EDITORIAL NOTE

In the spring of 1917 the Foreign Office, in connexion with the preparation which they were making for the work of the Peace Conference, established a special section whose duty it should be to provide the British Delegates to the Peace Conference with information in the most convenient form—geographical, economic, historical, social, religious, and political—respecting the different countries, districts, islands, &c., with which they might have to deal. In addition, volumes were prepared on certain general subjects, mostly of an historical nature, concerning which it appeared that a special study would be useful.

The historical information was compiled by trained writers on historical subjects, who (in most cases) gave their services without any remuneration. For the geographical sections valuable assistance was given by the Intelligence Division (Naval Staff) of the Admiralty; and for the economic sections, by the War Trade Intelligence Department, which had been established by the Foreign Office. Of the maps accompanying the series, some were prepared by the above-mentioned department of the Admiralty, but the bulk of them were the work of the Geographical Section of the General Staff (Military Intelligence Division) of the War Office.

Now that the Conference has nearly completed its task, the Foreign Office, in response to numerous inquiries and requests, has decided to issue the books for public use, believing that they will be useful to students of history, politics, economics, and foreign affairs, to publicists generally and to business men and travellers. It is hardly necessary to say that some of the subjects dealt with in the series have not in fact come under discussion at the Peace Conference; but, as the books treating of them contain valuable information, it has been thought advisable to include them.
It must be understood that, although the series of volumes was prepared under the authority, and is now issued with the sanction, of the Foreign Office, that Office is not to be regarded as guaranteeing the accuracy of every statement which they contain or as identifying itself with all the opinions expressed in the several volumes; the books were not prepared in the Foreign Office itself, but are in the nature of information provided for the Foreign Office and the British Delegation.

The books are now published, with a few exceptions, substantially as they were issued for the use of the Delegates. No attempt has been made to bring them up to date, for, in the first place, such a process would have entailed a great loss of time and a prohibitive expense; and, in the second, the political and other conditions of a great part of Europe and of the Nearer and Middle East are still unsettled and in such a state of flux that any attempt to describe them would have been incorrect or misleading. The books are therefore to be taken as describing, in general, ante-bellum conditions, though in a few cases, where it seemed specially desirable, the account has been brought down to a later date.

G. W. PROThERO,

General Editor and formerly

January 1920. Director of the Historical Section.
# TABLE OF CONTENTS

## I. GEOGRAPHY PHYSICAL AND POLITICAL

1. Position and Frontiers ........................................... 1
2. Surface, Coast, and Rivers
   - Surface ................................................................ 1
   - Coast .................................................................. 2
   - Rivers .................................................................. 2
3. Climate ................................................................. 2
4. Sanitary Conditions .................................................. 3
5. Race and Language .................................................... 3
6. Population ............................................................... 4

## II. POLITICAL HISTORY

- Chronological Summary ............................................. 5
1. Early History
   - First Mention of Timor ........................................... 5
   - Visit of Magalhães ............................................... 6
   - First Portuguese Settlement .................................... 6
   - The Dutch at Kupang. Capital transferred to Dili .................................................. 7
   - Division of the Island between the Dutch and the Portuguese .................................... 7
2. Nineteenth and Twentieth Centuries
   - Arrangements with the Dutch .................................. 7
   - Agreement of 1893 ................................................ 8
   - Arbitration of 1914 ............................................... 9
   - Extent of Portuguese Territory ............................ 9

## III. SOCIAL AND POLITICAL CONDITIONS

1. Religious ............................................................... 10
2. Political ............................................................... 10
3. Educational ........................................................... 10
IV. ECONOMIC CONDITIONS

(A) MEANS OF COMMUNICATION

(1) Internal
   (a) Roads and Tracks ..................... 11
   (b) Rivers ................................ 11
   (c) Posts and Telephones ................. 11

(2) External
   (a) Ports and Anchorages ................. 12
   (b) Shipping Lines ....................... 13
   (c) Telegraphic Communications .......... 14

(B) INDUSTRY

(1) Labour .................................. 14

(2) Agriculture
   (a) Products of Commercial Value
      Vegetable Products .................... 15
      Live-stock ................................ 17
   (b) Forestry ................................ 17
   (c) Land Tenure ............................ 18

(3) Fisheries ................................ 19

(4) Minerals ................................ 19

(5) Manufactures ............................ 19

(C) COMMERCE

(1) Domestic
   (a) Nature of Trade ...................... 20
   (b) Towns ................................ 20

(2) Foreign
   (a) Exports ............................... 20
   (b) Imports ................................ 22
   (c) Customs and Tariffs ................. 23

(D) FINANCE

(1) Public Finance .......................... 24
(2) Banking .................................. 25

(E) GENERAL REMARKS ...................... 25

AUTHORITIES ............................... 26
I. GEOGRAPHY PHYSICAL AND POLITICAL

(1) Position and Frontiers

Portuguese Timor, which occupies the northern half of the island of Timor, lies between 8° 30' and 9° 30' south latitude and 125° and 126° 30' east longitude. The area of the main portion is about 6,325 square miles, and that of the Oecussi enclave, a territory belonging to Portugal on the northern coast of Dutch Timor, about 950 square miles. The island of Kambing, off the northern coast, also belongs to Portugal; its area is 55 square miles. The total area of the colony is thus approximately 7,330 square miles.

