

# THE KIPLINGER WASHINGTON LETTER

CIRCULATED PRIVATELY TO BUSINESS MEN

THE KIPLINGER WASHINGTON AGENCY

NATIONAL PRESS BLDG., WASHINGTON, D. C.

Dear Sir:

Washington, Saturday, Sept. 16, 1939.

One way to establish order in the tangle of business problems is to take big questions which are basic, and work toward the answers, even if absolute answers are beyond the ken.

And take the questions piecemeal, or break them into parts. By doing your best on each, you make a rough pattern of expectations. This pattern may shift, but it's a foundation for business judgment.

How long will war last? This is still the biggest question. Of course no one knows, but the Washington men who are best informed think that it will be a long war...certainly one year, possibly three. This opinion is stronger now than it was when we wrote you a week ago. The few who think a-short-war admit they are clinging to hopes.

And will the U.S. get into it?...as an active war combatant?

A portentous question, not to be answered offhand or flatly.

We can report only this: Perhaps 90% of the best informed men to whom we have talked during past week, both in gov't and in business, feel that developments are "likely" to make the U.S. a combatant in war. Not sure, but probably...chances on that side...in varying degrees. The swing of thoughtful opinion is rapidly toward the prospect of war.

If so, when? On this, too, there's a changing trend of opinion.

Most think 6 months to a year. The trend is toward closing.

But there's something else in the air, a subject of whispers:

In VERY HIGH official circles (not the slightest doubt of it) there is solemn talk of the "possibility" of U.S. in war "by January." Reasons are not fully disclosed, but have to do with diplomatic advices concerning German plans for drawing in Russia, Japan...and Italy later. The fact is that some very high officials halfway believe these advices.

How seriously should this be taken? We don't know for sure, but we are inclined to be skeptical...at least for the present.

An impressive fact to which you must get accustomed is this:

Our government, particularly at the TOP, is acting on the theory that the U.S. "may" be at war "sooner than the general public suspects." That's not precise, but that's the way it is put...it shows the spirit.

It is our opinion that the Executive branch of our government is putting up a front of intention-talk about staying out of the war, but is actually preparing to go into it.

Sorry if this shocks you, but it seems to us to be the fact. There's no use in being timid about stating it. Implication is subject to pro forma denial, but it will become apparent in the next few weeks.

Congress will be generally a restraining influence on Executive. Congress will be defense-minded, but not aggressively war-minded. Spirit will be to hold-back, go slow, rather than go-ahead, be daring.