

SUKARNO WARNS DUTCH INVESTORS

Threatens Capital Seizure if Netherlands Does Not Yield West New Guinea

By **BERNARD KALB**
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JAKARTA, Indonesia, Aug. 17—President Sukarno warned today that Dutch capital in Indonesia faced expropriation unless the Netherlands handed over West New Guinea.

In a 25,000-word address marking the fourteenth anniversary of Indonesia's proclamation of independence from the Dutch, Mr. Sukarno declared:

"I sound a warning here that if in the question of West Irian [Netherlands New Guinea] the Dutch remain stubborn, if in the question of our national claim they remain headstrong, then all the Dutch capital, including that in mixed enterprises, will bring its story to a close on Indonesian soil."

In a previous move to apply economic pressure on the Netherlands to accept her claim to West New Guinea, Indonesia took over the vast Dutch business enterprises here in December, 1957. Many Dutch nationals were compelled to leave the country.

The largest mixed-capital company that would be affected by any further expropriation action would be the Royal Dutch Shell group's subsidiary, Shell Indonesia. According to information here, the group's investors are 16.5 per cent Dutch, 35 per cent British, 23.5 per cent United States, 18 per cent French and the remainder of other nations.

If foreign capital other than Dutch is used in disregard of Indonesian requirements, the President warned, "Don't be surprised if one day the people of Indonesia treat it similarly to the capital originating in the Netherlands."

President Sukarno exhorted the 88,000,000 people of his troubled nation not to complain but instead "march forward without stopping, without hesitation, on the original rails of our revolution!"

The President repeatedly defended his action of July 5 reinstating the 1945 Constitution, under which he wields virtually unlimited powers.

In his address, entitled "Rediscovery of Our Revolution" and delivered to a vast throng outside his Freedom Palace, the President also:

¶ Warned "vulture capitalists" of Indonesia that fields of production important to the state and providing necessities for the people "shall be controlled by the state and shall not be run by private entrepreneurs."

¶ Served notice that the Indonesian revolution did not permit reckless amassing of wealth for anyone, Indonesian or foreign. "Whoever scoops up wealth at the expense of the public, whoever disrupts the public economy, will be arrested; will be taken to court, will be punished severely and if neces-



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ISSUES WARNING: President Sukarno of Indonesia. He said Dutch capital in country faced expropriation unless Netherlands handed over West New Guinea.

sary will be sentenced to death," he said.

¶ Complained that he was not satisfied with the actions of the army-controlled National Front for the Liberation of West Irian. This organization should disregard anything concerned with the struggle for New Guinea and concentrate on efforts to stir the masses for the struggle, he declared. Lieut. Gen. Abdul Haris Nasution, Army Chief of Staff, is chairman of the Front.

¶ Denounced not only economic and political imperialism but also "cultural imperialism," in which he included rock 'n' roll and cha-cha-cha music. He said he had given instructions to the Deputy Minister of Education and Culture, Professor Prijono, to protect the national culture.