In this document the author makes a review of the history of plantations and smallholders in Timor along the past 200 years, and concludes that nobody ever really managed to set up any economical big plantation. He concludes that the Timorese always dominated the production and trade of farm products, except for SAPT (Sociedade Agrícola Pátria e Trabalho) which was the only successful large scale plantation, set up in 1897 by governor Celestindo da Silva.

Much remains to be ascertained about the history of the relations between the plantation and smallholder in Portuguese Timor, but it seems that plantations only developed at all because of the severe distortions introduced into all factor markets by the colonial authorities.

Smallholders dominated export production in Portuguese Timor in the nineteenth and twentieth centuries, despite persistent attempts to establish and sustain a plantation sector. This was especially the case in the production of coffee, the crop which loomed largest in the export economy. Many aspects of the struggle between Timorese producers and European planters remain obscure, and indeed little research of any kind has been carried out on the history of Portuguese Timor in this period. However, it would seem that the plantations which eventually developed in the twentieth century were not economically successful, and that they maintained themselves through the protection afforded to them by the colonial state. At the same time, peasant production was depressed by efforts
to develop an estate sector and by ill-adapted colonial directives imposed on smallholders.

There was a great effort to increase the production of coffee, coconut and rubber, but the productions would only increase when the prices would go up in the international market. The total coffee production was initially low, and large amounts of exports only took place in the 70’s. It was also observed that the climate of Timor was not very good for rubber production.

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**Resumo**

**As grandes plantações e os pequenos agricultores em Timor-Leste durante os séculos Dezanove e vinte.**

Neste documento, o autor faz uma revisão da história das plantações e dos pequenos agricultores de Timor-Leste ao longo dos últimos 200 anos e conclui que ninguém nunca realmente conseguiu economicamente estabelecer grandes plantações em Timor-Leste. Ele conclui que os Timorenses sempre dominaram a produção e o comércio dos produtos agrícolas, excepto o SAPT (Sociedade Agrícola Pátria e Trabalho) que era a única plantação de grande escala, estabelecida em 1987 pelo governador Celestino da Silva.

Há muitas coisas que não sabemos sobre a história das relações entre os pequenos agricultores e as grandes plantações em Timor Português, mas parece que as plantações só se desenvolveram devido às grandes distorções introduzidas em todos os mercados pelas autoridades coloniais.

Os pequenos agricultores dominaram as exportações de Timor Leste durante os séculos dezanove e vinte, apesar de tentativas persistentes de estabelecer e sustentar um sector de grandes plantações. Este era também o caso da produção de café, a cultura que era o mais importante na economia da exportação. Muitos aspectos da luta entre os produtores Timorenses e os grandes fazendeiros europeus não está esclarecido, e de facto tem se feito pouca pesquisa sobre a história de Timor Português durante aquele período. No entanto, parece que as plantações que eventualmente se desenvolveram no século vinte não eram economicamente viáveis, e que se mantiveram através da protecção que lhes era dada pelo estado colonial. Ao mesmo tempo, a produção dos pequenos agricultores era reduzida devido aos esforços para desenvolver um sector estatal e pelas directivas coloniais mal feitas e impostas aos pequenos agricultores.
Houve um grande esforço para aumentar a produção do café, do coco, e da borracha, no entanto as produções só aumentavam quando havia aumento do preço no mercado internacional. As produções do café foram inicialmente baixas, tendo-se obtido grandes exportações só nos anos 70. Verificou-se também que o clima de Timor não era muito bom para a cultura da borracha.

Resumo

Plantasaun boot no agricultores kiik sira iha Timor Leste durante secolo sanulo resin sia no secolo rua nulo

Iha documento ida nee aoutor halo revisaun historica ida kona ba plantasaun no kona ba agricultores kiik sira durante tinan 200 nia laran no hasai konklusaun ida katak la iha ema ida nebe husi parte economia nia consege estabelese plantasaun sira iha Timor Leste, auteur nee hasai tan konklusaun ida katak Timor oan sempre domina iha parte produsaun nian no comercio ba produktos agricola, exepto husi SAPT (Sociadade Agricóla Pátria e Trabalho) nebe hanesan plantasaun mesak ho escala nebe boot, iha tinan 1987 estabelese ba gobernador Celetino da Silva

Iha buat barak maka ami lahatene kona ba historia husi relasaun entre agricultores kiik sira ho plantasaun boot sira nebe iha Timor Leste, maibe se ami la sala plantasaun sira nee so so bele desenvolve aan liu husi estraga boot nebe hetan husi mercados sira hotu nebe autoriza husi Coloniais.

