

## INSTITUTE OF CURRENT WORLD AFFAIRS

*Gen. Hausfeld -*

TO-14

Dr. Phan Quang Dan and the  
Giadinh Provincial Council

P.O. Box 1249  
Saigon, Vietnam

December 1, 1965

Mr. Richard H. Nolte  
Institute of Current World Affairs  
366 Madison Avenue  
New York, N.Y.

Dear Mr. Nolte:

In a modest two-story house overlooking Giadinh's bustling Ba Chieu market lives a bright-eyed doctor who has become one of Vietnam's few grassroots political leaders. Dr. Phan Quang Dan spends his mornings taking care of a steady stream of patients -- frantic mothers clutching listless children, vendors from the marketplace, bearded elders, skinny street urchins, soldiers in green fatigues. Dr. Dan's fees are moderate -- 25 piastres per consultation -- and if a patient cannot afford to pay even this much, he is not pressed to do so.

For the past eight years, except for three spent in prison during the Ngo Dinh Diem administration, Dr. Dan and his family have lived in a one-room apartment above his ground-floor consulting rooms. Patients and visitors must pick their way to the house across open-air fruit and live-poultry sellers, overturning mounds of oranges or coconuts, or tiptoeing around squawking trussed ducks. When in season, the gasoline-cheese pungence of fresh durian assails one's nostrils practically on the good doctor's doorstep.

In the afternoons, Dr. Dan used to be ready to talk politics, or public health, or Chinese characters. A short, energetic man with quick movements and a sunny laugh, Dr. Dan used to discourse eloquently on any subject from the inadequacies of the current regime to the origins of the Vietnamese language.

These days, however, Dr. Dan spends at least one week out of each month attending sessions of the Giadinh Provincial Council, of which he is chairman. When the council itself is not meeting, there are committee discussions and interviews with province officials, plus a host of constituents who want to get their relatives released from jail, or to be excused from paying what they consider unjust taxes, or to be allowed to stay in squatter huts the authorities threaten to tear down -- in short, all those who need someone on their side in the manifold dealings they must have with the authorities.

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I first met Dr. Dan in 1954, when he was studying at Harvard for a doctorate in public health. He was already at that time a well-known Vietnamese nationalist, having served briefly as Minister of Information in 1948-49. This was in the French-sponsored Bao Dai government. Dr. Dan resigned as soon as he realized that Paris was not prepared to concede full independence to the Vietnamese.

Dr. Dan hails from Nghe An province, the birthplace of Ho Chi Minh. He is a contemporary of North Vietnamese Defense Minister Vo Nguyen Giap the victor of Dien Bien Phu. When General Giap, then a history teacher in a private school, was working for his law degree at the University of Hanoi in the thirties, Dr. Dan was a student in the medical faculty at the same university.

Like many other non-Communist nationalists, Dr. Dan decided very early that Marxism was not for him. He was anti-colonialist, but not anti-Western. To him, the ideal political system was one in which governments would be responsible to an elected parliament with a workable two-party system. Conscious of the weaknesses of the French multi-party system, he looked to Britain and America as his models.

Westerners in Vietnam have laughed at Dr. Dan and his ideas. It takes years of political growth, they say, before the electorate is mature enough to support a British or American-type constitutional democracy.

But Dr. Dan has never abandoned his dream. He knows, as well as any political scientist, that systems of government do not spring Athena-like from no matter how sage a human head. If he never accepted a ministerial post since 1949, it was not because he despised government service in non-idealistic situations, but because he could not agree with successive regimes over the terms. In this he has not been unlike other Vietnamese politicians. Nor is he unlike them in hoping and expecting to become prime minister or President someday.

He is unique, however, in the means he has chosen to pursue his aims. Other politicians have wheeled and dealt behind the scenes, without really trying to build up a grassroots political base. Dr. Dan has also wheeled and dealt, but always in the context of fulfilling his dream -- a government based on national elections, responsible to an elected parliament, including a legal and unfettered opposition. This, he feels, is the only viable alternative non-Communists can offer in their contest with the Communists for the hearts and minds of the people. Saigon officials (and their American backers) claim that the Communist insurgency makes the very idea of democratic elections impractical. Dr. Dan replies with some heat that it is the non-fulfilment of promises for freedom and democracy by successive regimes -- the French, Bao Dai, Ngo Dinh Diem and his successors -- that has allowed the Communists to spread insurgency throughout the countryside.

