

**Law and National Security  
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Robert F. Turner, Chairman

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**Harry Schwarz: Promoting Freedom  
And Prosperity in South Africa**

Democracy cannot succeed with poverty, noted Harry Heinz Schwarz, the new South African Ambassador to the United States. Ambassador Schwarz, who addressed the Standing Committee's breakfast in Washington, D.C., on April 18, 1991, is the first serving politician from opposition ranks to be appointed to a senior ambassadorial post in South African history. A veteran member of the anti-apartheid opposition, he was at the time of his appointment Member of Parliament for the Yeoville, Johannesburg, constituency, and also spokesman on finance for the Democratic Party. Ambassador Schwarz is a lawyer by profession and has been the chairman of an insurance company and director of other companies. Following are the Ambassador's edited remarks:

The Ambassador said he is working to contribute not only to the establishment of democratic government in South Africa but also to improve the economic status of all of the nation's citizens. It is important to be aware of the nation's present economic situation.

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**Book Review**

*By William C. Mott*

**Casey—The Lives and Secrets of William J. Casey: From the OSS to the CIA** by Joseph Persico. Penguin Books, New York, 1990. \$24.95.

This is a fascinating book about a many-faceted man. To read all 561 pages of it is a daunting task—your editor confesses that it took two days to get through it but then I read every word. You see, I loved and admired the man and felt very close to him, even though we sometimes disagreed and argued.

At times I was tempted to use Bill Casey's own method of reading a book and he read a great many; he was in fact an inveterate reader. For instance, when he was Director of Central Intelligence (DCI) and on the way back from a mission to Pakistan, as the author described it (p. 313), "he faced a moment of stark terror: there was nothing left to read. He had gone through all his paperwork. He had finished a book by P.T. Bauer, a British economist. . . . He had polished off Leonard Mosley's 524 page biography of General Marshall in an hour and a half. He had extracted the meat from the book, he was sure, because of his reading method." So what did he do to keep himself busy?

Sophia Casey, Bill's devoted wife, made available to Persico exclusive access to his personal papers (I hope she doesn't live to regret it!) and among them was his solution to the absence of reading material on the trip home from Pakistan. He wrote at the top of a legal pad, which he always carried:

**How to Read a Book**

Start reading at the back...going through the source notes. Who has the author talked to? What research has he done? Then you know if there is anything new for you. Then use the notes as a guide to start dipping.

If the book has no notes, "Go to the index and see who or what triggers your interest." No index? "The book is probably not worth reading, but check the table of contents. The idea is to find a way into the heart of the matter quickly. Never feel that you have to read a book through. The author isn't there. He won't feel insulted."

Unfortunately, Bill Casey's prescription does not work very well for the reader of this book because the last chapter is devoted to the events of his funeral mass which were as controversial as some of his actions as

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## Schwarz on South Africa

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More than a third of the people who are economically active in South Africa are unemployed in the formal system. Forty-three percent of the total population of South Africa is classified as poor. More than a million housing units are required at this time. Urbanization is proceeding at a tremendously fast pace. Squatter camps are being created around the major cities virtually every day. Inflation has been in double digit figures—around 14-15 percent—for over 15 years. The economy had a negative growth of minus 1 percent in the Gross Domestic Product (GDP) last year. Further, there is a population growth rate of 2.8 percent. Thus South Africa has a very serious economic situation which must be remedied.

At the same time, there also is the task of correcting the discriminatory social services which have been provided in the past. The government must equalize education, provide equal health services, and provide equal pensions—all of which will make tremendous demands on the economy. The task is a very formidable one. In addition, there are in South Africa four million young persons between 14 and 24 who have, for a variety of reasons, received virtually no kind of formal education. They are looking toward what they regard as their "liberation" and solutions to their economic problems.

Another problem which must be faced is the tremendous maldistribution of wealth, income, and economic opportunities in South Africa. There also are emotive land issues. There is a need to deal with the problem of the concentration of economic land and, in general, to reconstruct the economy.

South Africa in normal circumstances can obtain a growth rate of about 3 percent in the GDP per year. It can do that without foreign investment and loans. But a 3 percent GDP growth rate combined with a 2.8 percent population growth rate is not a very useful exercise. This situation essentially permits standing still even if the situation in the country were normal.

Therefore, if South Africa wants to solve its economic problems without major distortions it needs to "go back to the world." South Africa needs to have normal trade, to be able to borrow in the normal manner, and to encourage people to invest in the normal way. The nation has an outstanding credit record. What South Africa needs is a normalization of its relationship with the rest of the world. This normalization can help South Africa increase the GDP growth rate of 3 percent, that it can achieve on its own, to about 5.5 or 6 percent or even beyond. Such growth rates are essential for the urgently needed reconstruction.

One can ask about the sanctions against South Africa. What impact will the removal of sanctions have? The answer is that if the sanctions are removed, there will be no immediate effect on South Africa at all.