Agricultores kiik sira nebe domina ba exportasaun iha Timor Leste durante seculos sanulo resin sia no secolo rua nulo, sai hanesan tentativas ida atu bele estabelese no sutenta ba parte sira nebe considera hanesan plantasaun boot. Iha tempo neba mos iha caso ruma kona ba café no cultura sira nebe iha importante ba exportasaun nian. Iha aspesto barak maka koalia kona ba luta sira nebe produtores Timor oan sira halo contra fazendeiros europa nian, maibe la iha esclaricimento, hodi nune hetan efeito katak durante tempo ida neba, pesquisia sira kona ba historia Timor Português oituan liu. Tan nee karik plantasaun sira nebe desenvolve iha secolo rua nolo nian laran nee hare husi parte economia nian ladun diak nebe sei mantem naftain liu husi proteje nebe maka estado kolonial nian halo hela. Iha tempo nebe hanesan, produsan ba agricultores kiik sira menos liu tan, tamba esforso sira neba maka halo hodi desenvolve ba parte estatal no husi parte estado kolonial nian ladun halao ho didiak aumenta tan ho imposto nebe agricultuores kiik sira tem que selu.

Iha esforso boot ida maka halao hodi aumenta produsaun ba café ba Nu, no ba borrarha, tan nee produsaun sira so aumenta bainhira iha aumenta ruma nebe hetan husi merkado internasional. Produsaun
café nebe ba dalauluk kiik tebtebes, no so hetan exportasaun nebe boot tebes iha tinan 70. nune mos verifika katak condisaun clima rai Timor nian ladun diak atu bele kuda borracha.

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PLANTERS AND SMALLHOLDERS IN PORTUGUESE TIMOR IN THE NINETEENTH AND TWENTIETH CENTURIES

W G CLARENCE-SMITH

Introduction

Smallholders dominated export production in Portuguese Timor in the nineteenth and twentieth centuries, despite persistent colonial attempts to establish and sustain a plantation sector. This was especially the case in the production of coffee, the crop which loomed largest in the export economy. Many aspects of the struggle between Timorese producers and European planters remain obscure, and indeed little research of any kind has been carried out on the history of Portuguese Timor in this period. However, it would seem that the plantations which eventually developed in the twentieth century were not economically successful, and that they maintained themselves through the protection afforded to them by the colonial state. At the same time, peasant production was depressed by efforts to develop an estate sector and by ill-adapted colonial directives imposed on smallholders. This reflected the overall experience of the Portuguese empire in this period, albeit with particular twists due to special circumstances prevailing in Timor.

The development of the export economy

Coffee appears to have been introduced into East Timor in the middle of the eighteenth century, but it took a century to become the colony's leading export commodity. The Dutch brought the crop to Maubara, a small enclave which only passed into Portuguese possession in the middle of the nineteenth century, situated to the west of the Portuguese colonial capital of Dili. There are scattered references to coffee in the first half of the nineteenth century, but it was not until the early 1860s that it suddenly came to dominate the export economy. Coffee accounted for only 7 per cent of officially recorded exports by value in 1858-60, but for 53 per cent in 1863-65. Exports rose from 22 metric tons in 1860 to 145
tons in 1865. Coffee cultivation was at first confined to coastal areas to the west of Dili, especially Maubara and Liquiçá, but it gradually spread into the mountainous interior of the central part of the island. From 1879 to 1892 coffee exports regularly topped the 1,000 ton mark, and sometimes went above 2,000 tons. The quality of Portuguese Timor's Arabica coffee was high, and it fetched a good price. It was considered to be of much better quality than the coffee from the Dutch half of the island.

