414.

## ROUTING AND RECORD SHEET

INSTRUCTIONS: Officer designations should be used in the "TO" column. Under each comment a line should be drawn across sheet and each comment numbered to correspond with the number in the "TO" column. Each officer should initial (chick mark insufficient) before further routing. This Routing and Record Sheet should be returned to Registry.

before further routing. This Routing and Record Sheet should be returned to Registry DD/P \_1091\_ FROM: C/SE DATE DECLASSIFIED AND RELEASED BY <u>CENTRAL INTELLIBENCE ABBNCY</u> OFFICER'S SOUBHINES METHODS EXEMPTION 1020 INITIALS REC'D FWD'D MAZI WAR CRIMES DI SCLOSURE ACT 36 **BATE 2007** ock - Mr. Dulles handed this to me on 6 Nov. When 6 Nov 6NN. 14Nn Mr. Dulles asked that 17 NOV 1952 17 Dulles has made no Commitment to "uipe ont" FIEND, he merely said FIEND on trial - Mr. Dulles heliers, therefore, there is no reason to be excited one his statement to the British. The Dulles also indicate Re would like to see as samples of the intelligen Noy Nov 7( 10/2

FORM NO. 51-10 FEB 1950 SECRET 7 45 attack

the mants.

Becautive Registry
3-3894

DD/F 1031\_

28 October 1952

MEMORANDUM FOR: DD/P

SUBJECT:

Operation BGFIEND

REFERENCE:

Secret Memorandum for the Record, dtd 21 October 1952,

from C/I&R.

l. With reference to certain talks which took place between Mr. Dulles and representatives of SIS in London on 30 September 1952, I should like to express my concern over the fact that such discussions took place without any preceding consultation with this Division and that I was not given an opportunity to prepare a position paper which would have been helpful in providing Mr. Dulles with background material for his conversation.

2. In any future discussions with the British concerning Albania there are certain points which ought to be borne in mind as factors to be considered in arriving at any conclusions regarding British proposals. Among these are the following:

a. The American operation BGFIEND is a very much larger and more complex undertaking than the British operation VALUABLE.

b. During the past year American operations in Albania have been conspiciously more successful than British operations and have produced a very much greater intelligence yield.

c. Because of the scope and character of the American operations, they have tended to increase American prestige in Albanian circles, whereas British prestige has probably declined relatively speaking.

d. There are indications that the British are somewhat resentful of our greater capabilities and accomplishments in Albania and may be disturbed that we are in a position to attain a relatively more favorable position of influence both inside the country and in emigre circles.

e. Although from the outset the British have attempted to make BGFIEND and VALUABLE a joint operation, we have persistently and successfully maintained the principle of "operational-disengagement." These are two separate undertakings; the termination of one does not necessarily require the termination of the other.

SECRET

f. The British have benefited greatly from many of the Albanian activities financed exclusively with American funds.

g. Regardless of what happens to British Project VALUABLE, American Project BGFIEND is in an excellent position to continue as an exclusively American operation.

h. We have every indication that the Department of State is satisfied with the character and scope of our BGFIEND activities and is happy to have them continued at the present level.

2. In the event the British decide to cut back or terminate their Albanian operation VALUABLE, there is no reason why the American operation BGFIEND should suffer any corresponding reduction in scale or termination. As a program being implemented in accordance with the same basic policy established by the highest U.S. authority for other Soviet Satellite states, the Albanian program should be continued until its termination or alteration is requested by the Department of State. British attempts to induce a reduction of activities vis-a-vis Albania could conceivably occur in the near future as a result of British desire to prevent the growth of American prestige and influence in the Balkan area.

Attachment: 1 (Reference Memo of Conversation)