. 3, 1942	Jan. 1, 1942	Sept. 3, 1939	
Belgium	June 13, 1941	June 16, 1942	Jan. 30, 1943	Jan. 1, 1942	May 9, 1940	
Bolivia	May 6, 1941	Dec. 6, 1941		Apr. 27, 1943	Apr. 7, 1943	Jan. 28, 1942
Brazil	May 6, 1941	Mar. 3, 1942		Feb. 6, 1943	Aug. 22, 1942	Jan. 28, 1942
Canada	Nov. 11, 1941	(⁴)		Jan. 1, 1942	Sept. 10, 1939	
Chile	May 6, 1941	Mar. 2, 1943				Jan. 20, 1943
China	May 6, 1941	June 2, 1942		Jan. 1, 1942	Dec. 9, 1941	
Colombia	May 6, 1941	Mar. 17, 1942		Jan. 17, 1944	Nov. 27, 1943 ²	Dec. 8, 1941
Costa Rica	May 6, 1941	Jan. 16, 1942		Jan. 1, 1942	Dec. 8, 1941	
Cuba	May 6, 1941	Nov. 7, 1941		Jan. 1, 1942	Dec. 9, 1941	
Czechoslovakia	Jan. 5, 1942	July 11, 1942		Jan. 1, 1942	Dec. 9, 1941	
Dominican Republic	May 6, 1941	Aug. 2, 1941		Jan. 1, 1942	Dec. 8, 1941	
Ecuador	May 6, 1941	Apr. 6, 1942				Jan. 29, 1942
Egypt	Nov. 11, 1941					Sept. 3, 1939
El Salvador	May 6, 1941	Feb. 2, 1942		Jan. 1, 1942	Dec. 8, 1941	
Ethiopia	Dec. 7, 1942	Aug. 9, 1943		July 28, 1942	Dec. 1, 1942	
French Committee of National Liberation ³	Nov. 11, 1941 Nov. 13, 1942	Sept. 25, 1943	Sept. 3, 1942 Sept. 25, 1943		Sept. 3, 1939	
Greece	Mar. 11, 1941	July 10, 1942		Jan. 1, 1942	Oct. 28, 1940	
Guatemala	May 6, 1941	Nov. 16, 1942		Jan. 1, 1942	Dec. 8, 1941	
Haiti	May 6, 1941	Sept. 16, 1941		Jan. 1, 1942	Dec. 8, 1941	
Iceland	July 1, 1941	Nov. 21, 1941				
India	Nov. 11, 1941			Jan. 1, 1942	Sept. 3, 1939	
Iran	Mar. 10, 1942			Sept. 9, 1943	Sept. 9, 1943	Sept. 8, 1941
Iraq	May 1, 1942			Jan. 16, 1943	Jan. 16, 1943	June 7, 1941
Liberia	Mar. 10, 1942	June 8, 1943	Apr. 10, 1944		Jan. 27, 1944	Oct. 2, 1942
Luxembourg				Jan. 1, 1942	May 10, 1940	
Mexico	May 6, 1941	Mar. 18, 1943		June 5, 1942	May 22, 1942	Dec. 19, 1941
Netherlands	Aug. 21, 1941	July 8, 1942	June 14, 1943	Jan. 1, 1942	May 10, 1940	
New Zealand	Nov. 11, 1941	(¹)	Sept. 3, 1942	Jan. 1, 1942	Sept. 3, 1939	
Nicaragua	May 6, 1941	Oct. 16, 1941		Jan. 1, 1942	Dec. 8, 1941	
Norway	June 4, 1941	July 11, 1942		Jan. 1, 1942	Apr. 9, 1940	
Panama	May 6, 1941			Jan. 1, 1942	Dec. 7, 1941	
Paraguay	May 6, 1941	Sept. 20, 1941				Jan. 28, 1942
Peru	May 6, 1941	Mar. 11, 1942				Jan. 24, 1942
Philippines				June 10, 1942		
Poland	Aug. 28, 1941	July 1, 1942		Jan. 1, 1942	Sept. 1, 1939	
Saudi Arabia	Feb. 18, 1943					Date uncertain.
South Africa	Nov. 11, 1941			Jan. 1, 1942	Sept. 6, 1939	
Turkey	Nov. 7, 1941					
United Kingdom	Mar. 11, 1941	Feb. 23, 1942	Sept. 3, 1942	Jan. 1, 1942	Sept. 3, 1939	
United States				Jan. 1, 1942	Dec. 7, 1941	
U. S. S. R.	Nov. 7, 1941	June 11, 1942		Jan. 1, 1942	June 22, 1941	
Uruguay	May 6, 1941	Jan. 13, 1942				Jan. 25, 1942
Venezuela	May 6, 1941	Mar. 18, 1942				Dec. 31, 1941
Yugoslavia	Nov. 11, 1941	July 24, 1942		Jan. 1, 1942	Apr. 6, 1941	

¹ No Master Lend-Lease Agreement has been concluded with either Australia or New Zealand; but in the Reciprocal Aid Agreements entered into with these countries, they accepted the principles of the Lend-Lease Agreement with the United Kingdom as applicable to their lend-lease relations with the United States.

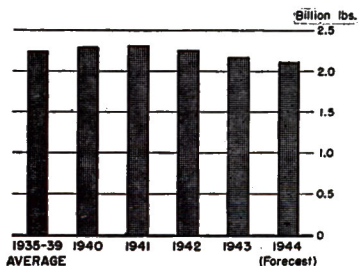
² Colombia declared a state of belligerency.

³ Territory under the jurisdiction of the French National Committee was declared eligible to receive lend-lease aid on November 11, 1941, and a reciprocal aid agreement was entered into with the Committee on September 3, 1942. French North and West Africa were declared eligible to receive lend-lease aid on November 13, 1942. On September 25, 1943, a Lend-Lease Modus Vivendi Agreement governing lend-lease aid and reciprocal aid was entered into with the French Committee of National Liberation, successor to the French National Committee and to the Haut Commandement en Chef Civile et Militaire established in French North and West Africa after the events of November 1942.

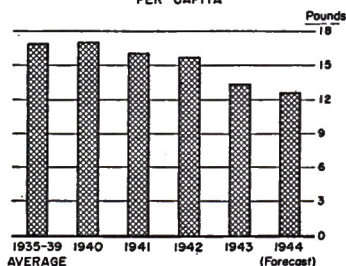
⁴ In an exchange of notes dated November 30, 1942, Canada accepted the underlying principles of Article VII of the Master Agreement.

BUTTER

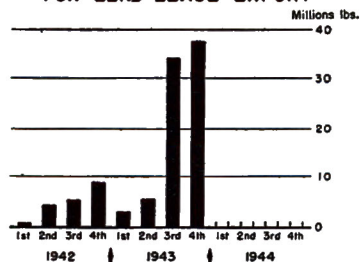
TOTAL U. S. SUPPLY



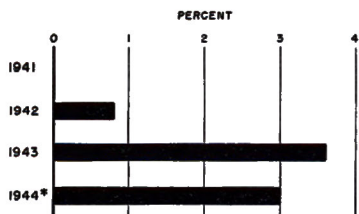
U. S. CIVILIAN CONSUMPTION PER CAPITA



QUARTERLY DELIVERIES FOR LEND-LEASE EXPORT



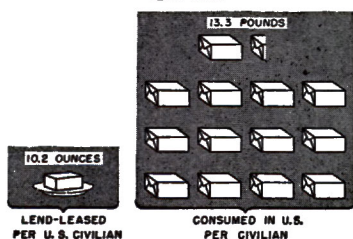
LEND-LEASE EXPORTS IN % OF TOTAL U. S. SUPPLY



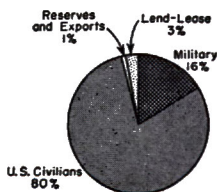
*W.F.A. allocation

AMOUNT LEND-LEASE COMPARED WITH CONSUMPTION IN U.S.