Coffee exports stagnated from the 1890s to the 1930s, while continuing to dominate the colony's economy. Exports remained below 1,000 tons a year in nearly all years between 1893 and 1899, even slipping beneath 500 tons in a couple of years. This was partly because prices fell on a world market flooded by Brazilian overproduction, contrary to Lains e Silva's assertion that prices remained firm. The old coffee regions to the west of Dili were also devastated by an onslaught of the coffee disease *hemileia vastatrix* from the mid-1890s, which particularly affected coffee. Coffee was planted below about 1,000 metres. From then on, coffee tended to be restricted to areas at higher altitude further inland.

After the first World War, coffee exports recovered and passed the 2,000 ton mark in 1927 and again in 1931, due mainly to rising coffee prices on the world market. The 1930s recession sent prices tumbling and led to a major economic crisis. However, the volume of coffee exports fell more gently than prices, to reach a low point of 740 tons in 1937.

The economy was brought to a virtual stand still by the fighting between the Japanese and the Allies during the second World War, but coffee production expanded during the post-war boom. Exports went over the 2,000 ton mark for the first time in over thirty years in 1963. By the early 1970s, the last years of Portuguese rule, the volume of coffee exports was at last clearly above the levels of the 1880s, reaching between 4,000 and 5,000 tons a year. At the same time, coffee more than ever dominated the whole economy. In 1955-63, coffee accounted for 73 per cent of exports by value, a figure which rose to over 90 per cent in 1970-73.

Sandalwood was the colony's other major export up to the first World War. The aromatic wood of the sandal tree was destined almost exclusively for the Chinese market but prices in China were depressed in the early nineteenth century. This was due partly to competition from the better quality sandalwood of the Malabar Coast in India, and partly to the widespread cutting of cheaper and inferior kinds of sandalwood in various parts of the Pacific Basin. There was a temporary recovery in sandal exports in the 1890s and 1900s, as Pacific supplies ran out and European pharmaceutical and perfumery industries
increase their consumption of sandal oil. However, the discovery that sandal oil could be extracted from the roots of the sandal tree as well as from the wood greatly accentuated the reckless destruction of stands of sandal trees in Timor. In spite of all the prohibitions issued by the authorities, the sandal groves which had covered the lower slopes of the northern coast in the sixteenth century had virtually disappeared by the 1920s. As the sandal tree is parasitic on other plants and propagates itself mainly by its roots, taking up to forty years to reach maturity, it proved extremely difficult to regenerate the stands of sandal trees. After 1920, sandal never again accounted for more than 10 per cent of the colony's exports by value, and it disappeared altogether from the statistics after 1939.

Copra took over from sandalwood as the colony's second commodity, already representing over 10 per cent of exports by value in the few years prior to the outbreak of the first World War, with exports reaching a peak of 900 tons in 1911. In 1914, there were estimated to be over 300,000 coconut palms in the colony. Copra complemented the coffee geographically, in that coconut palms grew in the dry eastern half of the territory and in the coastal lowlands, where coffee did not flourish. In the 1920s, copra was the colony's second most valuable product after coffee, but exports stagnated at around 500 tons a year, down on the figure for the early 1910s. Between 1955 and 1963 exports were well up and copra was still in second place after coffee, but the volume of exports kept steady at around the 1,500 ton level, and copra still accounted for only 11 per cent of exports by value over those nine years. In the last years of colonial rule, copra kept its second position, but its contribution to exports fell to a mere 3 per cent by value in 1972.

Only two other products played a role of any significance in Portuguese Timor's export economy during these two centuries: wax and rubber. Wax was almost as important an export as sandalwood in the early nineteenth century, and even overtook sandalwood as an export in the middle years of the century. Wax was still the colony's third most valuable export in the 1920s, but it then faded away from the statistics. and other kinds of rubber were first introduced in the 1900s. However, the development of rubber production in the inter-war years was slow and hesitant, with output at around 50 tons in the late 1920s. Production grew after the second World War. In 1955-63 rubber exports accounted for 9 per cent of the colony's exports by value, with the annual volume of exports fluctuating between 220 and 340 tons. But Lains e Silva noted that East Timor's climate was not really suitable for this crop, and by 1972 rubber exports had fallen.
Timorese production for export

The Timorese exercised an unquestioned domination over export production up to the 1890s, and they were little affected by colonial attempts to influence production, reflecting the general weakness of Portuguese colonialism in these decades. It was the Timorese who cut sandalwood and extracted wax from crude hives, as well as providing small amounts of maize, horses, buffaloes, and slaves for export, and they did so on their own terms. The commercialization of these products was in the hands of Chinese merchants and a few Arabs, most of whom were not settled in the island, but came from Macau, Hong Kong, Makassar, Kupang, or Surabaya for a trading season. The slow abolition of the export trade in slaves in the middle of the century, through combined Portuguese and Dutch pressure, was the only clear example of the colonial rulers exercising any real control over Timorese economic activities, albeit of a negative kind.

