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NSC BRIEFING

27 May 1954

HONDURAS ASKS US AID AGAINST COMMUNIST

- I. Honduras says cannot guarantee life and property against "International Communism." Note asks US to:
  - A. Cooperate with Honduras, under Rio Treaty, "in facing dangers"
  - B. Dispatch two warships to stand off Honduran north coast
  - C. Detain ships bringing Orbit arms to Guatemala.
- II. Honduras sees threat as both internal and from Guatemala.
  - A. Internally Communists exploiting general strike.
    - 1. Communists seek to control
      35,000 employees of two US-owned
      fruit companies etc.
    - 2. Overt strike leaders dominated by hidden Communist leaders.

25X1

State Dept. review completed

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- 3. Communists sabotaging non-Communist attempt at settlement with Standard Fruit Company.
- 4. Honduran Communist Party reportedly being organized at Progreso, striker stronghold.
- 5. Communists oppose government participation in United Fruit negotiations.
- 6. Strikers hitherto well disciplined, but situation explosive.
  - a. Strikers said to be armed.
  - b. Strikers becoming definat of government.
  - c. Government probably could not enforce martial law.
- 7. Ambassador Willauer believes
  Communists want strong government
  intervention for propaganda

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### TOP SECRET

#### Attachment:

#### THE RIO TREATY

- I. Rio Treaty (officially the InterAmerican Treaty of Reciprocal Assistance)

  signed 1947. Now has 20 parties (Guatemala
  not full party)
  - A. Action under treaty must be approved by 14 of the parties, and reported to UN.
- II. Renderan request for US help under treaty has no precedent.
  - A. Failing armed attack, request for help goes first to Council of OAS. In case of attack, self defense and individual aid permissible, if accompanied by request to OAS.
  - B. Monduras may think present request an extension of self-defense under armed attack.

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## TOP SECRET

exploitation.

- B. Honduras fears Guatemalan intervention.
  - 1. Alarmed by 15 May arms shipment to Guatemala.
  - 2. Guatemalan troops reported at border by Hondurans.
    - a. Guatemalans claim troops
      pursuing railroad saboteurs
      near border.
    - b. Overt Guatemalan invasion unlikely.
  - 3. Greater danger is Guatemala's capacity to arm Honduran strikers
    - a. Weapons in hands ofHonduran strikers before15 May said to be Guatemalan.