YEAR 1943



ALLOCATION BY W.F.A. OCTOBER 1, 1943 TO OCTOBER 1, 1944



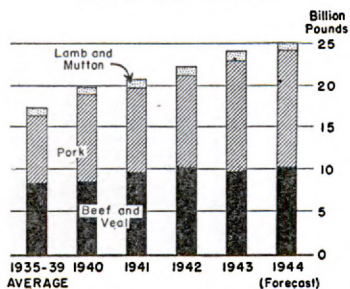
FOREIGN ECONOMIC ADMINISTRATION

Chart 12

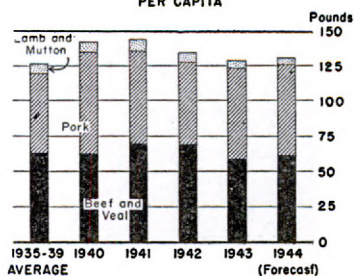
MEAT

(Dressed weight basis)

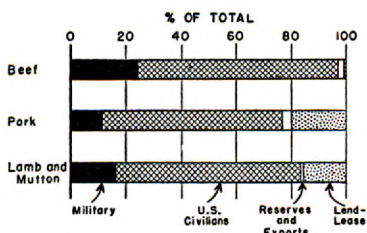
TOTAL U.S. SUPPLY



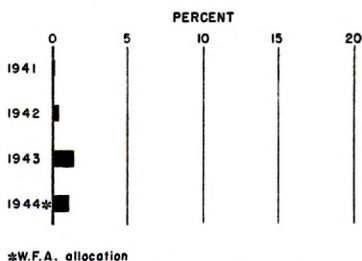
U.S. CIVILIAN CONSUMPTION PER CAPITA



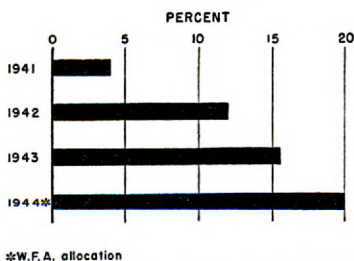
ALLOCATION BY W.F.A. OCTOBER 1, 1943 TO OCTOBER 1, 1944



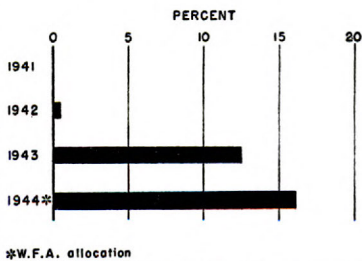
BEEF LEND-LEASED IN % OF TOTAL U.S. SUPPLY



PORK LEND-LEASED IN % OF TOTAL U.S. SUPPLY



LAMB AND MUTTON LEND-LEASED IN % OF TOTAL U.S. SUPPLY



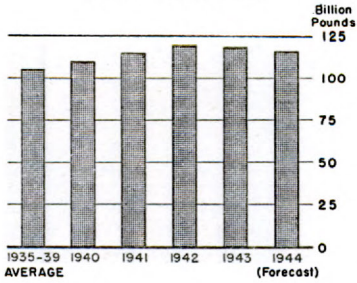
FOREIGN ECONOMIC ADMINISTRATION

Chart 13

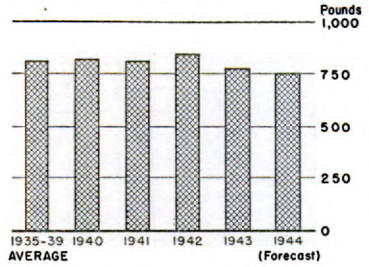
MILK

(Fluid milk equivalent of all dairy products)

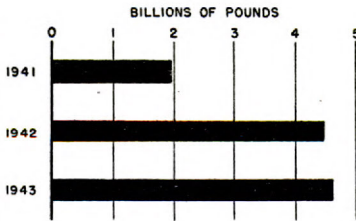
U.S. PRODUCTION



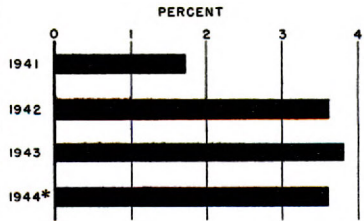
U.S. CIVILIAN CONSUMPTION PER CAPITA



QUANTITY LEND-LEASED

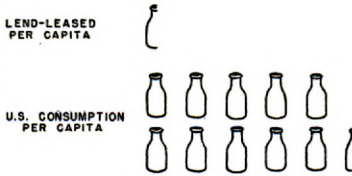


LEND-LEASE EXPORTS IN % OF TOTAL U.S. SUPPLY



*January

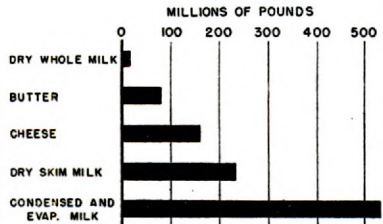
QUANTITY LEND-LEASED COMPARED WITH CIVILIAN CONSUMPTION IN U.S. YEAR 1943



EACH FIGURE REPRESENTS 35 QUARTS

LEND-LEASE EXPORTS IN 1943

(Quantities in form in which exported)



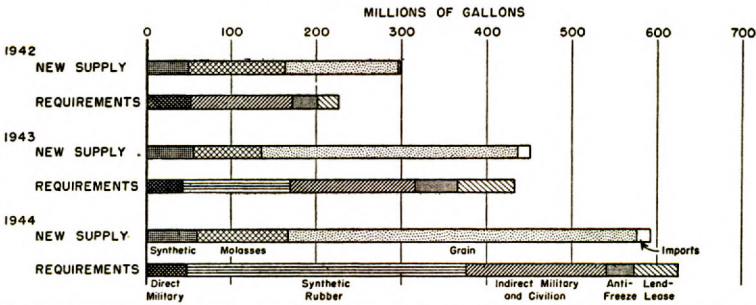
FOREIGN ECONOMIC ADMINISTRATION

Chart 14

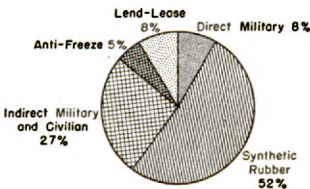
INDUSTRIAL ALCOHOL

(1944 data are estimates by W.P.B.)