Even in the case of coffee, production by the local people was absolutely predominant until the very end of the nineteenth century, and the expansion of coffee production owed little to Portuguese measures. Governors occasionally ordered selected chiefs to make their subjects grow coffee, but they could not enforce their orders. A particularly sustained attempt was made by the energetic governor Affonso de Castro in the 1860s to force the Timorese to provide coffee in lieu of the traditional tribute, but even he never got as far as imposing fixed prices and monopolistic purchasing. The rapid expansion of coffee cultivation in the 1860s was probably mainly stimulated by rising world prices, although the Portuguese may have helped the process along by distributing coffee seedlings.

A renewal in Portuguese colonial expansion began in the 1880s, allowing the colonial authorities to intervene more forcefully in economic matters. It took some time for the new imperialism to reach the distant outpost of Timor, but in 1894 a new governor, José Celestino da Silva, introduced the winds of change. Celestino (as he was usually known) retained his post till 1908 owing to his personal connections with King Carlos, who had served under him in the royal lancers. This provided a stability at the top which was very unusual in the Portuguese empire. Called the "king of Timor", Celestino learned the local lingua franca, traveled widely through the island, and employed divide and rule tactics and new European military technology to conquer the whole colony at
Planters and Smallholders

relatively little cost in men and money.\textsuperscript{42}

Celestino followed the "Dutch tradition" that Timorese smallholders should be directed in their efforts by the state. Coffee was the focus of his attentions, and in November 1894, right at the beginning of his term of office, he reported that chiefs were being obliged to make their subjects plant coffee along the lines established earlier in the century.\textsuperscript{43} He was able to back these orders up more effectively than former governors, and hundreds of thousands of coffee seedlings were distributed for planting. Military commanders were told to oversee the process of forced coffee cultivation, paying especial attention to the digging of holes before planting out, the spacing between bushes, and the regular weeding of the coffee groves.\textsuperscript{41} However, it would seem that reality fell far short of these ambitions, and that the Portuguese administration remained too small and thinly spread to enforce these measures systematically.\textsuperscript{45} Indeed, coffee exports fell rather than rose in this period, as noted above.

Somewhat less forceful methods were adopted by Celestino at the end of his Mandate and by his successor in 1908, Eduardo Marques, and there was a greater emphasis on diversifying the peasant economy away from coffee. Copra began to figure more in government thinking, and in 1906, Celestino da Silva accorded tax exemptions to those who planted a given number of coconut palms as well as coffee bushes.\textsuperscript{46} The progressive introduction of a poll tax from 1906 was said to have played a major role in stimulating the growth of copra exports.\textsuperscript{47} However, the rise in the world price of copra from about 1906 was probably more significant.\textsuperscript{48} Governor Marques distributed coffee, coconut, and cocoa seedlings to the Timorese to encourage the expansion of smallholder agriculture.\textsuperscript{49} As for the cutting of sandalwood, it remained in the hands of the Timorese, though subject to a variety of measures aimed at preventing the destruction of the sandal stands.\textsuperscript{50}

A return to more overtly coercive measures came after 1910, as a result of political upheavals in the metropolis. Late that year Republican revolutionaries overthrew the monarchy in Lisbon, and the new authorities set out to drag the Portuguese empire into the twentieth century.\textsuperscript{51} In Timor, this meant above all the systematic collection of the poll tax, which had only been slowly and partially imposed since the passing of the 1906 decree.\textsuperscript{52} The immediate result of this sudden and energetic change in policy was a major rebellion throughout the colony in 1911-12 and large-scale emigration into Dutch territory. However, the rebellion was put down with the help of reinforcements from GAO, Macau, and Mozambique.\textsuperscript{53} Stability at the top was again
provided, this time because the outbreak of the first World War prevented the first Republican governor, Filomeno da Câmara, from returning home till 1917.\textsuperscript{54}

