

## **The Significance of Walter Bedell Smith as Director of Central Intelligence, 1950-53**

Nicholas Dujmovic, CIA History Staff, Center for the Study of Intelligence

Many of the documents being released in this collection concern a little known but tremendously significant early Director of Central Intelligence (DCI), Walter Bedell Smith. Smith arguably was CIA's most successful and influential Director because of the legacy he left in most of the Agency's major business areas. He not only reorganized CIA's operational and analytic missions into the directorate system that defines the Agency's organization to this day, he also initiated CIA's mission of providing daily intelligence reporting to the President, radically reformed the system for producing National Intelligence Estimates, and fostered cooperation within the emerging U.S. Intelligence Community. A generation of Agency leaders following his tenure, and historians since, regard him as having "put CIA on the map" by significantly increasing its visibility and impact.<sup>1</sup>

Smith, after a notable US Army career and service as the US Ambassador to Moscow, was tapped by President Harry S Truman in August 1950 to become the fourth DCI, a position of leadership not only of the Central Intelligence Agency but also formally of the emerging US Intelligence Community. It cannot be said that the DCI position in 1950 was a prestigious one; intelligence historians point out that the short tenures and relative lack of political clout of the first three DCIs had left CIA without much influence in Washington. The Agency and its needs were often ignored by State and Defense Department officials, and sometimes even by the White House.<sup>2</sup>

Matters were not helped by several perceived CIA warning failures, including the lack of a clear warning regarding the outbreak of the Korean War in June 1950. When President Truman assembled the National Security Council to deal with this crisis, then-DCI Hillenkoetter was absent. Hillenkoetter's defensiveness about CIA's record is reflected in Document 1950-08-03 in this collection, which is a DCI memorandum to President Truman commenting on press reports of "five major failures" of CIA.

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<sup>1</sup> A contemporary internal history of Bedell Smith's directorship, completed in 1971 by Ludwell Lee Montague, *General Walter Bedell Smith as Director of Central Intelligence, October 1950—February 1953*, was declassified in 1990 and subsequently published by The Pennsylvania State University Press in 1992. This long-released history, included in this collection for the convenience of scholars, details many of Smith's activities and accomplishments but lacks the historical distance by which Smith's legacy can be fully appreciated.

<sup>2</sup> The situation facing the early DCIs is covered in the internal history completed in 1953 by Arthur Darling, *The Central Intelligence Agency: An Instrument of Government, to 1950*, which was first publicly released by CIA in 1989 and which was published the following year by The Pennsylvania State University Press. Like the Montague history, this material is being re-released in this collection largely for the convenience of scholars.

It in this context, then, that General Smith was not happy with this new assignment and privately expressed his misgivings, writing to one confidant “I expect the worst and I am sure I won’t be disappointed,” and to another remarking “I’m afraid I’m accepting a poisoned chalice.” Many of the documents in this collection are candid expressions of Smith’s that he was “under no illusions” about the difficulty of the CIA job but that he felt at a time of national need he could not say no; these are in response to the many congratulatory letters Smith received from politicians, senior officials, celebrities, and ordinary Americans alike after the appointment was announced. See the letters under the document file 1950-8-19.

When General Smith was sworn in to replace Hillenkoetter in October 1950, for the first time CIA had a leader with sufficient prestige, vision, leadership experience, and White House support to improve the Agency’s operations and activities and to raise CIA’s profile in Washington and among policymakers. CIA officials found their new Director “an exacting, hard-hitting executive who brooked neither mediocrity nor ineptitude, a man who not only barked but bit.”<sup>3</sup> At his first staff meeting, Smith told senior CIA officials, “It’s interesting to see all you fellows here. It’ll be even more interesting to see how many of you are here a few months from now.” Smith’s decisiveness is shown in staff meeting minutes such as Documents 1950-12-18 and 1951-04-04, and his plain-speaking manner—direct to the point of being brusque—is shown in Document 1952-10-01, which deals with the issue of Communists in government during the McCarthy period.