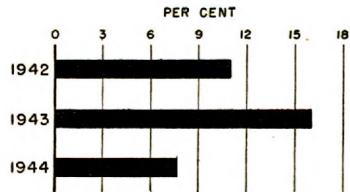
SUPPLY AND REQUIREMENTS



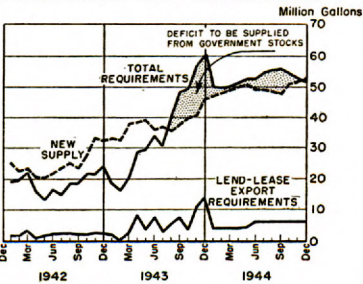
ESTIMATED 1944 REQUIREMENTS



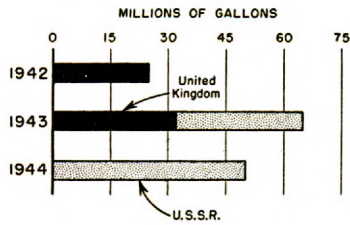
LEND-LEASE REQUIREMENTS IN % OF TOTAL REQUIREMENTS



PRODUCTION AND REQUIREMENTS



LEND-LEASE EXPORTS

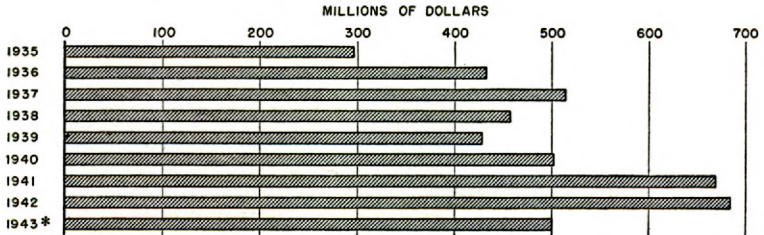


FOREIGN ECONOMIC ADMINISTRATION

Chart 15

FARM MACHINERY

PRODUCTION IN THE UNITED STATES EXCLUDING CRAWLER-TYPE TRACTORS



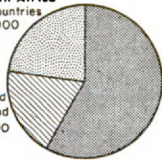
*Estimated

WHERE LEND-LEASE EXPORTS HAVE GONE

1941-1943

U.S.S.R., North Africa
and Other Countries
\$6,400,000

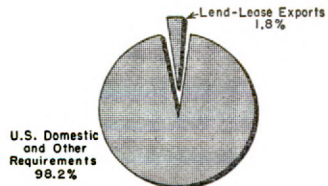
Australia and
New Zealand
\$6,900,000



United Kingdom
\$19,500,000

LEND-LEASE EXPORTS IN RELATION TO PRODUCTION

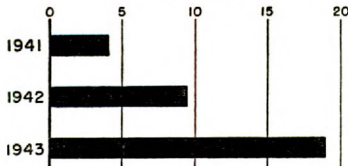
MARCH 1941-DECEMBER 1943



U.S. Domestic
and Other
Requirements
98.2%

LEND-LEASE EXPORTS

MILLIONS OF DOLLARS



COMMENTS

Lend-leasing farm machinery instead of additional food has resulted in a substantial saving in shipping space and in a smaller drain on our food supply.

Increased food production in allied countries has been used in part for U.S. forces.

Allies' farm machinery plants were converted to ordnance production early in the war.

Lend-lease farm machinery has aided the British in increasing their farm production by 70%.

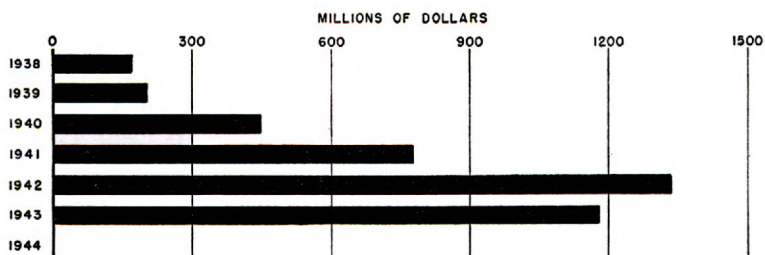
Lend-lease shipments have been kept at the absolute minimum necessary for our allies' production of the food essential to our joint war effort.

FOREIGN ECONOMIC ADMINISTRATION

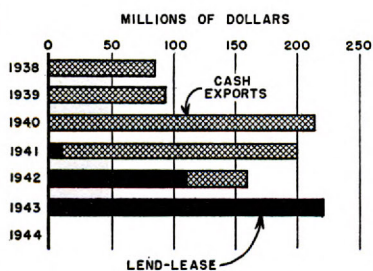
Chart 16

MACHINE TOOLS

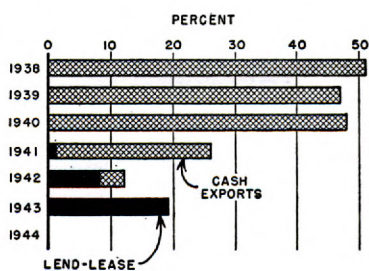
UNITED STATES PRODUCTION



VALUE OF EXPORTS

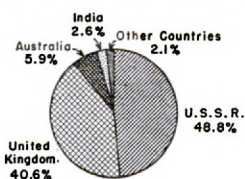


EXPORTS IN % OF PRODUCTION



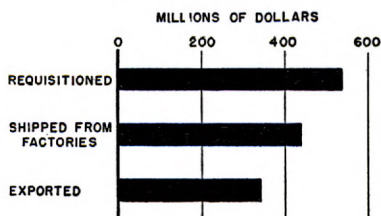
WHERE MACHINE TOOLS HAVE GONE UNDER LEND-LEASE

MARCH 1941—DECEMBER 1943



LEND-LEASE MACHINE TOOL PROGRAM

AS OF DECEMBER 31, 1943



FOREIGN ECONOMIC ADMINISTRATION

Chart 17

APPENDICES

Appendix I

LEND-LEASE ACT

Further to promote the defense of the United States, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "An Act to Promote the Defense of the United States."

Section 2

As used in this Act—

(a) The term "defense article" means—

- (1) Any weapon, munition, aircraft, vessel, or boat;
- (2) Any machinery, facility, tool, material, or supply necessary for the manufacture, production, processing, repair, servicing, or operation of any article described in this subsection;
- (3) Any component material or part of or equipment for any article described in this subsection;
- (4) Any agricultural, industrial or other commodity or article for defense.

Such term "defense article" includes any article described in this subsection manufactured or procured pursuant to section 3, or to which the United States or any foreign government has or hereafter acquires title, possession, or control.

(b) The term "defense information" means any plan, specification, design, prototype, or information pertaining to any defense article.

Section 3

(a) Notwithstanding the provisions of any other law, the President may, from time to time, when he deems it in the interest of national defense, authorize the Secretary of War, the Secretary of the Navy, or the head of any other department or agency of the Government—

- (1) To manufacture in arsenals, factories, and shipyards under their jurisdiction, or otherwise procure, to the extent to which funds are made available therefor, or contracts are authorized from time to time by the Congress, or both, any defense article for the government of any

country whose defense the President deems vital to the defense of the United States.

(2) To sell, transfer title to, exchange, lease, lend, or otherwise dispose of, to any such government, any defense article, but no defense article not manufactured or procured under paragraph (1) shall in any way be disposed of under this paragraph except after consultation with the Chief of Staff of the Army or the Chief of Naval Operations of the Navy, or both. The value of defense articles disposed of in any way under authority of this paragraph, and procured from funds heretofore appropriated, shall not exceed \$1,300,000,000. The value of such defense articles shall be determined by the head of the department or agency concerned or such other department, agency, or officer as shall be designated in the manner provided in the rules and regulations issued hereunder. Defense articles procured from funds hereafter appropriated to any department or agency of the Government, other than from funds authorized to be appropriated under this Act, shall not be disposed of in any way under authority of this paragraph except to the extent hereafter authorized by the Congress in the Acts appropriating such funds or otherwise.

(3) To test, inspect, prove, repair, outfit, recondition, or otherwise to place in good working order, to the extent to which funds are made available therefor, or contracts are authorized from time to time by the Congress or both, any defense article for any such government, or to procure any or all such services by private contract.

(4) To communicate to any such government any defense information, pertaining to any defense article furnished to such government under paragraph (2) of this subsection .

(5) To release for export any defense article disposed of in any way under this subsection to any such government.

