

FIEND. 114
Amel
7 September 1949

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MEMORANDUM FOR: CPP

SUBJECT: Revaluation of the Project BGFIEND

1. Pursuant to your instructions we have made a revaluation of BGFIEND in the light of present development. The considerations listed below are the basis for a revaluation of this project at the present time:

a. It is apparent that U. S. (OPC) intentions in Albania are no longer secret and that Soviet Intelligence is undoubtedly aware of contemplated U. S.-British intervention in Albania. As a result, the successful accomplishment of all the phases of project BGFIEND will become increasingly difficult. The Albanian Security forces, when alerted to potential U. S.-British supported action, probably will institute severe countering controls, e.g. restrictions on travel of Albanians, issuances of new identity cards, etc.

b. Apparently the British, as evidenced by the proposed Perkins [] agreement, are pessimistic of our ability to proceed with the successive stages of Operation FIEND, or even of their ability to implement their own plan without the use of a "shock" force. This force, as envisaged, will be held in reserve for use at the appropriate time in order to bolster internal elements of Albanian resistance.

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Furthermore, due to the unavailability of sufficient Albanians abroad for the endeavor, the shock free will probably have to be "stiffened" with other nationals, namely, Poles. Such a course of action, although possibly desirable from an operational point of view, is not compatible with existing U. S. policy decisions, e.g. that the Albanians operation must have the outward appearance of being Albanian sponsored and executed.

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c. In general, the impression has been gained that the British, in re-evaluating conditions inside Albania, have apparently reversed their original estimate with respect to internal Albanian conditions and are now of the opinion that unless a great deal of outside aid is forthcoming, the overthrow of the Hoxha regime cannot be easily accomplished. Moreover, it seems to be the British contention, and [] agrees, that the Albanians will not carry on a sustained fight for their own liberation. The impression has also been gained that greater U. S. commitments will have to be made than were originally contemplated if we are to successfully accomplish our ultimate objective, as heretofore stated.

d. As a result of the original British desire to have our Ambassador to Yugoslavia inform Tito about the committee before the announcement, it is possible that the British have tentatively decided that they cannot hope to achieve British-U. S. objectives in Albania independently and were attempting in this manner to explore the possibility of securing Tito's aid, contrary to present U. S. policy determinations.*

* Present U. S. policy toward Yugoslavia is based essentially on extending Tito aid, especially economic aid, without exacting any quid pro quo, i.e., political or other concessions.

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e. Tito has recently announced the formation of two committees composed of Albanians living in Yugoslavia ostensibly set up for the purpose of facilitating the overthrow of the Hoxha regime. SECRET

f. Believing that Tito may intervene in Albania, the British may be planning to take advantage of this situation by agreeing to render him limited aid with respect to Albania in return for the use of Yugoslav territory for covert operations into Hungary, Rumania, and Bulgaria.

g. It is also conceivable that the British are using the Albania plan as a stepping stone for penetration into the whole Balkan area. This would necessitate a change of the present British-U. S. policy toward Yugoslavia.

2. Discussion

a. Even if security breaches have been made, certain advantages will accrue to us by virtue of the fact that continuous rumors of impending U. S. action to be taken in Albania will add to existing Kremlin problems there. It is felt that we can ignore for the time being every transparency of FIEND which was expected. We should exert every effort, however, to continue to keep the Soviet Intelligence Service from procuring documentary evidence of the U. S.-British connections with the Albanian operation.

b. As stipulated in the Amendment to project BGFIEND, it would appear premature to even consider abandoning FIEND until such time as the reconnaissance phase has been launched and the success or failure of our

agents to operate clandestinely in Albania has been determined. Once ~~SECRET~~ these agents are actually infiltrated as planned, even if they accomplish nothing and are arrested, the Soviet Security Services will be forced to focus on Albania which will, in itself, be of advantage to us, particularly if we take action elsewhere.

c. We are probably indirectly playing into Tito's hands, inasmuch as Tito undoubtedly knows that some type of U. S.-British action is contemplated in Albania. This will strengthen his position indirectly against Soviet/Cominform machinations. In addition, the overthrow of the Hoxha regime would obviously strengthen Tito's position in the Balkans by removing the Cominform threat on his southern flank.

d. OPC is gaining valuable experience by this operation at a relatively small cost.

e. If OPC abandons this project at the present low-ebb stage, we will have a difficult time convincing the Department of State that we were capable of mounting similar larger operations in other Soviet Satellite areas.

f. Activity in continuing BGFIEND will: (1) reinforce overt U. S. pressure tending to put the Kremlin more and more on the Defensive, and (2) intensify USSR problems of maintaining its control over the Satellites

3. Recommendations

It is recommended that:

- a. Project BGFIEND be continued.
- b. The Department of State be advised that the completion of all

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phases of project BGFIEND may require many months beyond the tentative time limits already established . In addition, the decision as to whether to implement the final phase, as this phase is presently conceived, must be determined at a future date on the basis of the results obtained in carrying out the early phases.

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