Smith’s most important enduring legacy within CIA is the Agency’s Directorate structure, which continues more than sixty years after he created it. A graphic illustration of this is Document 1971-03-09, “Origin of Key Components of CIA.” After arriving at CIA in October 1950, he soon concluded that the Agency had an overly horizontal organization with too many discrete and independent entities, and he soon began to restructure CIA more along military lines. Among his first acts as DCI in late 1950 was combining a collection of uncoordinated and dispersed support functions into the Directorate of Administration (DA). CIA’s burgeoning Cold War missions required a more centralized approach to support and logistics. The new DA was responsible for finance, logistics, security, training, personnel, medical, and other support services, and it lives on today as the Directorate of Support.

Smith took over the Agency at a time of perceived analytic deficiencies that contributed to inadequate warning of the invasion of South Korea and the entrance of Chinese troops into that war. In response, Smith centralized analysis in 1951 by function into the Office of Current Intelligence (daily support to policymakers), the Office of Research and Reports (basic economic and geographic reporting), and the Office of

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<sup>3</sup> Former chief of analysis R. Jack Smith, *The Unknown CIA* (1989).

Collection and Dissemination (information management). The production of national intelligence estimates was put under a small Board of National Estimates (anticipating the National Intelligence Council by more than twenty years) supported by a larger Office of National Estimates, both of which reported to the DCI, thus assuring central oversight of strategic intelligence. In January 1952, Smith consolidated CIA's analytic offices into the Directorate of Intelligence, which has served continuously since as the nation's premier all-source analysis organization. Smith's April 1952 report to the National Security Council on the changes he wrought and was bringing about at CIA is included in this collection as Document 1952-04-23.

Under Smith, CIA began providing more comprehensive and policymaker-centered intelligence support to the White House. The Office of Current Intelligence was already preparing material for Smith's weekly briefings of President Truman, and in addition Smith launched the *Current Intelligence Bulletin* and the *Current Intelligence Weekly Review* as more focused publications tailored for the president and senior policymakers. Document 1951-02-19, minutes of Smith's staff meeting for 19 February 1951, notes the first delivery of the daily intelligence report to the President. After President Truman received the first *Bulletin*, he wrote, "Dear Bedel [sic], I have been reading the intelligence bulletin and I am highly impressed with it. I believe you have hit the jackpot with this one." Smith's concept of the *Bulletin* lives on with the *President's Daily Brief*. Smith also established the precedent of providing intelligence briefings to presidential candidates and presidents-elect.

In the increasingly important area of operations, Smith resolved a debilitating conflict between CIA's foreign intelligence collectors and covert action operators (who at the time reported also to the State Department) by merging their components into the new Directorate of Plans, which reported directly to the DCI. This merger began in 1951 and was completed by the fall of 1952 and brought a heretofore unknown measure of integration and efficiency to previously uncoordinated operations. The Directorate of Plans later became the Directorate of Operations, the predecessor of today's National Clandestine Service.

To increase accountability in the new structure of CIA, Smith appointed the Agency's first Inspector General. It was through his initiative that CIA and the British began to share most of their high level national assessments, which resulted in the closest and most robust analytic relationship CIA has enjoyed to the present day. In sum, Smith made major, long-lasting changes in CIA that substantially improved its effectiveness and influence over subsequent decades.

In addition to his revamping the estimative process, in his role as leader of the emerging Intelligence Community Smith was especially determined that CIA should cooperate with military intelligence in collecting and analyzing information about the

conflict in Korea. In 1951, he requested that the National Security Council review how disparate military entities were handling communications intelligence (COMINT), an initiative that led to President Truman's creation of NSA by executive order in 1952.

Before Smith became DCI, CIA was regarded in Washington as an upstart organization of no real consequence, and many Americans had not even heard of the Agency. By the time Smith left CIA in early 1953 to become President Eisenhower's Under Secretary of State, the Agency under his leadership had consolidated the operational and analytical responsibilities it received under the National Security Act of 1947 and had assumed a preeminent status in the Intelligence Community.