(b) The terms and conditions upon which any such foreign government receives any aid authorized under subsection (a) shall be those which the President deems satisfactory, and the benefit to the United States may be payment or repayment in kind or property, or any other direct or indirect benefit which the President deems satisfactory.

(c) After June 30, 1943, or after the passage of a concurrent resolution by the two Houses before June 30, 1943, which declares that the powers conferred by or pursuant to subsection (a) are no longer necessary to promote the defense of the United States, neither the President nor the head of any department or agency shall exercise any of the powers conferred by or pursuant to subsection (a); except that until July 1, 1946, any of such powers may be exercised to the extent necessary to carry out a contract or agreement with such a foreign government made before July 1, 1943, or before the passage of such concurrent resolution, whichever is the earlier.

(d) Nothing in this Act shall be construed to authorize or to permit the authorization of convoying vessels by naval vessels of the United States.

(e) Nothing in this Act shall be construed to authorize or to permit the authorization of the entry of any American vessel into a combat area in violation of section 3 of the Neutrality Act of 1939.

Section 4

All contracts or agreements made for the disposition of any defense article or defense information pursuant to section 3 shall contain a clause by which the foreign government undertakes that it will not, without the consent of the President, transfer title to or possession of such defense articles or defense information by gift, sale, or otherwise, or permit its use by anyone not an officer, employee, or agent of such foreign government.

Section 5

(a) The Secretary of War, the Secretary of the Navy, or the head of any other department or agency of the Government involved shall, when any such defense article or defense information is exported, immediately inform the department or agency designated by the President to administer section 6 of the Act of July 2, 1940 (54 Stat. 714), of the quantities, character, value, terms of disposition, and destination of the article and information so exported.

(b) The President, from time to time, but not less frequently than once every ninety days, shall transmit to the Congress a report of operations under this Act except such information as he deems incompatible with the public interest to disclose. Reports provided for under this subsection shall be transmitted to the Secretary of the Senate or the Clerk of the House of Representatives, as the case may be, if the Senate or the House of Representatives, as the case may be, is not in session.

Section 6

(a) There is hereby authorized to be appropriated from time to time, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to carry out the provisions and accomplish the purposes of this Act.

(b) All money and all property which is converted into money received under section 3 from any government shall, with the approval of the Director of the Budget, revert to the respective appropriation or appropriations out of which funds were expended with respect to the defense article or defense information for which such consideration is received, and shall be available for expenditure for the purpose for which such expended funds were appropriated by law, during the fiscal year in which such funds are received and the ensuing fiscal year; but in no event shall any funds so received be available for expenditure after June 30, 1946.

Section 7

The Secretary of War, the Secretary of the Navy, and the head of the department or agency shall, in all contracts or agreements for the disposition of any defense article or defense information, fully protect the rights of all citizens of the United States who have patent rights in and to any such article or information which is hereby authorized to be disposed of and the payments collected for royalties on such patents shall be paid to the owner and holders of such patents.

Section 8

The Secretaries of War and of the Navy are hereby authorized to purchase or otherwise acquire arms, ammunition, and implements of war produced within the jurisdiction of any country to which section 3 is applicable, whenever the President deems such purchase or acquisition to be necessary in the interests of the defense of the United States.

Section 9

The President may, from time to time, promulgate such rules and regulations as may be necessary and proper to carry out any of the provisions of this Act; and he may exercise any power or authority conferred on him by this Act through such department, agency, or officer as he shall direct.

Section 10

Nothing in this Act shall be construed to change existing law relating to the use of the land and naval forces of the United States, except insofar as such use relates to the manufacture, procurement, and repair of defense articles, the communication of information and other noncombatant purposes enumerated in this Act.

Section 11

If any provision of this Act or the application of such provision to any circumstance shall be held invalid, the validity of the remainder of the Act and the applicability of such provision to other circumstances shall not be affected thereby.

APPROVED, MARCH 11, 1941.

☆ ☆ ☆

On March 11, 1943, after affirmative votes of 407-6 in the House of Representatives and 82-0 in the Senate the President signed the Act extending the Lend-Lease Act until July 1, 1944.

On April 19, 1944, by vote of 344-21, the House of Representatives voted to extend the Lend-Lease Act until July 1, 1945, with the following amendment to Section 3 (b) of the Act as follows (new matter in italics):

"The terms and conditions upon which any such foreign government receives any aid authorized under subsection (a) shall be those which the President deems satisfactory, and the benefit to the United States may be payment or repayment in kind or property, or any other direct or indirect benefit which the President deems satisfactory: *Provided, however, That nothing in this paragraph shall be construed to authorize the President in any final settlement to assume or incur any obligations on the part of the United States with respect to post-war economic policy, post-war military policy, or any post-war policy involving international relations except in accordance with established constitutional procedure.*"

On May 8, 1944, by vote of 63-1, the Senate also voted to extend the Act, with the same amendment as that adopted by the House except for deletion of the words "in any final settlement." On May 12 the House concurred in this change made by the Senate. On May 17 the President signed the Act.

Appendix II

BRITISH MASTER AGREEMENT

Agreement Between the Governments of the United States of America and of the United Kingdom on the Principles Applying to Mutual Aid in the Prosecution of the War Against Aggression, Authorized and Provided for by the Act of March 11, 1941.

Whereas the Governments of the United States of America and the United Kingdom of Great Britain and Northern Ireland declare that they are engaged in a cooperative undertaking, together with every other nation or people of like mind, to the end of laying the bases of a just and enduring world peace securing order under law to themselves and all nations;

And whereas the President of the United States of America has determined, pursuant to the Act of Congress of March 11, 1941, that the defense of the United Kingdom against aggression is vital to the defense of the United States of America;

And whereas the United States of America has extended and is continuing to extend to the United Kingdom aid in resisting aggression;

And whereas it is expedient that the final determination of the terms and conditions upon which the Government of the United Kingdom receives such aid and of the benefits to be received by the United States of America in return therefor should be deferred until the extent of the defense aid is known and until the progress of events makes clearer the final terms and conditions and benefits which will be in the mutual interests of the United States of America and the United Kingdom and will promote the establishment and maintenance of world peace;

And whereas the Governments of the United States of America and the United Kingdom are mutually desirous of concluding now a preliminary agreement in regard to the provision of defense aid and in regard to certain considerations which shall be taken into account in determining such terms and conditions and the making of such an agreement has been in all respects duly authorized, and all acts, conditions and formalities which it may have been necessary to perform, fulfill or execute prior to the making of such an agreement in conformity with the laws either of the United States of America or of the United Kingdom have been performed, fulfilled or executed as required;

The undersigned, being duly authorized by their respective Governments for that purpose, have agreed as follows:

Article I

The Government of the United States of America will continue to supply the Government of the United Kingdom with such defense articles, defense services, and defense information as the President shall authorize to be transferred or provided.

Article II

The Government of the United Kingdom will continue to contribute to the defense of the United States of America and the strengthening thereof and will provide such articles, services, facilities of information as it may be in a position to supply.

Article III

The Government of the United Kingdom will not without the consent of the President of the United States of America transfer title to, or possession of, any defense article or defense information transferred to it under the Act or permit the use thereof by anyone not an officer, employee, or agent of the Government of the United Kingdom.

Article IV

If, as a result of the transfer to the Government of the United Kingdom of any defense article or defense information, it becomes necessary for that Government to take any action or make any payment in order fully to protect any of the rights of a citizen of the United States of America who has patent rights in and to any such defense article or information, the Government of the United Kingdom will take such action or make such payment when requested to do so by the President of the United States of America.

