1. In June 1949 Project BGFIEND was approved and in December 1949 its objectives, modified in the light of political developments in the Balkans, were stated to be:

   a. To reduce the value of Albania to the Soviets by persistently and constantly undermining Communist authority and by harassing the Hoxha regime with domestic difficulties.

   b. To encourage and assist the Albanian people in their resistance to the Hoxha regime; to maintain hope of eventual liberation; and to prepare the people psychologically for eventual action to free them from Communist tyranny.

   c. To create, foster and support a skeleton resistance organization which could be used as the foundation of a liberation movement if and when such an active operation should seem politically and strategically desirable.

   3. The last mentioned set of objectives has governed the activities under this project to date.

2. The Project was established as a coordinated undertaking with the British and since its approval there have been numerous conversations with officials of the State Department and the British Foreign Office to ensure that all activities are directed toward achieving objectives in line with official U.S. and British policy. There has been continuous review by the State Department and the Foreign Office of the long-range policy regarding Albania and our activities have been revised from time to time to meet the changing political situation in the Balkans.

3. In the summer of 1949 the Americans and the British created the National Committee for a Free Albania (NCFA) from Albanian emigre circles. The Committee conducts propaganda activities; participates in activities involving other national committees and emigre groups; recruits personnel for potential agent teams; interrogates refugees; and, of prime importance, is used as a front for covert activities directed against the present Albanian regime.
4. Since the establishment of Project BQFIEND OPC has built up an organization which is now engaged in agent operations and extensive propaganda activities. In the field of agent operations a total of 11 teams has been infiltrated into Albania. Two teams are now active in the country and additional teams will be infiltrated during the summer of 1952. The mission of these teams is to develop small secure underground nets aimed at the penetration of the army and the Government; establish E & E nets and safe houses; recruit additional agent personnel and intelligence collectors; and to organize resistance groups. Certain teams will sabotage carefully selected targets and others will perform coup de main operations.

5. At the present time our psychological warfare operations consist of the operation of a covert radio station in Greece, with broadcasts three times daily to Albania; the publication of the Albanian-language newspaper Shqiperia, in standard and miniature editions; publication of the Albanian News Bulletin in English, French and Italian; cartoon and propaganda leaflets which are air dropped over Albania; mailing letters and parcels from Europe to individuals in the Communist regime in Albania with a view to embarrassing and bringing suspicion upon them; and propaganda supply drops of scarce consumer goods.

6. The present organization is capable of greatly stepping up all phases of its activities should the situation in the Balkans permit more extensive operations, and we have on hand at present at our stellar base in Athens material assets which include weapons to arm 4000 men, plus all the equipment needed to deliver these weapons and the supporting equipment for a force of this size. In addition we have communications equipment necessary to maintain this force and any indigenous resistance groups which may spring up elsewhere. The total cost price of these material assets is $1.5 million, approx.
7. Major activities in 1952-1953 will include the following:

a. Agent operations designed to provide us with contacts and with up-to-date information which would permit us to penetrate the Albanian Government and armed forces apparatus with a view to arranging for eventual large-scale defection of army units, when and if it becomes United States policy to overthrow the Albanian regime. These operations will involve the use of carefully selected personnel of the highest caliber obtainable and will be conducted in such a manner as to create a resistance network and at the same time to maintain the best security and to conserve personnel for long term use. Furthermore, these operations will produce an intelligence yield which is greatly needed in view of the reduction in OSS operations.

b. The conduct of certain special operations designed to have a harassing and propaganda value both inside and outside the country, and to maintain the courage and spirits of the Albanian people.

c. To continue the psychological warfare program along the lines indicated previously; namely, black radio broadcasts, propaganda leaflet drops, propaganda supply drops, and overt propaganda activities conducted by the NCFA.

d. The development of whatever economic warfare campaign that may seem practicable after the field has been thoroughly explored by our new Trieste station.

e. The development of external assets for use in the eventual major operation intended to overthrow the present Communist regime.

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