As pure argument, this fundamental question can be debated till Doomsday. Dr. Dan has done more than argue, however. From the start of the Ngo Dinh Diem regime, he has tried to constitute himself a responsible opposition, using legal means such as speech, writing and electoral campaigns, instead of plotting clandestine coups. Whenever there was an election to contest, no matter how hopeless the odds, he has always made himself available. In 1956, in the first national assembly elections called by the Ngo Dinh Diem regime, he was not allowed to run because of a technicality. In 1959, every conceivable obstacle was placed in the way of his candidacy, but he was not disqualified. Although he had been living in Giadinh for a number of years, he deliberately chose to run in Saigon, in a constituency which included the Presidential Palace.

He came out 10,000 votes ahead of his nearest competitor in a field of sixteen candidates. Then, he was accused of campaign irregularities and was not permitted to take his seat, or even to run in any future by-elections. The American, British, French and Australian ambassadors protested to President Diem that he was being very foolish not to allow at least one genuine opposition deputy to sit in the National Assembly. The President remained adamant. Dr. Dan was not allowed to write for publication, nor even to teach a course in preventive medicine at Saigon University, because the regime feared his popularity with the students.

In November 1960, when paratroopers led by Colonel (now Lt. Gen.) Nguyen Chanh Thi staged an unsuccessful two-day coup against President Diem, Dr. Dan went on the radio to denounce the President openly. He had had nothing to do with the planning of the coup, but went to the broadcasting station on the urging of Colonel Thi. The coup was by then practically over, as loyalist troops had surrounded the paratroopers attacking the Presidential Palace. Dr. Dan took refuge in a friend's house, but was arrested several days later with the friend and all his family (including the friend's dog, his wife later told me).

Kept in solitary confinement and savagely tortured for a year and a half, Dr. Dan was finally brought to trial in July 1963. In the courtroom occurred a famous and controversial event which has beclouded his subsequent political career. According to some observers, Dr. Dan praised President Diem as a great national leader and implored his forgiveness. Dr. Dan himself denies that he wept or begged for pardon, and insists he behaved with dignity throughout the trial. But the story of his alleged breakdown, even though admittedly after months of torture, has gained wide currency throughout South Vietnam. It is the one thing that has kept him off most people's lists of serious contenders for the prime ministership in the years after Diem's downfall.

Yet Dr. Dan has now made a comeback, and he has done it the hard way, the way he has always chosen for himself -- contesting elections and winning them. The May 30 1965 elections were not for a National Assembly -- they were only for provincial councils.\*

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\* See TO-5. The fifteen members of the Giadinh Provincial Council were chosen by the voters from a slate of 52 candidates in nationwide local elections. Premier Phan Huy Quat's civilian government intended the local elections to be the first step towards the selection of a Constituent Assembly, the writing of a permanent constitution for the nation, and the election of a National Assembly to which the government would be responsible.

Discord within the ranks of the civilians led to the collapse of the Quat government and to the renewal of military government under Lt. Gen. Nguyen Van Thieu (Chairman of the National Leadership Council) and Air Vice-Marshal Nguyen Cao Ky (prime minister.) Messrs Thieu and Ky have talked from time to time of setting up a civilian advisory council in order to give the government a broader base. They also have promised that as soon as the military situation improves they will think about elections and an orderly transition back to civilian government.

For this reason, many well-known politicians thought it beneath their dignity to run. Dr. Dan himself was asked many times during the campaign why he, a nationally known figure, should contest a seat on the provincial council. I asked him the question myself, and here was his reply:

"When people ask me why I should run in a local election, I tell them that even if it's only for a village council, I would run. It gives me a chance to serve the people in a concrete way. I prefer to be elected by the people, rather than to be nominated by some general."

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For Dr. Dan, the May 30 election was a resounding personal triumph. He was repeatedly asked about his behavior at the 1963 trial. His answers must have satisfied the electorate, for when the ballots were counted, he had 75,894 -- 20,000 more than his nearest competitor. Dr. Dan's total was the second highest in the nation -- Hoang Ngoc Tang of Hue being first, with 98,000.