Article V

The Government of the United Kingdom will return to the United States of America at the end of the present emergency, as determined by the President, such defense articles transferred under this Agreement as shall not have been destroyed, lost or consumed and as shall be determined by the President to be useful in the defense of the United States of America or of the Western Hemisphere or to be otherwise of use to the United States of America.

Article VI

In the final determination of the benefits to be provided to the United States of America by the Government of the United Kingdom full cognizance shall be taken of all property, services, information, facilities, or other benefits or considerations provided by the Government of the United Kingdom subsequent to March 11, 1941, and accepted or acknowledged by the President on behalf of the United States of America.

Article VII

In the final determination of the benefits to be provided to the United States of America by the Government of the United Kingdom in return for aid furnished under the Act of Congress of March 11, 1941, 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. To that end, they shall include provision for agreed action by the United States of America and the United Kingdom, open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic measures, of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers; and, in general, to the attainment of all the economic objectives set forth in the Joint Declaration made on August 12, 1941, by the President of the United States of America and the Prime Minister of the United Kingdom.

At an early convenient date, conversations shall be begun between the two Governments with a view to determining, in the light of governing economic conditions, the best means of attaining the above-stated objectives by their own agreed action and of seeking the agreed action of other like-minded Governments.

Article VIII

This Agreement shall take effect as from this day's date. It shall continue in force until a date to be agreed upon by the two Governments.

Signed and sealed at Washington in duplicate this 23d day of February, 1942.

For the Government of the United States of America:

[SEAL]

SUMNER WELLES,
Acting Secretary of State of the
United States of America.

For the Government of the United Kingdom
of Great Britain and Northern Ireland:

[SEAL]

HALIFAX
His Majesty's Ambassador Extraordinary
and Plenipotentiary at Washington.

☆ ☆ ☆

Identical Master Lend-Lease Agreements have been signed with the following countries: Belgium, China, Czechoslovakia, Ethiopia, Greece, Liberia, The Netherlands, Norway, Poland, Union of Soviet Socialist Republics, and Yugoslavia. Australia and New Zealand have accepted the principles of the Master Agreements.

Appendix III

RECIPROCAL AID AGREEMENTS

Reciprocal aid agreements with United Kingdom, Australia, New Zealand, and Fighting France were concluded September 3, 1942, by the following exchanges of notes. The first three agreements were signed in Washington and the agreement with Fighting France was signed in London.

Agreement With United Kingdom

The HONORABLE CORDELL HULL,

Secretary of State, United States Department of State,

Washington, D. C.

SIR: In the United Nations declaration of January 1, 1942, the contracting governments pledged themselves to employ their full resources, military or economic, against those nations with which they are at war and in the Agreement of February 23, 1942, each contracting government undertook to provide the other with such articles, services, facilities, or information useful in the prosecution of their common war undertaking as each may be in a position to supply. It is further the understanding of the Government of the United Kingdom of Great Britain and Northern Ireland that the general principle to be followed in providing mutual aid as set forth in the said Agreement of February 23, 1942, is that the war production and the war resources of both Nations should be used by the armed forces of each and of the other United Nations in ways which most effectively utilize the available materials, manpower, production facilities, and shipping space.

With a view, therefore, to supplementing Article 2 and Article 6 of the Agreement of February 23, 1942, between our two Governments for the provision of reciprocal aid, I have the honour to set forth below the understanding of the Government of the United Kingdom of Great Britain and Northern Ireland of the principles and procedures applicable to the provision of aid by the Government of the United Kingdom of Great Britain and Northern Ireland to the armed forces of the United States and the manner in which such aid will be correlated with the maintenance of those forces by the United States Government.

1. While each Government retains the right of final decision, in the light of its own potentialities and responsibilities, decisions as to the most effective use of resources shall, so far as possible, be made in common, pursuant to common plans for winning the war.

2. As to financing the provision of such aid, within the fields mentioned below, it is the understanding of the Government of the United Kingdom of Great Britain and Northern Ireland that the general principle to be applied, to the point at which the common war effort is most effective, is that as large a portion as possible of the articles and services which each Government may authorize to be provided to the other shall be in the form of reciprocal aid so that the need of each Government for the currency of the other may be reduced to a minimum.

It is accordingly the understanding of the Government of the United Kingdom of Great Britain and Northern Ireland that the United States Government will provide, in accordance with the provisions of, and to the extent authorized under, the Act of March 11, 1941, the share of its war production made available to the United Kingdom. The Government of the United Kingdom will provide on the same terms and as reciprocal aid so much of its war production made available to the United States as it authorizes in accordance with the Agreement of February 23, 1942.

3. The Government of the United Kingdom will provide the United States or its armed forces with the following types of assistance as such reciprocal aid, when it is found that they can most effectively be procured in the United Kingdom or in the British Colonial Empire:

(a) Military equipment, munitions, and military and naval stores.

(b) Other supplies, materials, facilities, and services for the United States forces, except for the pay and allowances of such forces, administrative expenses, and such local purchases as its official establishments may make other than through the official establishments of the Government of the United Kingdom as specified in paragraph 4.

(c) Supplies, materials, and services needed in the construction of military projects, tasks, and similar capital works required for the common war effort in the United Kingdom or in the British Colonial Empire, except for the wages and salaries of United States citizens.

(d) Supplies, materials, and services needed in the construction of such military projects, tasks, and capital works in territory other than the United Kingdom or the British Colonial Empire or territory of the United States to the extent that the United Kingdom or the British Colonial Empire is a more practicable source of supply than the United States or another of the United Nations.

4. The practical application of the principles formulated in this note, including the procedure by which requests for aid by either Government are made and acted upon, shall be worked out as occasion may require by agreement between the two Governments, acting when possible through their appropriate military or civilian administrative authorities. Requests by the United States Government for such aid will be presented by duly authorized authorities of the United States to official agencies of the United Kingdom which will be designated or established in London and in the areas where United States forces are located for the purpose of facilitating the provision of reciprocal aid.

5. It is the understanding of the Government of the United Kingdom of Great Britain and Northern Ireland that all such aid, as well as other aid, including information, received under Article 6 of the Agreement of February 23, 1942, accepted by the President of the United States or his authorized representatives from the Government of the United Kingdom will be received as a benefit to the United States under the Act of March 11, 1941. Insofar as circumstances will permit, appropriate record of aid received under this arrangement, except for miscellaneous facilities and services, will be kept by each Government.

If the Government of the United States concurs in the foregoing, I would suggest that the present note and your reply to that effect be regarded as placing on record the understanding of our two Governments in this matter.

I have the honour to be, with the highest consideration, Sir, your most obedient, humble servant,

HALIFAX.

September 3, 1942

His Excellency the Right Honorable The Viscount HALIFAX, K. G.,
British Ambassador.

EXCELLENCY: I have the honor to acknowledge the receipt of Your Excellency's note of today's date concerning the principles and procedures applicable to the provision of aid by the Government of the United Kingdom of Great Britain and Northern Ireland to the armed forces of the United States of America.

In reply I wish to inform you that the Government of the United States agrees with the understanding of the Government of the United Kingdom of Great Britain and Northern Ireland as expressed in that note. In accordance with the suggestion contained therein, your note and this reply will be regarded as placing on record the understanding between our two Governments in this matter.

This further integration and strengthening of our common war effort gives me great satisfaction.

Accept, Sir, the renewed assurances of my highest consideration.

CORDELL HULL,

Secretary of State of the United States of America.

September 3, 1942

Agreement With Australia

The Honorable CORDELL HULL,

Secretary of State, Washington, D. C.