The boundary between Dutch and Portuguese territory is formed by a line drawn between the mouth of the Biku and the Talas, on the north and south respectively, which at its central portion makes a decided bend eastward. The boundaries of the enclave are lines running roughly north-east and south-west from the mouths of the Besi and the Meto respectively.

Fuller details will be found in Dutch Timor, No. 86 of this series.

(2) Surface, Coast, and Rivers

Surface

The mountains of Portuguese Timor, which are very bare and rugged, do not for the most part rise to more than 6,000–7,000 ft., though Ramelau, the highest point, reaches 9,000–10,000 ft. The soil is in parts rich, and lends itself to cultivation, but, partly owing to the porous character of the limestone of which
a great part of the country is composed, and partly to the erosive action of water, there is a large extent of sterile land. In many regions the want of water also proves a hindrance to cultivation. There are a few small shallow lakes, and in some places the lower courses of the rivers are swampy.

Coast

The seaboard of Portuguese Timor is some 500 miles in length, not including the Ocussi enclave (about 35 miles).

The mountains run parallel to the coast-line, and often come close to the sea, but there are, especially on the south side, places where the shore is low and sandy. The northern coast is more indented than the southern, which has only shallow bays.

Both coasts are lined by coral reefs, but there are places where ships may safely approach within a moderate distance. The only port of any account is that of Dili (Dilly). There are other bays which afford anchorage and shelter, during some winds, on the north coast; the south coast offers no shelter during the south-east monsoon, and is seldom visited.

Rivers

The rivers are short and unimportant, none of them being navigable except for small boats at their mouths. They all flow north and south from the main mountain axis, and have rapid courses. Owing to the porous quality of the soil, they are of little use for irrigation.

(3) Climate

There are two seasons, that of the south-east monsoon, from May to November, and that of the north-west monsoon during the rest of the year. During the south-east monsoon, practically no rain falls in the north, but the north-west monsoon is accompanied
by violent rainstorms. No figures, however, exist for the rainfall of Portuguese Timor.

The hottest regions are the coastal plains, where the average temperature is about 80°–100° F. (26°–38° C.). Daily variations are considerable, especially at the beginning of the south-east monsoon. Portuguese Timor appears to be rather cooler than Dutch Timor.

(4) Sanitary Conditions

The low marshy ground of the coast is very unhealthy, and malaria is common, but conditions in the interior are better. Above 2,000 ft. there are no marshes, and above 3,000 ft. no mosquitoes. On the other hand, above 2,000 ft. the European is attacked by hill diarrhoea; and it appears from a recent Portuguese report that the natives also suffer from ailments of a dysenteric kind, which sometimes carry them off in large numbers. The lack of good drinking-water and the unclean habits of the people doubtless conduce to this sort of disorder. A few regions of the island, particularly towards the east, are said to be possible for colonization on a small scale by whites, but even this is uncertain.

(5) Race and Language

The natives of Portuguese Timor are wholly Belonese, and it has been suggested that their dark skin and shaggy curly hair are due to predominance of the Papuan element. Besides the natives there is a number of Portuguese, Chinese, and Arabs.

There is a great diversity of language. Over a considerable area Tetum is spoken, and it is generally used for official purposes. But a large number of other languages or dialects is known; and it frequently happens that the inhabitants of neighbouring ‘kingdoms’, separated by no natural boundary, speak different languages.
(6) Population

The population of Portuguese Timor was returned in 1915 as 377,815 (201,121 males and 176,694 females), with an average density of about 55 to the square mile.

The only town of importance is the capital and port, Dili (Dilly); otherwise it seems that the inhabitants live in small kampongs of about ten houses. In the Ocussi enclave, however, the kampongs are said to be larger. These settlements are usually situated in places difficult of access, owing to the general insecurity and the hostile relations obtaining between the numerous 'kingdoms' into which the natives are divided.

As to increase or decrease, it is impossible, owing to the extreme uncertainty of the figures, to say more than that there is an impression that the native population is gradually dwindling in numbers.
II. POLITICAL HISTORY

CHRONOLOGICAL SUMMARY

c. 1516. First mention of Timor.
1520. Supposed foundation of Lifau.
1521. Visit by a ship of Magalhães’ expedition.
1618. Dutch settlement at Kupang. Capital moved to Dili.
c. 1700. Portuguese Governor appointed.
1769. Lifau besieged by ‘Black Portuguese’.
1851. First agreement to settle the boundary. Cession of Larantuka to the Dutch.
1893. Further agreements (June 10, July 1).
1899. Boundary defined.
1904. Later treaty.
1913. Appointment of M. Lardy as arbitrator.
1914. Arbitration award.