For example, if the European Community removes its restrictions on investments in South Africa, it will take literally years before there is any effect. The reason is very simple. Anyone who understands how big corporations operate knows that before you can actually get the first item off the assembly line, or before you can create the first new job, there must be investigations, reports, and a whole series of steps that can take two or three years before any major investment in fact takes place.

Recall that in South Africa there is a commitment by State President Frederik W. de Klerk that there will no longer be any whites only election. The next election will be under a new constitution. It will be an election with a universal franchise. And this all will take place by about 1994 or 1995. So, there needs to be action soon so that new investments are being made at the time that the new South Africa comes to be born. Thus the Ambassador's task is not so much helping to obtain investment for the present South Africa but to obtain investment for the new South Africa that will be born under a new constitution.

Extremely important for South Africa is the relationship between democracy on the one hand and the economic situation on the other. This problem is not unique to South Africa. Take the case of Eastern Europe today. For a true democracy to survive, what is needed is a sound economic base. In the particular case of South Africa, there are tremendous expectations on the part of the people that a new government will improve their economic circumstances. If a new government cannot fulfill these expectations to at least a reasonable degree, then the democracy will be threatened. This is because history and analysis have shown that when a democratic government cannot fulfill the aspirations of the people then there is a tendency to turn toward autocracy and the suspension of constitutional provisions. Or there is a tendency to apply economic policies which provide a "quick fix" but which in fact do not provide medium and long-term solutions. What typically happens under such circumstances is a period of hyperinflation and a ruining of the economy.

The main message here is that in order for democracy in South Africa to survive there must be a sound economy. If the objective of the United States in its foreign policy is to encourage democracy throughout the world, and to encourage the correct economic systems, then here is a glorious opportunity to promote that objective in a new democracy which is about to be born. The Ambassador said that he wants a vote for all the people of South Africa—universal franchise. However, one cannot eat the votes and the franchise does not provide shelter. There are enough poor countries in Africa. South Africans do not want their country to become another one. Americans hopefully will think about their

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## Freedom of Information Act Litigation

The 4th Circuit has held that a lower court was clearly erroneous in ordering the disclosure of FBI and CIA records in the face of detailed declarations that identified damage to the national security from disclosure of the information. The opinion found that the district court had erred when it concluded information must be released because the subjects of the request were not themselves in any positions of trust and did not have any information crucial to national security. The FOIA does not require subjects to have such connections with the national security; rather, the focus of the court must be directed at the information requested, and the court must accord substantial weight to the expertise of the agencies with responsibility for protecting the information. Here, there was no reason to question the credibility of the experts. Moreover, the Circuit Court noted that "[I]ntelligence information may often be dull, repetitious and even tedious, but when it is considered with other bits and pieces of information, the total may present a picture that is detrimental to the national security of the United States." *Bowers v. Department of Justice* (No. 90-2063, decided April 11, 1991).

In a D.C. Circuit opinion, the court ruled that a district court in its review of representative samples of documents on the Philippines must determine whether the Government's decision was proper at the time the records initially were withheld, not at the date of the court's review. During the course of the litigation, the State Department released some of the sample documents to plaintiff, which plaintiff suggested raised questions about the representative nature of the remaining samples, as well as about the propriety of the initial withholding. Judge Ginsburg rejected arguments that the limited releases required release of the remaining records, but agreed that the Government on remand should explain why the previously withheld samples were withheld at the time of the agency's initial review. *Bonner v. U.S. Department of State* (No. 90-5111, decided March 26, 1991).

—W. George Jameson

### Mailing List Update

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1501 Trombone Court  
Vienna, VA 22182

## Schwarz on South Africa

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nation's role in foreign policy, about where in the world they want to see democracy, about the kind of economic systems they want to see in other nations—and then look at South Africa which is embarking on a great adventure.

It is in many respects a unique adventure in the sense that in other countries where political systems have been changed either the political party has changed or the government has been overthrown by force. But in South Africa there is now the rather unique situation that the party in power (the National Party) certainly has seen the error of its ways in the past, certainly has changed its approach, and certainly has adopted a new line about what needs to be done.

South Africa is fortunate to have such a courageous person in President de Klerk. The Ambassador said he could not have assumed his post if he had not agreed with what the President wants to do. The President wants to create a democratic South Africa. The South African Government wants to see that the people in South Africa have the same rights under the new constitution as Americans have under their constitution. And the President also wants to solve the economic problems of South Africa.

In concluding, Ambassador Schwarz noted that he had provided a pessimistic economic scenario for South Africa. But he said he believes there is enough good will in South Africa to solve the economic problems—and that South Africa will have enough friends in the world in order to assist it on the right road.

## Major OSS Conference to be Held at National Archives

On July 11 and 12, the National Archives will sponsor the first major scholarly conference on the role of the World War II intelligence agency, the Office of Strategic Services (OSS). It was on July 11, 1941, that President Franklin Roosevelt appointed New York lawyer William J. Donovan as the Coordinator of Information; this office became the Office of Strategic Services in 1942.