SIR: As contracting parties to the United Nations Declaration of January 1, 1942, the Governments of the United States of America and the Commonwealth of Australia pledged themselves to employ their full resources, military and economic, against those nations with which they are at war.

With regard to the arrangements for mutual aid between our two Governments, I refer to the agreement signed at Washington on February 23, 1942, between the Governments of the United States of America and the United Kingdom on principles applying to mutual aid in the present war authorized and provided for by the Act of Congress of March 11, 1941, and have the honour to inform you that the Government of the Commonwealth of Australia accepts the principles therein contained as governing the provision of mutual aid between itself and the Government of the United States of America.

It is the understanding of the Government of the Commonwealth of Australia that the general principle to be followed in providing such aid is that the war production and war resources of both nations should be

used by the armed forces of each, in the ways which most effectively utilize available materials, manpower, production facilities, and shipping space.

I now set forth the understanding of the Government of the Commonwealth of Australia of the principles and procedure applicable to the provision of aid by the Government of the Commonwealth of Australia to the armed forces of the United States and the manner in which such aid will be correlated with the maintenance of those forces by the United States Government.

1. While each Government retains the right of final decision, in the light of its own potentialities and responsibilities, decisions as to the most effective use of resources shall, so far as possible, be made in common, pursuant to common plans for winning the war.

2. As to financing the provision of such aid, within the fields mentioned below, it is my understanding that the general principles to be applied to the point at which the common war effort is most effective, is that as large a portion as possible of the articles and services which each Government may authorize to be provided to the other shall be in the form of reciprocal aid so that the need of each Government for the currency of the other may be reduced to a minimum.

It is accordingly my understanding that the United States Government will provide, in accordance with the provisions of, and to the extent authorized under, the Act of March 11, 1941, the share of its war production made available to Australia. The Government of Australia will provide on the same terms and as reciprocal aid so much of its war production made available to the United States as it authorizes in accordance with the principles enunciated in this note.

3. The Government of Australia will provide as reciprocal aid the following types of assistance to the armed forces of the United States in Australia or its territories and in such other cases as may be determined by common agreement in the light of the development of the war.

(a) Military equipment, ammunition, and military and naval stores.

(b) Other supplies, materials, facilities, and services for the United States forces except for the pay and allowances of such forces, administrative expenses, and such local purchases as its official establishments may make other than through the official establishments of the Australian Government as specified in paragraph 4.

(c) Supplies, materials, and services needed in the construction of military projects, tasks and similar capital works required for the common war effort in Australia and in such other places as may be determined, except for the wages and salaries of United States citizens.

4. The practical application of the principles formulated in this note, including the procedure by which requests for aid by either Government are made and acted upon, shall be worked out as occasion may require by agreement between the two Governments, acting when possible through their appropriate military or civilian administrative authorities. Requests by the United States Government for such aid will be presented by duly authorized authorities of the United States to official agencies of the Commonwealth of Australia which will be designated or established in Can-

berra and in the areas where United States forces are located for the purpose of facilitating the provision of reciprocal aid.

5. It is my understanding that all such aid accepted by the President of the United States or his authorized representatives from the Government of Australia will be received as a benefit to the United States under the Act of March 11, 1941. Insofar as circumstances will permit appropriate record of aid received under this arrangement, except for miscellaneous facilities and services, will be kept by each Government.

If the Government of the United States concurs in the foregoing, I would suggest that the present note and your reply to that effect be regarded as placing on record the understanding of our two Governments in this matter.

I have the honor to be with the highest consideration, Sir, your obedient servant,

OWEN DIXON.

September 3, 1942.

The Honorable Sir OWEN DIXON, K. C. M. G.,
Minister of Australia.

SIR: I have the honor to acknowledge receipt of your note of today's date concerning the principles and procedures applicable to the provision of aid by the Government of the Commonwealth of Australia to the armed forces of the United States of America.

In reply I have the honor to inform you that the Government of the United States of America likewise accepts the principles contained in the agreement of February 23, 1942, between it and the Government of the United Kingdom as governing the provision of mutual aid between the Governments of the United States and of the Commonwealth of Australia. My Government agrees with the understanding of the Government of the Commonwealth of Australia as expressed in your note of today's date, and, in accordance with the suggestion contained therein, your note and this reply will be regarded as placing on record the understanding between our two Governments in this matter.

This further integration and strengthening of our common war effort gives me great satisfaction.

Accept, Sir, the renewed assurances of my highest consideration.

CORDELL HULL,
Secretary of State of the United States of America.

September 3, 1942.

Agreement With New Zealand

The Honorable CORDELL HULL,
*Secretary of State,
United States Department of State,
Washington, D. C.*

SIR: As contracting parties to the United Nations Declaration of January 1, 1942, the Governments of the United States of America and New Zealand

pledged themselves to employ their full resources, military and economic, against those nations with which they are at war.

In the Agreement of February 23, 1942, between the Governments of the United Kingdom and of the United States of America, the provisions and principles of which the Government of New Zealand considers applicable to its relations with the Government of the United States, each contracting Government undertook to provide the other with such articles, services, facilities, or information useful in the prosecution of their common war undertaking as each may be in a position to supply.

It is the understanding of the Government of New Zealand that the general principle to be followed in providing such aid is that the war production and war resources of both nations should be used by each, in the ways which most effectively utilize available materials, manpower, production facilities, and shipping space.

I now set forth the understanding of the Government of New Zealand of the principles and procedure applicable to the provision of aid by the Government of New Zealand to the armed forces of the United States and the manner in which such aid will be correlated with the maintenance of those forces by the United States Government.

1. While each Government retains the right of final decision, in the light of its own potentialities and responsibilities, decisions as to the most effective use of resources shall, so far as possible, be made in common, pursuant to common plans for winning the war.

2. As to financing the provision of such aid, within the fields mentioned below, it is my understanding that the general principle to be applied, to the point at which the common war effort is most effective, is that as large a portion as possible of the articles and services to be provided by each Government to the other shall be in the form of reciprocal aid so that the need of each Government for the currency of the other may be reduced to a minimum.

It is accordingly my understanding that the United States Government will provide, in accordance with the provisions of, and to the extent authorized under, the Act of March 11, 1941, the share of its production made available to New Zealand. The Government of New Zealand will provide on the same terms and as reciprocal aid so much of its production made available to the United States as it authorizes in accordance with the principles enunciated in this note.

3. The Government of New Zealand will provide the United States or its armed forces with the following types of assistance, as such reciprocal aid, when it is found that they can most effectively be procured in New Zealand.

- (a) Military equipment, munitions, and military and naval stores.

- (b) Other supplies, materials, facilities, and services for the United States forces, except for the pay and allowances of such forces, administrative expenses, and such local purchases as its official establishments may make other than through the official establishments of the Government of New Zealand as specified in Paragraph 4.

(c) Supplies, materials, and services needed in the construction of military projects, tasks, and similar capital works required for the common war effort in New Zealand, except for the wages and salaries of United States citizens.

(d) Supplies, materials, and services needed in the construction of such military projects, tasks, and capital works in territory other than New Zealand or territory of the United States to the extent that New Zealand is a more practicable source of supply than the United States or another of the United Nations.

4. The practical application of the principles formulated in this note, including the procedure by which requests for aid by either Government are made and acted upon, shall be worked out as occasion may require by agreement between the two Governments, acting when possible through their appropriate military or civilian administrative authorities.

5. It is my understanding that all such aid accepted by the President of the United States or his authorized representatives from the Government of New Zealand will be received as a benefit to the United States under the Act of March 11, 1941. Insofar as circumstances will permit, appropriate record of aid received under this agreement, except for miscellaneous facilities and services, will be kept by each Government.