Governor Camera used his military victory over the rebels to impose forced cultivation on a large scale on the defeated Timorese as a form of "punishment".\textsuperscript{55} Each family was to plant 600 coffee bushes, and nearly eight million were said to have been planted in 1916 alone.\textsuperscript{55} In the words of a later governor: "There was a coffee fury, and every military commander strove to acquire the reputation of an obedient official by setting up the most gigantic nurseries and plantations which he could." Coconuts were Camera’s main concern after coffee, and he claimed that there was hardly a stretch of the island suitable for coconuts which had been spared.\textsuperscript{58} The governor also ordered thousands of sandal seedlings to be raised in nurseries.\textsuperscript{59} Newly planted cash crops were grown on "communal plantations" and a fixed percentage of the harvest belonged to the state! Camera created a new agricultural department to oversee this whole process, financed by an additional tax on the Timorese. The department also intervened in the cultivation of subsistence crops, attempting to substitute the plough for the digging stick and the hoe.\textsuperscript{61} Stricter controls over the marketing of peasant output initiated a process whereby the Chinese and Arab merchants settled in Timor in a more permanent fashion.\textsuperscript{62}

 Câmara’s forced cultivation campaign was much praised in later colonial writings, but it is hard to see it as anything but a failure. Coffee was planted in unsuitable areas, especially in the eastern part of the colony, where neither the climate nor the soils were at all appropriate.\textsuperscript{63} Robusta coffee was introduced for the regions between 300 and 500 metres in altitude, but it grew badly and fetched a low price.\textsuperscript{64} To comply with the government's orders with minimum effort, the Timorese planted coffee bushes with very little space between them and hardly looked after them, so that yields were abysmally low.\textsuperscript{65} Camera’s own officials warned of the dangers of forcing peasants to plant coconuts at the expense of food production, and sometimes refused to order further forced planting.\textsuperscript{65} As Camera had no understanding of the parasitic nature of the sandal tree, all the sandal seedlings in the nurseries died.\textsuperscript{67} The Timorese called the "communal plantations" the "plantations of the government", and complained bitterly about the robbery of their lands, especially when sacred groves were cut down to plant cash crops.\textsuperscript{68} Resentment was so great that some of the "communal plantations" were set on fire by the population.\textsuperscript{69} Although coffee export did expand slightly in the 1920s, copra exports actually declined, and any gain was out of all proportion to the suffering imposed on a
defeated and demoralized population.

Many of Camara's policies were quietly abandoned after his departure, notably forced planting. The harvesting of sandalwood was left to the locals, in contrast to Dutch practice in West Timor, where the state intervened actively in the inter-war years. However, in 1925 exports of sandal were banned altogether in an attempt to prevent the total destruction of sandal trees. The prohibition was occasionally lifted in the Ocussi enclave, where the remaining stands of sandal trees were especially dense.

In 1926, the Republican regime in Portugal was overthrown by a military coup d'état, ushering in nearly fifty years of an extreme right-wing dictatorship known as the Estado Novo (new state), which greatly increased the coercion of smallholders in the colonies. Teófilo Duarte, the first governador appointed by the military, reverted to energetically forcing the Timorese to grow coffee. According to his own account, which appears to be somewhat exaggerated, he distributed 26 million coffee seedlings between 1927 and 1929. Other crops figured less prominently, but he claimed to have distributed a million rubber plants and a hundred thousand coconut seedlings.

Governor Manso Preto in 1934 made yet another attempt to revive sandal growing through obligatory planting, but continuing ignorance of the ecology of the sandal tree resulted in the death of all the seedlings. There was also an attempt to introduce the forced cultivation of sisal in the 1930s in the drier parts of the colony. At the same time, the new authorities increased the tax burden, in part to provide a spur to increased output by the Timorese.