(1) EARLY HISTORY

The eastern portion of the island of Timor is the last fragment remaining to Portugal of her once extensive possessions in the Malay Archipelago. The western portion of the island belongs to Holland. Timor does not seem to have been considered at any time to be of great importance, and there are very few references to it in the writings of the older historians. The first mention is probably that by Duarte Barbosa, who wrote about 1516, and the information he gives is very scanty. It was at that time under its own pagan chiefs of Malay origin, and its principal product was sandalwood. Garcia da Orta, writing in 1563, says that Timor produced sandalwood in abundance, but
not the red kind. The best yellow sort was found. Ambergris also was collected in small quantities.\(^1\)

The Portuguese obtained power in the island in the course of the sixteenth century. As the farthest east of the Lesser Sunda Islands, they no doubt regarded it as a useful port of call on their way to the Moluccas, which were of great value owing to their monopoly of the clove-trade.

The next recorded visit to Timor and the neighbouring island of Solor is that of Magalhães’ expedition after the disasters in the Philippines in 1521. The *Victoria* (according to João de Barros, writing c. 1560) was guided by information given by a Portuguese named João de Campos to the island of Banda to obtain mace, and afterwards to Timor to obtain sandalwood. After leaving Banda they passed by Timor (apparently without landing), intending to pass through the Solor Channel (apparently the Flores Straits), and thence to sail straight across the Indian Ocean to Madagascar. This passing visit gives no information as to Timor, but it is evident that the island was well known to the Portuguese at that time.

Lifau in the western part of the island is stated by later writers to have become the capital of the Portuguese settlement so early as 1520. The Portuguese, however, do not appear to have occupied the interior, which has continued throughout to be almost independent. Except for their contest with Spain regarding the Moluccas, the Portuguese were supreme in the Eastern Archipelago until the later part of the sixteenth century, when the Dutch began to assert themselves. Here, as in some other places, clerical rule was very powerful, and was rather strengthened than otherwise under the Spanish regime (1580–1640).

\(^1\) This agrees with J. H. van Linschoten, *Voyage ... to the East Indies* (1590), Hakluyt Society, LXX, LXXI, 1885.
The Dutch established themselves at Kupang (Koe-
pang) in the western portion of the island in 1618, being
aided by the civil war which broke out between the civil
Portuguese government and the clerical elements, whose
authority had become very great. After the fall
of Kupang, the Portuguese capital was ultimately
transferred to the port of Dili (Dilly) in the eastern
part of the island. Attempts were made to recover
Kupang with the assistance of the so-called Black
Portuguese or Christians, who were mainly of native
blood; but, owing chiefly to internal discords, these
met with no success. A Portuguese Governor was for
the first time appointed towards the end of the seven-
teenth century, and continued a struggle against these
combined difficulties. This struggle went on through
the eighteenth century, and in 1769 the Black Portu-
guese laid siege to Lifau. The Governor burnt the
town down and retired to Dili. From this time forward,
with the exception of a nominal sovereignty in the
Ocussi enclave, the Dutch held the whole of the western
and the Portuguese the eastern part of Timor; and in
spite of occasional outbreaks of hostilities, this arrange-
ment has continued till the present day. No definite
frontier, however, was laid down until the middle of
the nineteenth century.

(2) NINETEENTH AND TWENTIETH CENTURIES

In 1851 the Governments of Portugal and the Nether-
lands determined to settle their dispute, and com-
misioners were appointed with this object. Lopes de
Lima, representing Portugal, entered into an agreement
(1854) by which he obtained a satisfactory frontier in
exchange for the cession of certain Portuguese rights
outside the island of Timor in addition to the payment
of a sum of money. These rights consisted of the
sovereignty over certain other islands in the Lesser
Sunda Archipelago, which included the Solor group and Flores. While awaiting sanction, Lopes de Lima anticipated it and actually made over these outlying dependencies to the Dutch. This cession included Larantrucan on the eastern extremity of Flores Island, the earliest Portuguese settlement in this archipelago; and great resentment was aroused in Portugal. Lopes de Lima was held to have exceeded his authority. He was put under arrest and the arrangement was repudiated. On April 20, 1859, however, a treaty\(^1\) was signed at Lisbon, and various so-called native ‘kingdoms’ were named as being on one side or other of the border. The Ocussi enclave remained Portuguese and the Mancaharry territory Dutch. But the boundary was not surveyed, as neither the Dutch nor the Portuguese possessed sufficient authority in the interior to carry out a survey. This so-called settlement was therefore ineffective, the tribes on each side of the border continuing to assert their rights to territories on the other side.

A new agreement was come to on June 10, 1893, followed by a Declaration of July 1, 1893, the agreement providing for an Expert Commission to make proposals which should form the basis of a further Convention, with the intention of securing a clearly marked boundary and readjustment of various enclaves.\(^2\) The Declaration provided for mutual rights of pre-emption. After the boundary had been thus defined, another treaty, in which certain enclaves were exchanged by the two Powers, was made in 1902. This again gave rise to disputes owing to differences of interpretation, and in 1913 these differences were submitted to the arbitration of M. Lardy, a Swiss member of


the Hague Court of Arbitration. His decision was given on June 25, 1914, and the boundaries are believed to have been laid down in accordance therewith. Under this arbitration all enclaves are abolished with the exception of that of Ocussi, which remains in Portuguese possession, and whose boundaries are now for the first time clearly laid down. Mancatar is transferred to Portugal, and Noemuti, Tahakai, and Tamiroe Ailala go to Holland.
III. SOCIAL AND POLITICAL CONDITIONS

(1) Religious

Portuguese Timor forms part of the Catholic diocese of Macao, but since the Portuguese Revolution of 1908 the Church has been disestablished. The natives are mostly pagan, though sometimes professing Christianity. Fetishism is prevalent, and the spirits of ancestors, as well as the moon, the sun, the earth, and a deity called Maromatu, are invoked. Sacred places (Uma-Luli), supposed to be inhabited by a supernatural presence and presided over by a Dako-Luli, are found throughout the country; access to them is strictly forbidden to foreigners.