The Giadinh Provincial Council was organized on August 9, and Dr. Dan was elected chairman. Since then, the council has held at least one regular session each month, plus several extraordinary sessions, plus numerous committee meetings. It is generally acknowledged to be the most active of the provincial councils, as well as the most independent. It has pioneered in a number of matters of local concern throughout the nation, such as reforms in the sale of national lottery tickets, and in the administration of public markets. It has also suggested that, pending the election of a National Assembly, a national advisory body could well be selected from members of the various provincial councils.

In many provinces, the province chief, who is usually a military man appointed by his corps commander, has tried to turn the council into a rubber stamp. In others, there is friction between the elected councillors and the province chief, who tends to look on the council's actions as infringements upon his executive powers.

In Giadinh, Dr. Dan and his fellow-councillors have tactfully maintained good relations with the provincial administration, while striving to represent the interests of their constituents to the best of their ability.

In its September session, the Provincial Council took up the question of lottery ticket sales. Games of chance are popular among Vietnamese, as they are among many other people, East and West. The prospect of winning a million piastres on a ten piastre ticket persuades

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However, as of the date this newsletter is being written, no advisory body has been appointed, nor have there been announcements regarding the timing or the processes through which a more representative government will be developed. The forty-four provincial councils (including Saigon, which is called a prefecture) and four municipal councils elected May 30 remain South Vietnam's only representative bodies chosen in nationwide elections.

generals' wives and cyclopousses to invest in one of the three million tickets sold nationwide each week. The profits go to the Directorate of Reconstruction and are used for housing projects and other public works.

There has always been a great deal of racketeering and profiteering in the sale of lottery tickets. The National Lottery auctions resale rights to a number of wholesalers, who bid against each other for this privilege. The wholesale price is 9.40 per ticket. But between the wholesaler and the final retailer who peddles tickets on the streets, there are numerous intermediaries. Often the final seller must pay more than ten piastres per ticket, and consequently charges buyers eleven piastres in order to cover his expenses.

This is, of course, strictly illegal. Police frequently arrest these peddlers, most of whom are women, and confiscate their tickets. Before he became councillor, Dr. Dan sometimes interceded with the police in his private capacity for women caught selling tickets illegally near Ba Chieu market. "If the police found a woman with seventy tickets, for instance, and she was selling them at eleven piastres each, they would confiscate all seventy," he told me in those days. "But she herself had bought those tickets at 10.50 per ticket. I would go and ask the police to impose a fine, instead of confiscating all her tickets, which would be depriving her of her livelihood."

Once the provincial council was inaugurated, Dr. Dan decided that the whole lottery situation should be thoroughly aired. He scheduled a council session to which he invited representatives of the provincial administration, of the ticket sellers, and of the middlemen. He also asked Mr. To Tieng Nghia, Director of the National Lottery in Saigon, to come over and explain how the system worked.

The meeting was packed. Many peddlers came, as well as the general public. Mr. Nghia, the Lottery director, agreed that there were many injustices in the current situation and that the middlemen between the Lottery and the final peddlers were primarily to blame.

It developed that in the case of Giadinh, there were three middlemen who received 50,000 tickets per week -- a total of roughly 600,000 tickets coming to Giadinh per month. These middlemen were supposed to resell their tickets to the final peddler at 9.60 per ticket, allowing the latter a profit of 40 centimes per ticket. But in practice, the middlemen had a fictitious list of resellers, so that by the time the tickets actually got to the final seller, the price was 10.50 or more.

As a result of the council session, the National Lottery agreed that henceforth it would wholesale its tickets directly to Giadinh province, instead of to the middlemen. Giadinh province would be allowed to buy tickets from the National Lottery at 9.40 per ticket -- the regular wholesale price. The peddlers would form a trade union, which would buy tickets from the province at 9.60 each. Thus the province would make 20 centimes per ticket, the peddlers would make 40 centimes per ticket, and the public would be able to buy tickets at the official price of 10.00 piastres. The middlemen would be eliminated.

The council also put forward other suggestions which the National Lottery so far has not accepted. The 600,000 tickets sold in Giadinh each month gross 6,000,000 piastres, of which 4,000,000 is pure profit. Half of this profit, the council said, should go to Giadinh province for provincial public works instead of to the Directorate of Reconstruction. If these profits were used to build markets, hospitals, schools, highways, electrification programs, the public could see what was being done with their money and would be happy.