There was less emphasis on forced cultivation after the Second World War because of the development of plantations, but administrative interference in the smallholder sector did not end. Forced cotton cultivation for export to Portugal, on the lines which brought infamy to the Portuguese administration in Africa, was briefly tried on a small scale in Timor in the late 1940s and early 1950s. In 1951, a decree obliged the Timorese to sell coffee only in officially appointed markets and at officially fixed minimum prices, in theory in order to protect smallholders from cheating Chinese and other intermediaries. However, the prices set by the government were criticized by Lains e Silva as being too low in relation to world prices. Moreover he denounced as ridiculous official arguments that the Timorese would cease work if they were paid more for their coffee.

Differentiation within the ranks of Timorese producers
Up to this point, the Timorese producers have been treated as an undifferentiated class of smallholders, but in reality there were marked differences in the scale of production. Chiefs, headmen, and leading warriors disposed of considerable numbers of slaves long after the export trade in slaves had been stopped, and it was only in the mid-1900s that the Portuguese made hesitant moves to abolish domestic slavery. Chiefs and headmen also had a right to corvée labour to work their specially demarcated lands and to look after their animals. A decree of 1906 put an end, in law, to the payment of all tribute to chiefs and headmen, but in return guaranteed them up to 50 hectares of land to be cultivated by their people. Under Governor Camara, rural notables received more coffee bushes than commoners. Thus in Maubara in 1915, two headmen were given 1,500 coffee seedlings each, while commoners only received 100.

Political status was not the only criterion for the emergence of a group of "kulaks", for commoners could also emerge as larger producers. Differential accumulation of land was facilitated for commoners by the fact that land planted in perennial crops, notably coffee, was surrounded with hedges and was usually considered to be a form of private rather than communal property. Permanently cultivated wet rice lands also tended to become the property of families and even individuals.

Under the Estado Novo, there was an attempt to create a kind of landed gentry of collaborators with the Portuguese. In the late 1920s, Governor Duarte put an end to the chiefs' rights to land allocation, but confirmed as private property the lands cultivated by chiefs and headmen. Demarcated plots were set apart from communal lands and coffee bushes were confirmed as the private property of those who cultivated them. All the remaining "communal plantations" from Governor Camara's period were divided up, with a large part given as private property to chiefs, and the rest to commoners. In the late 1950s, the chiefs still extracted a week's unpaid labor per year from their subjects, even though it had become formally illegal to do so. A Stratum, of wealthy families this retained access to land and labor on a scale which gave them a considerable advantage in cash crop production. In the 1950s Lains e Silva noted that certain Timorese were producing coffee on quite a scale. The chief of Laqueco, known by his Portuguese name of Matias de Sa Benevides, was especially prominent: he possessed 127,000 coffee bushes and was referred to as "very rich". One of his relatives, João de Sa Benevides had another 20,000 coffee bushes.
The foundation of European plantations, 1890s to c. 1910

The Portuguese desire to build up a plantation economy was evident early on, reflecting the hope of creating "new Brazils". In 1815 the Portuguese governor tried to establish coffee "plantations", which probably meant state-owned farms worked with tribute labour. In the 1840s, another governor made a similar attempt, and exhorted the Portuguese citizens of the colony to develop their own plantations. But the results were meager. In 1861 Wallace visited a small coffee estate two miles from Dili, owned by an English trader. And Osório de Castro referred to a small Portuguese planter in the Maubara area who may have been there since the 1880s. Lack of land and insecurity were probably the fundamental constraints, given the weakness of the Portuguese hold over their part of Timor, and labor was also a problem. Slaves were used for almost all labor services, but the Portuguese owned relatively few slaves. Moreover, slavery in areas subject to Portuguese civil law was abolished throughout the empire in 1875.

It was Celestino da Silva who laid the foundations for a functioning plantation system in Portuguese Timor after 1894. He believed in the inherent superiority of plantations over smallholdings, and he quickly realized that the mountains around Ermera, to the south-west of Dili, had the best potential for plantation development. He thus concentrated his military and diplomatic efforts on this region, which was officially considered to be "pacified" by 1900. His enemies accused him of fomenting wars in order to seize ever larger swathes of land from the Timorese, including land already planted in coffee. In law, the government only took over uncultivated "waste land", with the right to cede it to planters.