(2) Political

Timor (with Solor) was under the Governor of Macao from 1833 till 1896, when a separate governor was appointed.

(3) Educational

Primary education is given in schools (classified as regional, municipal, and missionary) at Alas; Baucau; Viqueque and Barique; Manatuto, Soubada, and Laleia; Suro; and Liquiçá. Instruction in all these is given in Portuguese and in the vernacular. The total number of pupils in 1915 was 806. There are also teachers (mostly missionaries) at Dili, Bidau, Lahane, Aipelo, and Laduta.
IV. ECONOMIC CONDITIONS

(A) MEANS OF COMMUNICATION

(1) Internal

(a) Roads and Tracks

There do not appear to be any properly constructed roads in Portuguese Timor, apart from beaten highways and native tracks. The map in the *Anuário Colonial*, 1916, shows a road along the north coast of the colony from Dili, the capital, westwards to Maubára. Another road starts from Laçó, on the river of the same name, runs north to Manatuto and thence eastwards to Vemasse and Baucau, where it strikes inwards to Venilale. These are the only roads indicated. The *Atlas Colonial Português* (1914) shows no roads whatever. In any case the clayey surface of the lowlands, as affected by the scourging rains and torrential rivers of the wet season, makes the character of these ‘natural’ roads very uncertain. Landslides occur frequently; the natives say that ‘the land of Timor is always falling’.

(b) Rivers

The rivers flowing to the north and south coasts from the high land of the interior are little more than trickles of water in the dry season, and become torrents during the rains. They are thus of no use as means of communication.

There are no railways.

(c) Posts and Telephones

The postal service is mainly with the outside world. In 1915 the number of letters received was 26,149, and
the number dispatched 14,949, the bulk of the correspondence coming from and going to Europe, Asia, Australia, and Oceania, and the other Portuguese colonies. Receipts exceeded expenditure by 141 escudos.¹

There is telephonic communication between Dili and the various military stations and posts.

(2) External

(a) Ports and Anchorages

The only port of any account is on the north coast at Dili, where a natural harbour affords room for about a dozen vessels. Two coral reefs act as a breakwater, and there is one passage between the end of a reef and the coast at the west and another passage towards the east. The western is the larger and the principal entrance to the port; a lighthouse stands on the west point of the bay. In both passages the channel is well buoyed. The anchorage has a depth of 8 to 10 fathoms, while the tidal rise and fall is 1.8 metres. A pier opposite the customs-house has a depth of 8 fathoms at its end, but, owing to a structural defect, is available for boats only; however, landing is easy anywhere on the shore. The town has a supply of good drinking-water.

During 1915, ocean-going steamships to the number of 59 entered the harbour; of these 45 were Dutch from the Dutch islands and 13 English from English ports, while the single Portuguese vessel also came from an English port. The aggregate tonnage of these vessels was 91,154, the Portuguese ship being of 207 tons. They disembarked 627 passengers and 2,092 tons of merchandise, the latter worth about 324,123 escudos. These vessels, excluding the Portuguese ship, embarked in the course of the year 728 passengers at Dili, and

¹ The nominal value of the escudo is 4s. 5½d.
took from the colony 3,248 tons of merchandise, worth about 512,140 escudos.

The coasting trade is almost entirely confined to Portuguese ships, and all the steam vessels in the trade are Portuguese. In 1915, of the 340 coasting ships (including 17 steamships) which entered Dili, all were Portuguese except 30 sailing-vessels from the Dutch islands. These vessels landed 361 passengers and 2,489 tons of goods, valued at 261,000 escudos. There sailed in the same year 329 ships in the coasting trade, 16 being steamships and 30 Dutch sailing-vessels for the Dutch islands. They carried in all 500 passengers and 698 tons of merchandise, worth about 194,550 escudos.

In the same year 1 French and 4 English warships visited the port.

Some places which have small bays or anchorages are treated as ports, though in bad weather landing at these is impracticable. To this class belong, on the north coast, Batugadé, Maubára, Liquiçá, Manatuto, Baucau, and Lauteem, with Ocoosi in the detached district of that name, and on the south coast Suai and Ventano. The latter, however, are much exposed to storms, and on that account are little visited.