Meanwhile, however, the provincial administration is modestly pleased with the 20 centimes per ticket it has been gaining since the new system came into effect last month. Giadinh has become the first province in the nation to eliminate the middleman and to gain some revenues of its own from the sale of lottery tickets.

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Another problem of immediate concern to Giadinh voters was the running of public markets. The provincial council appointed a committee headed by an energetic lady councillor, Madame Tran Thi Xa of Go Vap, to look into the market situation. Again, injustices were uncovered which are in process of being remedied.

Giadinh has approximately thirty markets, large and small. Ba Chieu and three others in the urban areas adjoining Saigon are the largest. Approximately 5,000 vendors have stalls in Ba Chieu market. Even if the average market is estimated to have but 1,000 vendors, thirty markets mean livelihoods for at least 30,000 vendors plus their families.

In South Vietnam it has been the custom to award the running of the markets and the collection of the taxes and fees in connection therewith to private individuals, in consideration of a flat fee. Thus the province is spared the bother of collecting small amounts of money from all the thousands of vendors. Ba Chieu and the three other main markets are the responsibility of a wealthy businesswoman who pays the province five million piastres per year.

This woman is allowed to collect taxes and fees from market vendors according to a fixed schedule. But like other market operators, she is accused of having taken advantage of the lack of education of most vendors, plus the keen competition among them to get stalls, to jack up prices far beyond what the vendors should pay. Furthermore, she has spent practically nothing to improve or maintain the market, which is consequently filthy and unsanitary.

There is a provincial committee to supervise the running of the markets, but in practice it is moribund. Market operators often work in collusion with the police. They do not post tax schedules as they are supposed to, so that a vendor has little idea what he is really supposed to pay. If he complains to the police, the police take the side of the market operator. Thus the vendor has little choice but to suffer in silence.

The provincial council's session regarding the running of public markets drew a large audience. Members of the public were there, to complain about the unsanitary conditions. The vendors attended in droves. The principal market operators were also present. This was the vendors' chance. Freed of the inhibitions they felt when confronting the operator individually, they stood up turn by turn to point out that they had no objections to paying taxes, so long as they knew what the taxes were for. Provincial authorities agreed that tax rates should be printed and circulated, so that the vendors knew what they were being charged for. After the session, one of the main market operators came to see Dr. Dan privately, begging him to intercede with the vendors to be reasonable.

Dr. Dan told me he pointed out to the operator, who happened to be a woman, that Giadinh had need of investment capital, and that he would do all he could to help her establish factories and other legitimate businesses in the province. But he could not tolerate market operators enriching themselves at the expense of the poor.

The woman made one final attempt to keep up her profits. Pleading higher upkeep costs, she talked the local police chief and the ward authorities of the area in which Ba Chieu market is situated into permitting an average increase of taxes from twenty piastres per day per stall to 70 piastres per day per stall. But the council has advised vendors not to pay. If the lady insists, the council will help the vendors to take the case to court. The operator's contract runs out at the end of the year, in any case, and it is unlikely that, under present circumstances, the provincial authorities will dare renew it.

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I was invited to attend a council session on the day it was to take up the application of a businesswoman to run a bus service from Ba Chieu market to the suburban town of Hoc Mon, about ten kilometers away.

(Among my future projects is an investigation of the role of women in business in Vietnam. It appears that in Confucian Vietnam, commerce was despised, as it was in China and Japan. But the wives of high officials and of scholars, particularly in the Tonkin area, did engage in business, and often amassed large fortunes. During the days of Ngo Dinh Diem, many diplomats wives went to a hairdressing salon run by the wife of the President's confidential secretary. The wife of former Chief of State Phan Khac Suu operated a fruit stall in Saigon central market during the days her husband was in adversity. Today many generals' wives are reputed to be active or silent partners in a variety of businesses, and much of the talk of corruption involving the generals actually arises from their wives' farflung business interests.)

The Giadinh Provincial Council meets on the second floor of a building housing the provincial tax service. One of the council's complaints -- and this is pretty general throughout the nation -- is that although they are presently the sole elected representatives of the people, they are treated by the provincial administration as stepchildren, with no adequate meeting place, inadequate secretarial help, token salaries. The Giadinh provincial council has only one typewriter and one secretary,

and much of the paper work must be done by the councillors themselves, all of whom derive their incomes from other jobs, since as councillors they receive only a small per diem.