This two-day meeting will be held at the National Archives in Washington, D.C., and will feature prominent historians, members of the OSS and students of military and intelligence policy. Participants will include Walt Rostow, Arthur Schlesinger, Jr., the Countess of Romanones, Robin Winks, and William Colby. Registration for the two-day conference and reception will be \$150 with special rates for full-time students. For registration forms and further information, contact Pat El-Ashry at (202) 501-5521.

## Book Review

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DCI. The Bishop who conducted the mass, after praising Bill's devotion to the Catholic church and the American flag, launched into a criticism of his actions in support of the Contras in Central America. It is reported that Geoff Jones, executive director of the Veterans of the Office of Strategic Services (OSS), went home and dashed off a letter to the Bishop ending with the homily, "De mortuis nil nisi bonum"—speak only good of the dead.

The cap of the ceremony at Saint Mary's church in Roslyn Harbor was provided by Bill's old and much admired friend Jeanne Kirkpatrick who in her carefully crafted eulogy noted:

Some mean-spirited, ill-informed comments have been written and spoken over the last few days. . . . These comments would not have overly disturbed our friend. . . . Casey could take the guff required to support unpopular ideas. . . . He lived his life to the hilt and left it in the spirit of the man who said, "I am surrounded by my family, I have served my country. I have reliance upon my God, and I am not afraid of the devil."

The audience, which included President and Mrs. Reagan (whom Bill had once described as "Metternich in Adolfo dresses"), former President Nixon, Judge William Webster (who succeeded Bill Casey and reportedly resigned today as I write this), Ed Meese and Ollie North (see the chapter, "Ollie and Uncle Bill"), plus many veterans of the OSS and CIA, uncharacteristically in a church burst into applause at the conclusion of Jeanne's remarks.

If a reader, in accordance with Bill Casey's prescription for reading a book, then goes to the appendix he will find a dialogue between Persico and Bob Woodward of the *Washington Post* which amounts to a description of a work of fiction—Woodward's account of how he eluded the CIA's three security guards, Georgetown University Hospital's guards, and Sophia and Bernadette Casey and had a one-on-one interview with the paralyzed Casey whom every other visitor had found to be unable to speak!

But, I do not advise readers of this book to follow the Casey prescription for reading and certainly not friends of the ABA Standing Committee on Law and National Security because he was very supportive of our work and had a hand in persuading Frank Barnett to become our educational consultant from day one of our exis-

tence. Furthermore, able tax lawyer that Casey was, you will find his name as a founder on the Certificate of Incorporation of the National Strategy Information Center (1962) which Frank Barnett serves as President and your editor as Vice President and General Counsel.

In sum, Bill Casey was a founder, both in the businesses that made him a multimillionaire and in the intelligence community. He didn't exactly found the CIA but at General Donovan's direction he became secretary of a committee "to study the need for our country to establish on a permanent basis...a strategic intelligence organization."

Bill Casey was a builder and a repairman too. According to Persico, he discovered the foundation of the CIA crumbling when he arrived, thanks to the unwise destruction of morale by his predecessor, Admiral Stansfield Turner (see p. 213). He rebuilt the foundation with his own personnel trowel and the full support of President Reagan.

Oh, there are some glitches in the massive job of research by author Persico. Some of them are minor, such as the fact that he has the Soviet Embassy and the Jefferson Hotel (where Bill and Sophia stayed) on 15th Street instead of 16th in Washington. But the worst glitch is when he states on page 97: "Harry Truman was compelled to eat a ration of crow and instead of sinking the strategic services unit (the remains of the OSS), he (was forced to) establish the Central Intelligence Agency." As a former aide to President Truman, I can testify that it was not crow that he ate but a tasty recipe of his own making. Listen to how President Truman answered a question at the Army Command and General Staff School about the founding of the CIA:

When I took over the Presidency I received evidence from just about everywhere...and sometimes [my informants] didn't agree. . . . So I got a couple of admirals [one of whom was Admiral Souers—not "Sours" per Persico!] together, and they formed the Central Intelligence Agency for the benefit and convenience of the President of the United States. . . . So instead of the President having to look through a bundle of paper two feet high, the information was coordinated so that the President could arrive at the facts. It's still going and it's going very well.

Actually, the principal drafters of the CIA legislation were Larry Houston, John Warner, and Clark Clifford. Larry and Walter Pforzheimer will be testifying in a few days before the Senate Special Committee on Intelligence on the genesis of the organization. Listen in, readers!

*The Intelligence Report, which is published monthly, reviews court cases and books concerned with (1) national security, and (2) intelligence. It also reports on developments in these two fields in the U.S. and abroad, and, in addition, on national security conferences sponsored by the Standing Committee on Law and National Security. The views expressed in this publication are not necessarily those of the American Bar Association or the Standing Committee on Law and National Security. Questions or comments should be directed to W.C. Mott, Editor, 1501 Trombone Court, Vienna, VA 22182, Tel. 703-242-0629, Fax. 703-938-1727.*