(b) Shipping Lines

Apart from the various ships which visit the port of Dili, a regular service is supplied in normal times by one Dutch and one British steamship company. The boats of the Koninklijke Paketvaart Maatschappij call twice a month and link the colony with the neighbouring islands. By this means a connexion can be made at Batavia or Surabaya with the vessels of the Rotterdamsche Lloyd or the Stoomvaart Maatschappij Nederland, which arrive weekly at these ports and take it in turn to call at Lisbon. These vessels, however,
take passengers only for Portugal, so that goods destined for Lisbon must go to Hamburg or Amsterdam for trans-shipment to Lisbon. This is obviously a serious handicap. Connexion with Japan and China is afforded by the boats of the Eastern and Australian Steamship Company, which call at Dili on their outward and inward journey between Sydney and Yokohama every three months.

The one official steamer of the colony, the Dilly, makes two trips a month to ports east and west of Dili, carrying cargo and passengers.

It will be clear from what has been said that the steamship connexions with the outer world are not favourable to Portuguese interests. The difficulties, the delays, the loss in trans-shipment, and the heavy charges for freight, all tend to weaken the commercial ties between the colony and the mother country.

(c) Telegraphic Communications

Portuguese Timor is not directly linked up with any cable or wireless system. Telegrams must be conveyed by one of the visiting steamers to Macassar, 96 hours distant, or Surabaya, just as far away, or Port Darwin in Australia, a journey of 36 hours, whence messages can be transmitted by cable. The delays and other disadvantages incident to such means of communication are obvious.

(B) INDUSTRY

(I) Labour

The Portuguese in the colony are officials, commercial agents, or agriculturists. Trading is largely in the hands of the Arabs and Chinese. The natives, who find it easy to satisfy their own simple needs in food and clothing, and are averse from working for others,
are described as idle. There appears to be a certain amount of compulsory labour on terms similar to those existing in other Portuguese colonies, but the quantity available and the results obtained cannot be ascertained. It has been proposed to introduce Chinese labourers, which would indicate that the efforts to secure native labour have been disappointing. There is a constant demand for porters, because of the deplorable state of the roads.

(2) AGRICULTURE

(a) Products of Commercial Value

Vegetable Products.—The natives support themselves mainly by agriculture, for there is little game to be hunted, and the climatic conditions limit the amount of pasture. Maize is the principal crop, but is grown merely in sufficient quantity to satisfy native needs, and on that account the plough is neither necessary nor known. It has recently been introduced, but apparently not for native use. Other products, less widespread, are rice, millet, sugar-cane, manioc, sweet-potatoes, some corn, beans, and potatoes, while there are several varieties of tropical and semi-tropical fruits, including the bread-fruit and the banana. The cultivation of rice is conducted by a system of irrigation, the irrigated land being churned into mud by driving buffaloes across it.

On the hill slopes grow coffee, tea, and tobacco, and the first of these is commercially by far the most important. It is said to be of the very best quality, and is grown specially in the hilly part of the north coast between the 'kingdom' of Motael behind Dili and the River Lois to the west. The Government has shown itself anxious to develop the coffee industry, not only by increasing the number of its own plantations, but
also by constraining the natives to adopt a more systematic method of cultivation. The results of its efforts have not been very satisfactory. A report of 1910, however, affirms that by that time the State coffee plantations were not unsuccessful.

Cocoa first appeared as an article of export in 1910. There was a decline in 1912, but in 1913 the amount and value exported were three times as great as in the first year. Its future may, therefore, be regarded as promising.

The coco-nut palm is a feature of the flat southern coast, and is another object of the Government's interest. Copra, in fluctuating quantities, is prepared for export.

In 1906 cotton was said to take first place among the cultivated plants of Timor, where in the districts of Dili and Ermera alone more than 60 hectares were under this plant. No cotton, however, appears among the exports, so that all the produce is presumably put to local use in the manufacture of clothing. The plant, like tobacco, is said to grow wild in the colony.

In addition to the State plantations there were five private companies operating plantations in the colony. Of these the chief was the Companhia Commercial e Agrícola de Timor, which in 1907 had 12,500 acres under cultivation, mostly in the Ermera district. On these were grown coffee, cotton, tea, tobacco, and coco-nuts, while experiments were being made in the cultivation of cocoa and rubber plants. The estates of the other companies were not on such a large scale, and their products were confined to coffee, cocoa, and coco-nuts. But all agricultural enterprises must reckon with the fact that there is little soil in the colony which lends itself to cultivation, and that what little there is alternates with stretches of poor or sterile land.
Live-stock.—Among the animals the most useful are buffaloes, horses, and swine. The buffalo is the principal working animal. The horse is a small pony, very hardy and sure-footed, which is prized in the Straits Settlements and in China, but is not now exported to the same extent as formerly. The number of cattle is not great, for the long dry season withers up all green stuff, except in the mountains and along the streams, to which places the natives are obliged at that time to drive their stock for pasturage.

There are great swarms of wild bees, from which the natives procure honey and wax, which is exported.

