Anthropological investigations indicate that the first people to arrive in Timor, approximately 40,000 to 20,000 years BC, were of the Vedo-Australoid type, similar to the Vedas of Ceylon. A second wave, which arrived around 3000 years BC, consisted of Melanesians, similar to those living today in Papua New Guinea and some Pacific Islands; East Timorese languages like Macassae, Bunac and others seem to have this origin. Probably due to the mountainous nature of the country, these new arrivals did not mix with the former inhabitants, who withdrew to the interior mountainous regions. This may be one reason why East Timor has so many different languages.

A third wave of people, which arrived around 2500 BC, consisted of ‘proto-malays’—people coming from South China and North Indochina. Even today the Chinese in East Timor are one of the more important trading communities.

The Portuguese colonize Timor

The Portuguese reached the coast of Timor on what is now the enclave of Oecussi around 1515. But it was not until the 1700s after the Governor was installed in Dili that they began more efficient commercial exploitation of resources. They made huge profits from exports of sandalwood but eventually overexploited this resource. As sandalwood became almost extinct the Portuguese in 1815 introduced coffee, along with sugar cane and cotton.

Portuguese colonialism ensured that the native population, particularly the coffee growers, never managed to accumulate much capital. Instead the revenues from coffee exports went largely to the Portuguese and Chinese traders. Discontent at this was probably one cause of a series of Timorese rebellions—including the revolt in Manufahi led by Dom Boaventura. After twelve years of resisting and fighting the Portuguese, Boaventura’s forces were finally crushed by Portuguese troops in 1912.

East Timor remained largely underdeveloped with an economy based on barter. Prior to World War II, the capital, Dili, had no electricity or water supply and there were few roads. Even so, before the Second World War the Japanese Empire considered East Timor to be of strategic importance—for three reasons. First, Timor’s geo-political position would facilitate Japan’s southward expansion by helping to split the British colonies in Southeast Asia and Australia. Second, Portugal which was one of the weakest colonial powers and had also declared its neutrality between the ‘Axis’ and the ‘Allies’, was considered easy prey for Japan’s political and military interests. Third, the oil and gas reserves in the Timor Sea could help meet Japan’s fuel needs.

When World War II started, the Australians and the Dutch, aware of Timor’s importance as a buffer zone, landed in Dili despite Portuguese protests. The Japanese then used the presence of the Australians as a pretext for an invasion in February 1942 and stayed until September 1945.

By the end of the war East Timor was in ruins. Approximately 60,000 East Timorese had lost their lives as a result of the Japanese occupation and the efforts of the Timorese to resist the invaders and protect Australia. People were also forced to give food to the Japanese, so when the Japanese finally surrendered the scene in Timor was one of human misery and devastation. The population was close to starvation and most of the plantations of coffee, cocoa and rubber had been abandoned.

1960s—a new era of colonialism.

The Timorese and the Portuguese tried to help the country recover. But development was slow. The average annual growth rate between 1953 and 1962 was just 2%. Meanwhile the United Nations, through Resolution 1514 (XV) of December 14, 1960 declared East Timor a non-self governing territory under Portuguese administration. Portugal tried seriously and systematically to develop East Timor through three successive five-year plans. Money started to arrive and there was a sudden spurt in economic growth which averaged more than 6% annually. Nevertheless this was not sufficient.
to overcome decades of underdevelopment and by 1974 per capita income was still only $98 per year.

Agriculture absorbed at least 80% of the labour force but remained largely at subsistence level and accounted for just 33% of GDP in 1962. The main exports were coffee, with 73% of the total, followed by copra, rubber, wax, and candlenuts. There was very little private-sector activity outside trade, and the swings in international commodity prices led to numerous balance-of-payments deficits. Meanwhile the population was growing by more than 2% per year.

Portugal governed East Timor with a combination of direct and indirect rule, managing the population as a whole through the traditional power structures rather than by using colonial civil servants. This left traditional East Timorese society almost untouched.

In 1974, however, the ‘transition to democracy’ in Portugal had a sudden impact on all its colonies. The political climate in Portugal shifted to the left and for the first time the East Timorese were given freedom to form their own political parties. After a series of changing political alliances, the two main political parties, the Timorese Democratic Union (UDT) and the Frente Revolucionaria do Timor Leste Independente (Fretilin) formed a coalition, in early 1974 in preparation for eventual independence, guided by the local Portuguese administration.

On August 11, 1975, the UDT, covertly supported by the Indonesian government, launched a coup, in an attempt to seize power from the Portuguese and halt the ascendancy of Fretilin, which by then had become the party with the largest popular support. During the UDT coup attempt, more than 2,000 died. Most of the UDT members and many of its supporters fled across the border into West (Indonesian) Timor. Indonesia allowed them to enter only if they signed documents agreeing to the incorporation of East Timor into the Indonesian Republic. In the early days of the attempted coup, the Portuguese administration left Dili for Atauro island, leaving Fretilin in de facto control of East Timor. Fretilin then administered the territory until the Indonesian invasion.

On November 28, 1975, in an attempt to take its case to the UN, and to publicise Indonesian armed incursions into its territory, Fretilin declared East Timor as the República Democrática de Timor Leste (RDTL). RDTL was recognized by a small number of countries, mainly the former Portuguese colonies, and was short-lived. Ten days later, on December 7 1975, Indonesian troops launched a full-scale invasion.