Celestino was virulently criticized for setting up his own plantation companies and related businesses, for it was alleged that he used his official position in countless corrupt ways to bolster the fortunes of his enterprises. The most important and long-lasting of his plantation companies, which was destined to become a kind of state within the state, was the Sociedade Agricola Patria e Trabalho (SAPT). It was founded by Celestino and three landowners as a partnership in 1897, and it was converted into a joint-stock company when Celestino left the colony in 1908. He invested his savings and the money which he had received as an inheritance in this company, in all some 10 contos de reis or around £1,700. He also borrowed money from a Chinese money-Lender in Dili to cover running costs. In 1911 the SAPT was said to possess a million coffee bushes, and between 1906 and 1914 it had an average output of 45.3 tons of coffee a
year. By the late 1920s, the SAPT owned several thousand hectares of land.

The other large company created in these years was the Companhia de Timor. The date of its foundation is unclear, but by 1904 it was registered in Portugal with a nominal capital of 290 cantos, or some £54,000. It is unlikely that anything like this was every actually paid up, for Osório de Castro commented in 1909 on the company's lack of working capital and neglect of its concessions. The men behind the Companhia de Timor were wealthy financiers resident in Lisbon, who were major investors in the flourishing cocoa plantations of the island colony of São Tomé and Príncipe off the coast of Western Africa, and who dreamed of creating a second São Tomé in Timor. In 1907, the Companhia de Timor was said to possess 5,000 hectares, mainly in the Ermera district. In 1915, the Companhia de Timor claimed to own 0.4 million coffee bushes, although the authorities doubted this claim. An official report of 1912 credited the company with only 28,000 coffee bushes, and criticized it for very poor cultivation techniques and for the neglect of its concessions. The average coffee output of the Companhia de Timor in 1912-14 was only 6.2 tons, considerably less than that of the SAPT.

There were four other plantation companies active by the early 1910s, all capitalized at under £10,000. The most important of them was the Sociedade Comercial Agrícola e Industrial de Timor, set up by a local Portuguese trading company known as the Casa Quintas. This company was active in trade and in distilling palm wine, and it owned the second most productive estate in the colony in the late 1900s. It was administered by Celestino's son, who owned a large block of shares. Celestino sold them plantation land and was said to hold some shares. He was also the owner of the small Empresa Agrícola Perseverança. Little is known of the other two companies, the Empresa Agrícola de Timor and the Sociedade Agrícola de Timor.

There were also some government estates, and a scattering of individual planters. The plantations owned by the state were at times referred to as experimental plantations, with a vocation to help both planters and smallholders to expand output. But they were on quite a large scale and appear to have been seen as a source of revenue for the state. The individual planters were mainly Portuguese who had worked for the government and stayed on, or men who had formerly been employed by the plantation companies. By 1910, the lands granted to these individual Portuguese planters were said to total about 6,000 hectares. Celestino seems to have forced most of the small Chinese planters around Liquira to sell out to his countrymen.
Although colonial authors were in the habit of writing glowing descriptions of plantations as heralds of modernity and progress, the reality did not conform to this flattering picture. The authorities bemoaned the fact that planters took over lands already planted in coffee by the Timorese, and simply continued to grow coffee in the "native fashion".\textsuperscript{118} Moreover attempts to diversify out of coffee met with little success. Cocoa was initially seen as the most promising crop, as the Portuguese colony of Sao Thorne and Principe was then one of the foremost cocoa producers in the world. Indeed, it was probably hopes for cocoa which motivated the financiers behind the Companhia de Timor to invest their money in the colony. Introduced in the 1900s, cocoa covered a little under 1,000 hectares by 1910.\textsuperscript{119} But exports peaked at a modest 68 tons in 1919, and then declined.\textsuperscript{120} Coconuts, rubber, sandal, cotton, tea, sugar, tobacco, and Manila hemp were all tried by planters at this time, but with little success.\textsuperscript{121}