(b) Forestry

As the dry season, from May to November, is nearly twice as long as the wet season, while the latter is marked by heavy storms as well as rains, the climatic conditions are not favourable to the usual dense and lofty timber growth of the tropics. Instead, there are thickets of low wood and grassy savannahs, interspersed with trees, which, as well as the shrubs, are generally of Australian type. The commonest and most valuable of the trees is the sandalwood, but this species has been somewhat recklessly exploited for export. It is most numerous in the western part of the colony, namely, in the districts of Alas and Manufai on the south coast, the hilly region round Bubo Naro and the Ocussi enclave on the north coast. Other trees are the eucalyptus, on hill and plain, the casuarina, or Australian oak, by the river courses, and the bamboo. Rosewood and teak are also said to occur.
(c) Land Tenure

Concessions and transfers of land in Timor are regulated by a special decree of December 5, 1910. This provision was made necessary by the remoteness of the colony from the mother country and the consequent delay in referring such matters to the home authorities. The Governor is made solely responsible for all grants of land on a quit-rent (aforamento) tenure, and for transfers of property up to 2,500 hectares in extent. Those who receive grants are bound to show that their concessions are being put to proper use—if agricultural land, that it is being put under crop in specified proportions; if pastoral land, that it is being sufficiently stocked; and if for building purposes, that buildings to a certain value are erected. For failure to comply with these conditions a fine is imposed, and for continued failure the unimproved land may be confiscated.

Foreigners applying for land must prove that they are domiciled in the colony, and make a declaration that they submit to Portuguese law in all that relates to the concession. District governors are empowered to make grants of unoccupied land up to 100 hectares, under certain conditions, to Portuguese subjects or foreigners taking up residence in the colony. These grants, too, must be made good by proper use.

The transfer of landed property from natives to other persons is not permitted without the express sanction of the Governor. But to establish a right to his property, the native occupier must cultivate or build upon at least half its area, and must have possessed it for a certain term of years, or have acquired it by legal transfer.
(3) Fisheries

The seas round the colony do not furnish many fish, but there is an abundance of zoophytes, molluscs, and crustaceans. Thus there is some fishing for coral and the pearl-oyster. As elsewhere in the archipelago, the trepang or sea-cucumber is found. This is sent in a dried state to China, where it is accounted a great delicacy.

(4) Minerals

Copper and gold are said to be present in workable quantities, but to be unexploited for lack of capital. Copper pyrites has been found at Mount Birogue, west of Baucau, while gold occurs both in ore and river-sand in the Bibicuso region near the centre of the colony. Farther west, in the district of Laleia, iron is said to exist. Petroleum seems to be present in some quantity, and is worked by an English company. There are wells in the Laclubar region, particularly about Pualaca, where the oil is used for lighting, and there are deposits in the district south-east of Baucau, while the presence of petroleum is indicated also at Suai and other places on the south coast. Sulphur springs occur at Marobo and Tiarlelo on the upper waters of the Marobo river.

(5) Manufactures

Apart from the salt-pan which the Government were said in 1907 to be working at Laga, east of Baucau, the only manufactures are those carried on by the natives for the production of articles for personal and domestic use, such as cotton sarongs for wear, made on bamboo looms, mats, ropes, pottery, &c., also sugar from the native sugar-cane, and some alcohol.
(C) COMMERCE

(1) DOMESTIC

(a) Nature of Trade

Trade in and with the interior is still carried on by means of barter. The natives fish up *trepang* and collect swallows' nests, which ultimately go as delicacies to China. They also collect the wild honeycomb.

(b) Towns

Dili, the principal port, is the capital of Portuguese Timor, and has about 4,000 inhabitants. Being surrounded by swamps on the land side, it has always had the reputation of being extremely unhealthy. Now, however, it is claimed that, since the swamps have been drained and an excellent water-supply provided, the health conditions of the place have been enormously improved.

The rest of the colony is divided into military districts, with their head-quarters at Ocussi, Batugadé, Liquiçá, Manatuto, Baucau, and Lautem on the north coast, and at Motael, Hatu-Lia, Bubo Naro, and Same in the western region. Subordinate posts are placed in the small towns or villages.

(2) FOREIGN

(a) Exports

The principal article of export is coffee, which in value is nearly worth all the others put together. Sandalwood and sandal-root come next, and then copra. Since 1910 cocoa has had a place in the list. The following table shows the quantities and values of the principal exports in 1911, 1912, and 1913:
### TOWNS; EXPORTS

<table>
<thead>
<tr>
<th></th>
<th>1911</th>
<th>1912</th>
<th>1913</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Kilo-grams</td>
<td>Escudos</td>
<td>Kilo-grams</td>
</tr>
<tr>
<td>Bees-wax</td>
<td>34,127</td>
<td>19,263</td>
<td>28,103</td>
</tr>
<tr>
<td>Buffaloes</td>
<td>421</td>
<td>3,530</td>
<td>89</td>
</tr>
<tr>
<td>Buffalo horn</td>
<td>13,293</td>
<td>1,524</td>
<td>21,529</td>
</tr>
<tr>
<td>Buffalo skins</td>
<td>50,086</td>
<td>6,078</td>
<td>30,315</td>
</tr>
<tr>
<td>Cocoa</td>
<td>11,102</td>
<td>2,085</td>
<td>6,897</td>
</tr>
<tr>
<td>Coffee</td>
<td>1,014,973</td>
<td>229,166</td>
<td>1,448,619</td>
</tr>
<tr>
<td>Copra</td>
<td>900,929</td>
<td>58,145</td>
<td>625,895</td>
</tr>
<tr>
<td>Deer skins</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Horses</td>
<td>128,105</td>
<td>1,372</td>
<td></td>
</tr>
<tr>
<td>Sandal-root</td>
<td>548,767</td>
<td>53,105</td>
<td>131,647</td>
</tr>
<tr>
<td>Sandalwood</td>
<td>326,243</td>
<td>56,829</td>
<td>78,938</td>
</tr>
<tr>
<td>Staghorn</td>
<td>13,613</td>
<td>5,942</td>
<td></td>
</tr>
</tbody>
</table>