The Indonesian occupation

Indonesian President Soeharto’s ‘New Order’ administration was determined to thwart the emergence of a new state within the Indonesian archipelago—fearing this could set a precedent for other islands, particularly in Eastern Indonesia.

The result was the Indonesian invasion of December 7th, 1975. Some 60,000 people lost their lives in the early years of annexation—contributing to a total of about 200,000 deaths for the whole period of Indonesian administration.

In an effort to stamp greater control over its dissident new province—whose seizure was condemned by the United Nations—Indonesia invested considerable sums in East Timor to bolster its military rule, particularly in infrastructure, and in the development of cash crops for export. The Indonesian government also employed large numbers of people in the civil service...

Following the invasion most of the population fled to the mountainous areas, where they survived for three years, living outside Indonesian control. Following a fierce aerial bombardment of these areas and their crops in 1978, however, most of the population were forced down into lowland areas where they were met by Indonesian troops, and many were killed. The Indonesian military then began to relocate the remaining population into newly established resettlement villages. Restricting the time villagers spent on producing their own food, the Indonesian military forced them into road construction, logging, and the cultivation of cash crops for export.

Unlike the Portuguese the Indonesians favoured strong, direct rule. But the East Timorese people never accepted this and were determined to preserve their culture and national identity, in which religion and the Catholic Church played a crucial role. In 1991, the Indonesian military gave permission for a parliamentary delegation from Portugal. The mission was supposed to pre-
pare the ground for more serious UN involvement. However, the visit was cancelled at the last minute. Immediately, the Indonesian military went on the attack. A young student, Sebastião Gomes, was killed and many others were arrested.

On November 12, 1991 thousands of East Timorese marched towards the Santa Cruz cemetery to mourn for Sebastião Gomes. The Indonesian Army opened fire and killed more than 200 people. The ‘Santa Cruz Massacre’ marked a turning point in the brutal occupation of East Timor as the shocking images were beamed around the world. Individuals and organizations started to put increasing pressure on their governments and on international organizations on behalf of East Timor.

The capture and imprisonment of resistance leader Xanana Gusmão in 1992 also put the spotlight on the human rights situation. Indonesia was subjected increasingly to international criticism by governments, agencies and NGOs, culminating in October 1996 with the awarding of the Nobel Peace Prize to two Timorese leaders, Bishop Carlos Ximenes Belo and José Ramos Horta, on behalf of the people of East Timor. This assisted the growing assertiveness of the independence movement, fuelled since the late 1980s by the increasing involvement of youth in the urban areas of Dili and Baucau.

In 1997 and 1998, the Soeharto government’s New Order (Orde Baru) was shaken by a severe economic crisis, which ignited social protests in Jakarta, leading to widespread demands for political change. As the situation continued to deteriorate, Soeharto was forced to resign and was replaced by his vice-president, Dr. Habibie.

In a bid to distinguish himself from the Soeharto period, and to improve Indonesia’s image internationally, President Habibie stated that he was no longer willing to maintain the ‘burden’ of East Timor, and in January 1999 offered its people a ‘wide-ranging autonomy’ within the Indonesian Republic. Should the Timorese reject this, Habibie declared that the Indonesian Government would be prepared to ‘let East Timor go’. An agreement between the Portuguese and Indonesian Governments to hold a referendum, (or ‘popular consultation’, as it was then termed) on autonomy was finally reached in May 1999, under the auspices of UN Secretary-General Kofi Annan.

The UN started to prepare for the referendum by establishing the United Nations Assistance Mission for East Timor, UNAMET. On June 3, 1999 the UN raised its flag on the soil of East Timor. On August 30th, 1999 the people of East Timor voted overwhelmingly—78%—against autonomy, and in favour of independence from Indonesia. Pro-integration militia gangs and the Indonesian armed forces responded with extraordinary brutality—rampaging and plundering across the country. As a result of their actions, one-third of the population were forced to resettle in refugee camps in West Timor and neighbouring islands. Another one-third looked for refuge in the mountains of East Timor. Between 1,000 and 2,000 people are reported to have died in the violence. Departing Indonesian soldiers and the army-backed militias torched homes and other buildings, including UN and NGO offices and equipment.

Following widespread international protest at the paramilitary rampage, and governmental pressure—particularly from the United States, Australia and Portugal, the UN Security Council authorized a multinational force (INTERFET) under the unified command structure of a member state, Australia, to restore peace and security. The UN also launched a large-scale humanitarian operation including food supplies and other basic services.

On October 19, 1999, the Indonesian People’s Consultative Assembly formally recognized the outcome of the referendum. Then on October 25, the UN Security Council, through Resolution 1272 (1999), established the United Nations Transitional Administration in East Timor (UNTAET) as an integrated, multi-dimensional peacekeeping operation responsible for the administration of East Timor during its transition to independence.

On August 30, 2001, on the anniversary of the referendum, East Timor held elections for political representatives, whose task was to draw up a new Constitution. This was agreed on March 24, 2002. On April 14, the first presidential election was held, and won by Xanana Gusmão. Independence was set for May 20, 2002.


**Timor**, in collaboration with the IMF, Lisbon Portugal.


——— (1999a). *Overview of External Funding Requirements for East Timor*, in cooperation with UNTAET.