If the Government of the United States concurs in the foregoing, I would suggest that the present note and your reply to that effect be regarded as placing on record the understanding of our two Governments in this matter.

I have the honour to be, Sir,

Your obedient servant,

WALTER NASH,
Minister of New Zealand.

September 3, 1942

The Honorable WALTER NASH,
Minister of New Zealand.

SIR: I have the honor to acknowledge receipt of your note of today's date concerning the principles and procedures applicable to the provision of aid by the Government of New Zealand to the armed forces of the United States of America.

In reply I have the honor to inform you that the Government of the United States of America likewise considers the provisions and principles contained in the agreement of February 23, 1942, between it and the Government of the United Kingdom as applicable to its relations with the Government of New Zealand. My Government agrees with the understanding of the Government of New Zealand as expressed in your note of today's date, and, in accordance with the suggestion contained therein, your note and this reply will be regarded as placing on record the understanding between our two Governments in this matter.

This further integration and strengthening of our common war effort gives me great satisfaction.

Accept, Sir, the renewed assurances of my highest consideration.

CORDELL HULL,

Secretary of State of the United States of America.

September 3, 1942

Agreement With French National Committee

TEXT OF NOTE TO GENERAL DAHLQUIST FROM FRENCH NATIONAL COMMITTEE

The French National Committee sets forth below its understanding of the principles governing the provision of reciprocal aid by the United States of America to Fighting France and by Fighting France to the United States:

1. The United States of America will continue to supply Fighting France with such defense articles, defense services, and defense information as the President shall authorize to be transferred or provided.

2. Fighting France will continue to contribute to the defense of the United States of America and the strengthening thereof and will provide such articles, services, facilities, or information as it may be in a position to supply.

3. The fundamental principle to be followed in providing such aid is that the war production and war resources of Fighting France and of the United States of America should be used by the armed forces of each in the ways which most effectively utilize available materials, manpower, production facilities, and shipping space. While each retains the right of final decision, in the light of its own potentialities and responsibilities, decisions as to the most effective use of resources shall, so far as possible, be made in common, pursuant to common plans for winning the war.

4. As to financing the provision of such aid, within the fields mentioned below, it is the Committee's understanding that the general principle to be applied, to the point at which the common war effort is most effective, is that as large a portion as possible of the articles and services to be provided by each to the other shall be in the form of reciprocal aid.

It is accordingly the Committee's understanding that the United States Government will provide, in accordance with the provisions of, and to the extent authorized under, the Act of March 11, 1941, the share of its war production made available to Fighting France. Fighting France will provide on the same terms and as reciprocal aid so much of its war production made available to the United States as it authorized in accordance with the principles enunciated in this note.

5. Within the territories under the control of Fighting France, or within the same theater of operations, the National Committee will provide the United States or its armed forces with the following types of assistance, as such reciprocal aid, when it is found that they can most effectively be procured in territory under the control of Fighting France:

(a) Military equipment, munitions, and military and naval stores.

(b) Other supplies, materials, facilities, and services for the United States forces, except for the pay and allowances of such forces, adminis-

trative expenses, and such local purchases as its official establishments may make other than through the official establishments of Fighting France as specified in paragraph 6.

(c) Supplies, materials, and services, except for the wages and salaries of United States citizens, needed in the construction of military projects, tasks, and similar capital works required for the common war effort in territory under the control of Fighting France, or in the same theater of operations, to the extent that such territory is the most practicable source of supply.

6. The practical application of the principles formulated in this note, including the procedure by which requests for aid are made and acted upon, shall be worked out by agreement as occasion may require through the appropriate military or civilian administrative authorities. Requests by the United States forces for such aid will be presented by their duly authorized authorities to official agencies of Fighting France which will be designated or established in the areas where United States forces are located for the purpose of facilitating the provision of reciprocal aid.

7. It is the Committee's understanding that all such aid accepted by the President of the United States or his authorized representatives from Fighting France will be received as a benefit to the United States under the Act of March 11, 1941. Insofar as circumstances will permit, appropriate record of aid received under this arrangement, except for miscellaneous facilities and services, will be kept by each.

If the Government of the United States concurs in the foregoing, the present note and a reply to that effect will be regarded as placing on record the understanding in this matter.

TEXT OF NOTE TO FRENCH NATIONAL COMMITTEE FROM GENERAL DAHLQUIST

The Government of the United States of America agrees with the understanding of the National Committee, as expressed in the English text of the Committee's note of today's date, concerning the principles and procedures applicable to the provisions of aid by Fighting France to the armed forces of the United States of America and, in accordance with the suggestion contained therein, that note and this reply will be regarded as placing on record the understanding in this matter.

September 3, 1942

Appendix IV

MODUS VIVENDI ON RECIPROCAL AID IN FRENCH NORTH AND WEST AFRICA

The Government of the United States and the French Committee of National Liberation, desirous of lending each other the reciprocal aid necessary to the prosecution of the joint war effort, are agreed upon the following provisional Modus Vivendi which will, following signature, be applicable in French North and West Africa:

I. With reference to supplies and services urgently needed to maintain the French war effort, which the United States has furnished to the French authorities and will continue to furnish, within limitations of need and supply, it is understood that:

(a) Military aid, including supplies for railroads, docks, public utilities, and other facilities to the extent that such supplies are determined to be military aid is made available on a straight Lend-Lease basis, in the light of the considerations set forth in Paragraph V. Such aid does not include the pay and allowances of French forces. The United States reserves the right to require the return of any articles furnished under this paragraph and not lost, destroyed or consumed,

(i) if at any time it is decided that such restitution would be an advantage in the conduct of the war, or

(ii) if at the end of the present emergency as determined by the President of the United States, the President shall determine that such articles are useful in the defense of the United States or of the Western Hemisphere, or to be otherwise of use to the United States.

(b) For all civilian supplies imported from the United States, the French authorities will pay upon the basis of prices to be agreed. Payment will be made, currently at convenient intervals, in dollars, to an appropriately designated account in the United States.

(c) The distinction between civilian and military aid, supplies and services, where such distinction may be necessary, will be made by agreement.

(d) All aid furnished under Paragraph I (a) and I (b) will be made available by the United States under the authority and subject to the terms and conditions provided for in the Act of Congress of 11 March, 1941, as amended (P. L. 11, 77th Congress, 1st Session).

II. With reference to supplies and services urgently needed to maintain the United States war effort, which the French authorities have furnished

to the United States and will continue to furnish, within limitations of need and supply, it is understood that:

(a) The French authorities undertake to make available to or for the use of the armed forces and other governmental agencies of the United States, as reverse Lend-Lease aid to the United States, on a straight Lend-Lease basis, when it is found that such aid can most effectively be procured in territory under their control.

(i) military equipment, munitions, and military and naval stores;
(ii) other supplies, materials, facilities and services for United States forces, including the use of railway and port facilities, but not including the pay and allowances of such forces nor the administrative expenses of American missions;

(iii) supplies, materials, facilities and services, except for the wages and salaries of United States citizens, needed in the construction of military projects, tasks and similar capital works required in the common war effort, to the extent that French North or West Africa is the most practicable source of such supplies, materials, facilities or services;

(iv) such other supplies, materials, services or facilities as may be agreed upon as necessary in the prosecution of the war, but not including exports of civilian supplies to the United States from North and West Africa.

While the French authorities retain, of course, the right of final decision subject to the obligations and arrangements they have entered into for the prosecution of the war, decisions as to the most effective use of resources shall, so far as possible, be made in common, pursuant to common plans for winning the war.