The values of the total exports from 1911 to 1915 were as follows:

<table>
<thead>
<tr>
<th></th>
<th>Total Exports.</th>
<th>To Portugal.</th>
<th>Re-exports.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1911</td>
<td>453,392</td>
<td>4,583</td>
<td></td>
</tr>
<tr>
<td>1912</td>
<td>458,162</td>
<td>22,248</td>
<td></td>
</tr>
<tr>
<td>1913</td>
<td>474,433</td>
<td>66,338</td>
<td></td>
</tr>
<tr>
<td>1914</td>
<td>252,625</td>
<td></td>
<td>6,592</td>
</tr>
<tr>
<td>1915</td>
<td>508,865</td>
<td></td>
<td>3,282</td>
</tr>
</tbody>
</table>

Two points should be noted in connexion with these figures. In the first place, it was shown by a writer in 1907 that the figures for exports were being returned at a higher rate than the actual market values. Coffee, for example, was reckoned at 16 escudos per picul of 136 lb., at a time when it was fetching only 10 escudos in the Dili market. Whether this criticism still holds good is not known. In the second place, though the nominal value of the escudo is 4s. 5½d., or 4½ escudos to the £, its exchange value has not reached that level during the present century. Its highest rate has been 5 escudos to the £, and during the war it fell as low as 8 escudos to the £.

A very small proportion of the exports goes to Portugal. The bulk of the import and export trade of the colony is done with the Dutch East Indies, and a much smaller part with Hongkong. Macassar, in Celebes, and Hongkong are the chief markets as well
as ports of transit for the colony; indeed, the Macassar market controls prices in Timor. In 1910, out of exports with a total value of 453,000 escudos, goods to the value of 401,000 escudos went to the Dutch East Indies, and goods to the value of 41,000 escudos to Hongkong, leaving but a small balance for Portugal and other destinations. In the same year the exports to the United Kingdom from Timor were nil.

(b) Imports

The chief imports are rice, alcohol, and textiles. The following table shows the chief articles received from Portugal in 1913:

<table>
<thead>
<tr>
<th></th>
<th>Escudos</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distilled liquors</td>
<td>626</td>
</tr>
<tr>
<td>Fish, dried and salted</td>
<td>339</td>
</tr>
<tr>
<td>Manufactured tobacco</td>
<td>2,254</td>
</tr>
<tr>
<td>Oil</td>
<td>668</td>
</tr>
<tr>
<td>Preserves</td>
<td>4,519</td>
</tr>
<tr>
<td>Wines</td>
<td>10,747</td>
</tr>
</tbody>
</table>

The values of the total imports from 1911 to 1915 were as follows:

<table>
<thead>
<tr>
<th></th>
<th>Total Imports</th>
<th>From Portugal</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Escudos</td>
<td>Escudos</td>
</tr>
<tr>
<td>1911</td>
<td>433,977</td>
<td>21,983</td>
</tr>
<tr>
<td>1912</td>
<td>609,110</td>
<td>77,937</td>
</tr>
<tr>
<td>1913</td>
<td>655,675</td>
<td>28,540</td>
</tr>
<tr>
<td>1914</td>
<td>394,647</td>
<td>28,937</td>
</tr>
<tr>
<td>1915</td>
<td>325,300</td>
<td>43,467</td>
</tr>
</tbody>
</table>

The carriage of dutiable imports in 1915 was distributed as follows:

<table>
<thead>
<tr>
<th>Portuguese Imports in Foreign Vessels</th>
<th>Foreign Imports in Foreign Vessels</th>
<th>Foreign Imports in Portuguese Vessels</th>
</tr>
</thead>
<tbody>
<tr>
<td>Escudos</td>
<td>Escudos</td>
<td>Escudos</td>
</tr>
<tr>
<td>43,467</td>
<td>269,663</td>
<td>10,255</td>
</tr>
</tbody>
</table>

The exports to Timor from the United Kingdom in 1910 were valued at £617.
(c) Customs and Tariffs

In Timor, isolated among Dutch and British possessions, and in so many ways dependent on them, Portugal has had to forgo her usual protective and preferential tariffs and adapt these to the circumstances. Thus the only preferences are on wine, preserves, and pickles. Portuguese wine enters free, while that of foreign origin pays an import duty of 30 per cent. *ad valorem*. Preserves and pickles from Portuguese sources pay an *ad valorem* duty of 1 per cent., and those from other sources 6 per cent. Such preferences apply not only to Portugal itself but also to Portuguese colonies.