When I arrived, just after three o'clock in the afternoon, the public seats in the classroom-like hall were already filled with working men in grey khakhi or black cotton shirts and trousers. Some were in pajama-like traditional loose white-cotton tunic and trousers.

The councillors were seated around a long table. At the head of it was the chairman's desk, where sat Dr. Dan, flanked by Vice Chairman Chu and Secretary General Nhon. At the other end of the table was another desk, occupied by a number of experts who had been invited to testify. There was a representative from the Ministry of Public Works, and another from the provincial registrar of motor vehicles. There was also a guest from the Saigon prefectural council -- Mr. Giap Van Thap.

In the front row of the spectators' seats sat Mrs. Nguyen Thi La, the applicant, looking cool and collected in a white silk ao-dai. Behind her and all around her were the other spectators, representing Lambretta three-wheeled scooter drivers, pony-cart drivers(a vanishing breed), motorized cyclopousses, and ordinary cyclopousses.

Dr. Dan opened the session and the Secretary General read out the agenda -- an application by Mrs. La to purchase ten buses to use on the Ba Chieu-Hoc Mon route.

From the testimony of the experts it became clear that there were now two buses plying this route, plus numerous Lambretta three-wheeled scooters, both licensed and unlicensed. These scooters can carry up to eight persons behind the driver, plus an incredible amount of luggage, as anyone who has been jammed into one can testify. Representatives both of existing bus companies and of the Lambrettas took the lectern in turn to claim that the addition of ten new buses would ruin them, because there were not enough customers to fill presently available vehicles. Mrs. La was asked to state the reasons for her application. In a quiet, composed voice, she said that she felt there was a need for additional bus transport, and that she wanted to serve her countrymen by providing this service. One well-dressed councillor commended her and said he himself had had great difficulty obtaining public transportation, particularly on weekends when the Quang Trung training center for military recruits allowed relatives and friends to visit. Another councillor took issue with this statement, saying that in his view there was already adequate transportation and that the problem of weekend crowds could be solved by asking the government to operate special services.

Then Mr. Thap, the councillor from Saigon, was invited to take the floor. He gracefully commended the Giadinh council for coming to grips with the transportation problem. In his view, he said, Giadinh was as heaven compared to Saigon, where the buses were so crowded that accidents were a common occurrence. This was partly the fault of the Public Autobus Corporation, which had a monopoly and therefore did not think of improving service. Ten new buses such as Mrs. La requested would be a godsend to Saigon, and he invited the lady to transfer her application to Saigon. Mrs. La, in a somewhat unhappy tone, said she would consider it.



While the discussion continued, I went downstairs with an interpreter to interview spectators as they came and went. Most of them were Lambretta drivers or cyclopousses with a direct interest in the outcome.

"What's the use of all this talk," one husky Lambretta driver exclaimed. "That woman has spent plenty of money in the right places, and she is going to get her way."

"If she does, we're finished," another driver said. "How can we compete with all those buses?"

"I disagree," said a third. "I think these council meetings are useful. Before we never even had a chance to say what we feel. Even if we can't stop her, I'm glad I came to the meeting."

Upstairs, Dr. Dan was questioning the representative of the provincial bureau of motor vehicles.

"If Mrs. La is given permission to buy these ten buses, can she later resell them?"

"Certainly she may," the official replied briskly. "There is nothing in the law which forbids her from doing so."

I leaned over to ask a fellow-spectator the reason for that question. "Many of us suspect," he replied, "that Mrs. La has no intention of actually putting those ten buses into service. What she wants, really, is the authorization to buy new buses at the official price. She can easily make a profit of two million piastres by reselling the buses, especially since the provincial authorities say it is perfectly legal to do so."

More Lambretta drivers got up to protest that the additional buses would drive them out of business. The arguments began to become repetitive. While the debate continued, Dr. Dan and the vice-chairman whispered to each other. Then Dr. Dan made a series of proposals, the main points of which were as follows:

First, that for the present the council should reject Mrs. La's request. In future, if a shortage of transportation should develop, bus routes should be distributed fairly among a number of companies.