(b) All civilian supplies exported from French North and West Africa to the United States will be paid for on the basis of prices to be agreed. Payment will be made currently, at convenient intervals, in dollars, to an appropriate designated account in the United States.

(c) The distinction between civilian and military aid, supplies and services, where such distinction may be necessary, will be made by agreement.

(d) In order to obtain the supplies and services included within the scope of Paragraph II (a), duly authorized United States officers or other officials will submit their requests to the official services duly designated by the French authorities. These services will be established in Algiers, Casablanca, Oran, Tunis, Dakar, and other places where it may be found practicable and convenient to establish organizations for facilitating the transfer of reciprocal aid.

(e) For use in those exceptional cases, and particularly in cases of local procurement of supplies, in which it is agreed to be more practicable to secure such reverse Lend-Lease supplies, facilities and services by direct purchase, rather than by the method of procurement set forth in Paragraph II (b), it is agreed that the French authorities establish a franc account in convenient banking institutions and in the name of a designated officer of the United States to facilitate the provision of reverse Lend-Lease aid as con-

templated by Paragraph II (a). The French contributions to this account will be mutually agreed upon from time to time in the light of the changing needs of the American forces, and other appropriate factors. Such an account will not be used for the payment of wages and salaries of American military or civilian personnel, nor for administrative expenses of American missions. Estimates of the franc requirements of the United States will be submitted to designated French authorities from time to time, as may be found convenient. The French authorities will be kept fully and currently informed of all transactions in this account.

III. In exceptional cases, and when they deem it preferable, the American military forces, or other agencies of the United States Government, may continue to use their present practice of acquiring francs against dollars from the French authorities.

IV. Adequate statistical records will be kept of all goods and services exchanged as mutual aid under paragraphs I and II above.

V. The provisions of this *modus vivendi* correspond to a desire to reduce to an appropriate minimum the need of either party for currency of the other party. Provisions which call for payments in dollars have been decided upon in view of the special situation arising from accumulated dollar balances and availabilities of dollar funds due to the presence of United States troops in French North and West Africa. Revision of the payment provisions of this *modus vivendi* will be made should the situation require.

Signed at Algiers this 25th day of September, A. D. 1943.

For the Government of the United States of America:

/s/ ROBERT MURPHY

For the French Committee of National Liberation:

/s/ MASSIGLI

/s/ JEAN MONNET

September 25, 1943.

Appendix V

EXECUTIVE ORDER ESTABLISHING FOREIGN ECONOMIC ADMINISTRATION

By virtue of the authority vested in me by the Constitution and the statutes of the United States, as President of the United States and Commander in Chief of the Army and Navy, and in order to unify and consolidate governmental activities relating to foreign economic affairs, it is hereby ordered as follows:

1. There is established in the Office for Emergency Management of the Executive Office of the President the Foreign Economic Administration (hereinafter referred to as the Administration), at the head of which shall be an Administrator.

2. The Office of Lend-Lease Administration, the Office of Foreign Relief and Rehabilitation Operations, the Office of Economic Warfare (together with the corporations, agencies, and functions transferred thereto by Executive Order No. 9361 of July 15, 1943), the Office of Foreign Economic Coordination (except such functions and personnel thereof as the Director of the Budget shall determine are not concerned with foreign economic operations) and their respective functions, powers, and duties are transferred to and consolidated in the Administration.

3. The Administrator may establish such offices, bureaus, or divisions in the Administration as may be necessary to carry out the provisions of this order, and may assign to them such of the functions and duties of the offices, agencies, and corporations consolidated by this order as he may deem desirable in the interest of efficient administration.

4. The powers and functions of the Administration shall be exercised in conformity with the foreign policy of the United States as defined by the Secretary of State. As soon as military operations permit, the Administration shall assume responsibility for and control of all activities of the United States Government in liberated areas with respect to supplying the requirements of and procuring materials in such areas.

5. All the personnel, property, records, funds (including all unexpended balances of appropriations, allocations, or other funds now available), contracts, assets, liabilities, and capital stock (including shares of stock) of the offices, agencies, and corporations consolidated by paragraph 2 of this order are transferred to the Administration for use in connection with the exercise and performance of its functions, powers, and duties. In the case of capital stock (including shares of stock), the transfer shall be to such agency, corporation, office, officer, or person as the Administrator shall designate. The Administrator is authorized to employ such personnel as may be necessary in the performance of the functions of the Administration and in order to carry out the purposes of this order.

6. No part of any funds appropriated or made available under Public Law 139, approved July 12, 1943, shall hereafter be used directly or indirectly by the Administrator for the procurement of services, supplies, or equipment outside the United States except for the purpose of executing general economic programs or policies, formally approved by a majority of the War Mobilization Committee in writing filed with the Secretary of State prior to any such expenditure.

7. All prior Executive Orders insofar as they are in conflict herewith are amended accordingly. This order shall take effect upon the taking of office by the Administrator, except that the agencies and offices consolidated by paragraph 2 hereof shall continue to exercise their respective functions pending any contrary determination by the Administrator.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *September 25, 1943.*

Appendix VI

EXECUTIVE ORDER ESTABLISHING OFFICE OF LEND-LEASE ADMINISTRATION

By virtue of the authority vested in me by the Constitution and statutes of the United States, and particularly by the Act of March 11, 1941, entitled "An Act further to promote the defense of the United States and for other purposes" (hereafter referred to as the Act), and by the Defense Aid Supplemental Appropriation Act, 1941, approved March 27, 1941, and acts amendatory or supplemental thereto, in order to define further the functions and duties of the Office for Emergency Management of the Executive Office of the President in respect to the national emergency as declared by the President on May 27, 1941, and in order to provide for the more effective administration of those Acts in the interests of national defense, it is hereby ordered as follows:

1. There shall be in the Office for Emergency Management of the Executive Office of the President an Office of Lend-Lease Administration, at the head of which shall be an Administrator, appointed by the President, who shall receive compensation at such rate as the President shall approve and, in addition, shall be entitled to actual and necessary transportation subsistence, and other expenses incidental to the performance of his duties.

2. Subject to such policies as the President may from time to time prescribe, the Administrator is hereby authorized and directed, pursuant to Section 9 of the Act, to exercise any power or authority conferred upon the President by the Act and by the Defense Aid Supplemental Appropriation Act, 1941, and any acts amendatory or supplemental thereto, with respect to any nation whose defense the President shall have found to be vital to the defense of the United States: *Provided*, That the master agreement with each nation receiving lend-lease aid, setting forth the general terms and conditions under which such nation is to receive such aid, shall be negotiated by the State Department, with the advice of the Economic Defense Board and the Office of Lend-Lease Administration.

3. The Administrator shall make appropriate arrangements with the Economic Defense Board for the review and clearance of lend-lease transactions which affect the economic defense of the United States as defined in Executive Order No. 8839 of July 30, 1941.

4. Within the limitation of such funds as may be made available for that purpose, the Administrator may appoint one or more Deputy or Assistant Administrators and other personnel, delegate to such Deputy or Assistant Administrators any power or authority conferred by these orders, and make provision for such supplies, facilities, and services as shall be necessary to

carry out the provisions of this Order. Insofar as practicable the Office of Lend-Lease Administration shall use such general business services and facilities as may be made available to it through the Office for Emergency Management.

5. Executive Order No. 8751 of May 2, 1941, establishing the Division of Defense Aid Reports and defining its functions and duties, is hereby revoked.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,
October 28, 1941.