All duties, export and import, are on an *ad valorem* basis, and those on imports are arranged in eleven categories, ranging from 1 per cent. on preserves and pickles to 80 per cent. on guns and gunpowder and 90 per cent. on opium. Furniture pays 5 per cent., flour and dried and salted fish 6 per cent., linen, woollen, and cotton textiles 10 per cent., but cotton textiles mixed with silk pay 25 per cent., and silk itself 50 per cent. Liqueurs and beer pay a duty of 30 per cent., and brandy, whisky, and gin pay 50 per cent. These last duties constitute a further discrimination in favour of wine. Tobacco is produced locally, and foreign leaf is charged 1,800 *reis*\(^1\) per kg., or if manufactured, twice as much.

There is a long list of duty-free imports, among which are agricultural implements, building materials, whether of wood or iron (if cleared by the builders themselves), coal, sacking, machinery, tools, instruments, and apparatus for professional or industrial use, tubing or pipes of iron, lead, zinc, and earthenware, and their appurtenances for water, gas, and sanitary purposes.

\(^1\) 1,000 *reis* = 1 *escudo*. 
There are also export duties. Coffee is charged 2,520 reis (at par of exchange, about 11s. 2d.) per picul of 136 lb., wax 1,600 reis per picul, sandalwood about half that amount, while the other products of the island pay 5 per cent. ad valorem.

(D) FINANCE

(1) Public Finance

A deficit is a normal feature of the budget of the colony, and, as in the case of some other Portuguese colonies, has to be made good by the mother country. There is, accordingly, nothing exceptional in its appearance in the financial statements for 1914–15. The budget 1 for the financial year 1913–14 was made up as follows:

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Escudos</th>
<th>Expenditure</th>
<th>Escudos</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land-tax and direct taxation</td>
<td>131,503</td>
<td>General administration</td>
<td>63,590</td>
</tr>
<tr>
<td>Indirect taxation</td>
<td>113,043</td>
<td>Justiciary</td>
<td>5,218</td>
</tr>
<tr>
<td>Revenues from Government property and other sources</td>
<td>26,257</td>
<td>Revenue</td>
<td>25,920</td>
</tr>
<tr>
<td>Ear-marked revenues</td>
<td>10,350</td>
<td>Ecclesiastical</td>
<td>6,232</td>
</tr>
<tr>
<td>Subvention</td>
<td>250,000 2</td>
<td>Military</td>
<td>111,521</td>
</tr>
<tr>
<td>Treasury operations</td>
<td>213,884</td>
<td>Marine</td>
<td>16,661</td>
</tr>
<tr>
<td></td>
<td></td>
<td>General charges</td>
<td>3,200</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Miscellaneous payments</td>
<td>83,565</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Non-recurring charges</td>
<td>73,942</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Extraordinary expenditure</td>
<td>50,677</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Treasury operations</td>
<td>157,929</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>745,037</strong></td>
<td><strong>Total</strong></td>
<td><strong>508,455</strong></td>
</tr>
</tbody>
</table>

For 1914–15 the accounts were summarily as follows:

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Escudos</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land-tax and direct taxation</td>
<td>125,908</td>
</tr>
<tr>
<td>Indirect taxation</td>
<td>97,197</td>
</tr>
<tr>
<td>Revenue from Government property, &amp;c.</td>
<td>19,346</td>
</tr>
<tr>
<td>Ear-marked revenues</td>
<td>60,892</td>
</tr>
<tr>
<td><strong>Total (without subvention)</strong></td>
<td><strong>303,343</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditure</th>
<th>Escudos</th>
</tr>
</thead>
<tbody>
<tr>
<td>[Details not available.]</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>337,457</strong></td>
</tr>
</tbody>
</table>

1 The figures are taken from the Anuario Colonial, 1916, pp. 169, 171.

2 Of this subvention 200,000 escudos were arrears for the previous financial year.
The native ‘kingdoms’, until 1906, were subject to a tax, but, as this was paid only spasmodically, the form was thereafter changed to a poll-tax of 1 pataca (=2s.) per head of the male population. How this works out is not specified.

Since the separation of the colony from Macao the latter has made an annual contribution to its revenue of 60,000 patacas.¹

(2) Banking

The only bank is a branch of the Banco Nacional Ultramarino at Dili. For a general criticism on the methods of this bank, see *San Thomé and Principe*, No. 119 of this series, p. 35.

(E) GENERAL REMARKS

In the absence of a properly based estimate of the mineral resources of the colony, its potential value can be considered only from the agricultural point of view. Certainly its coffee is excellent, and there seems to be a promising field for the wider cultivation of cocoa and the coco-nut palm, the products of both having come into prominence in the returns of recent years. Cotton, too, seems to have possibilities, since, though not indigenous, it readily grows wild. But all economic development is delayed by the shortage of labour and capital. Under present conditions the natives will not provide the former; and the latter can scarcely be expected to come into the country while relations between the natives and the Government are so strained and uncertain, and while there is practically no system of internal communication and external communications are so limited.

¹ This item, however, does not figure specifically in the accounts of Timor.
AUTHORITIES

HISTORICAL


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ECONOMIC


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