Second, that Mrs. La should transfer her application to Saigon, seeing that the transportation shortage there was acute.

Third, that the Public Autobus Corporation, which has been running both Saigon and suburban bus services, including Giadinh, should be dissolved on the grounds of inefficiency, and its buses sold to private companies on condition that they took on the corporation's present employees.

Fourth, that the status of 150 unlicensed Lambretta scooter drivers now operating in Giadinh be regularized.



however, when the various chairmen concluded their reports and invited the public to ask questions.

An elderly man in the front row of benches stood up. "Not long ago," he began, "I wanted to build a house -- really, just a simple country shack, you understand. I submitted my application to the district authorities. The district rejected my application, saying that I had not included detailed plans.

"Now I ask you," he continued, turning to the audience, "how can I submit plans for a 10,000 piastre shack? It's such a simple thing. A palm-leaf roof, a few posts, palm-leaf walls, and that's all!"

The audience laughed and clapped appreciatively. Up on the stage, the councillors smiled.

"You have our sympathy," Dr. Dan replied. "I think the district authorities should make a distinction between houses built in town and farmers' houses in the country. In town, where space is crowded, you should have plans. But I don't see why you need them for building a simple shack like that in the country."

For half an hour more, questions and answers went on like this. There were complaints about housing, about requisitioning of land by the government, about the unsanitary conditions of markets, about exorbitant medical fees. There were humorous sallies -- one questioner referring to the chairman as Fifth Elder Brother, while the chairman responded, "Thank you, Sixth Uncle." The single lady councillor, Mrs. Thi Xa, received an appreciative round of applause when she described her committee's efforts to improve market sanitation.

The younger members of the audience seemed to enjoy especially the give-and-take atmosphere in which the whole proceedings were conducted. Several of them told me that they had set up an anti-corruption drive in the province, and that results were beginning to show up in the uncovering of graft at the district level.

My own impression, both of the Thu Du's meeting and of the provincial council's regular sessions, was that these are essential grassroots activities which will somehow have to be made meaningful on a nationwide basis in order to crystallize the national will necessary to defeat the Communist insurgency.

"Our council sessions are beginning to show the people that democracy is not something vague and cloudy, but very practical and down to earth," Dr. Dan says. "The people need it. The poorer they are, the more they need it. An open ventilation of down-to-earth issues, a solution based on justice and fair play -- that's what these people want. They may be poor and unlettered, but they certainly are not stupid. They are not easy to fool. They know when you mean what you say, and when you don't mean it. I wish that all of us would learn to trust the people more, trust their common sense. If the government did this, it could so easily mobilize popular enthusiasm behind the war effort. I think the population is highly interested in what happens to Vietnam.

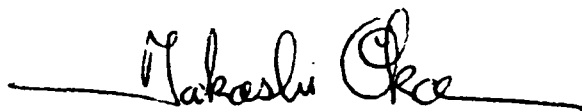
But the government still seems to fear the people more than it trusts them."

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Where Dr. Dan's career may lead him in future, I have no idea. Politics is a very uncertain business. As stated before, Dr. Dan has never held a governmental post except for a brief period in 1948-49. Yet in 1954 there was a real possibility that he might have been chosen premier by Bao Dai, instead of Ngo Dinh Diem. Both Dr. Dan and Mr. Diem were in the United States, both had supporters there, both were known to be anti-Communist nationalists. As the London Economist drily pointed out, "In 1954, Mr. Diem's supporters proved more influential than Dr. Dan's."

However, there is little question that if Dr. Dan's election to the Giadinh Provincial Council has been a good thing for the underprivileged citizens of the province, it has also been a good thing for Dr. Dan. It has brought him into direct and intimate contact with the day-to-day problems of everyday folk. It has encouraged him to channel his drive and his political experience towards helping to solve these problems while maintaining good relations with provincial bureaucrats. It has made him more patient, more tolerant, than before. Vietnam needs national leaders who have not lost touch with local realities. The Giadinh experience may turn out to have been an essential stage in the political education of a leader who remains young because he keeps alive his capacity for learning.

Sincerely yours,

A handwritten signature in dark ink, appearing to read 'Takashi Kato', with a horizontal line extending to the left and right of the name.

Received in New York December 8, 1965.