Modernity was equally absent from labor relations, for the bulk of the plantation labor force consisted of short-term forced labourers.\textsuperscript{122} Employers indicated to their local military commander how many laborers were needed, and he in turn ordered to the chiefs to provide a given number of workers, known as \textit{auxiliaries}. The planters then paid the chiefs ten \textit{avos} (about two pence in English money) per worker. Laborers were local, but those who came for any length of time were usually from chiefdoms other than that in which the plantation was situated, perhaps to prevent escapes. They normally served for a month at a time, but could be called upon for as little as a day. Women and children as young as ten years old were forced to labor on the estates, although they were not to be employed in heavy labor. In law, employers could demand nine hours work a day from Monday to Saturday and four hours on Sunday.\textsuperscript{123} In addition to agricultural work, the Timorese were constantly press-ganged into service as porters to carry plantation produce to the coast or to the nearest road, although they were in theory paid for this and were not obliged to carry loads outside their chiefdom.\textsuperscript{124} Celestino's friends and enemies both stated that he used \textit{this forced} labor system to supply the plantations of his own companies with labor, a compromising position for a governor.\textsuperscript{125}

Long-term laborers, who were preferred by employers, were fewer in number and appear to have been obtained through forms of illegal slavery. It was said that captives taken in wars between chiefdoms in the 1900s "depend exclusively on the government, which places them where it thinks they can most usefully earn their living in full freedom". This suggests that the government purchased or otherwise obtained slaves from chiefs, a
practice which Celestino's enemies hinted at strongly. Celestino was also accused of seizing numerous prisoners in his many campaigns to send them to the plantations of his own companies, and of fomenting wars for this purpose. Moreover, it was alleged that these slaves and captives never left the plantations.\textsuperscript{127} The fact that the five-year contracts of such laborers could be renewed again and again suggests that a kind of quasi-slavery was being practiced, for it was the "automatic renewal" of contracts every five years which lay at the heart of the quasi-slave system practiced by the Portuguese in Western Africa at this time.

Other forms of coerced labor do not appear to have been used much on the plantations. Chiefs provided tribute laborers to the state up to 1906, but they were few in number and appear to have been employed only in public works and in the armed forces.\textsuperscript{129} In 1901, the prazo legislation in force in central Mozambique was said to have been extended to Timor.\textsuperscript{130} This would have legalized the imposition of labor services in lieu of rent on the Timorese living on lands owned by the plantation companies. However, there is no record of this actually happening, and Vail and White may have been referring merely to the introduction of emphyteutic land tenure, which certainly existed in Timor in 1910.\textsuperscript{131} The introduction of Chinese laborers into Timor was proposed but never implemented.\textsuperscript{132}

Although coercion lay at the heart of labor relations, there was some free labor as well. Indeed, the few small Chinese planters around Liquica employed no forced labor at all.\textsuperscript{133} The people of Suai, Vemasse, and Viqueque were reputed to be the only ones who were prepared to migrate from their homes on a temporary basis to obtain paid employment. They traditionally worked in domestic service, herding animals, and in the transport of coffee and sandalwood, but a few apparently also worked on the plantations. Some long-term labourers on plantations were also said to have run away from their chiefs for a variety of reason.\textsuperscript{134} And the extension of the poll tax from 1906 onwards allegedly led to a surge of Timorese asking for work on the plantations.\textsuperscript{135}

Observers stressed that only exceptionally low wages allowed the plantations to survive, but there are indications that this was nevertheless an expensive form of labor.\textsuperscript{136} On top of rations based on maize, rice, and meat twice a week, the planters were meant to pay a minimum salary of about three English shillings a month, although some of this could be paid in trade goods.\textsuperscript{7} Concentrating large numbers of laborers in one place required at least rudimentary accommodation, constructed at some cost with expensive artisan labor.\textsuperscript{38} The corollary of coercion was the need for a large and expensive group of
supervisory laborers. The white administrators and supervisors were particularly expensive in local terms, even if Celestino recruited them from Trasos-Montes; Portugal's poorest province. Most costly of all for employers was the fact that productivity of the sullen, poorly motivated, and constantly changing pool of laborers was abysmally low.

**European plantations under the Republic and the Estado Novo**

The Republicans favored small farmers and peasants over larger planters and landowners, so that in the 1910s and 1920s the emphasis moved away from large plantation companies. Filomeno da Camara appears to have been especially hostile to the SAPT, because of Celestino da Silva's connections with the former Portuguese royal family. The Companhia de Timor, with its background in the high financial circles of late monarchical Lisbon, was unlikely to have been any closer to his heart. The republic's land legislation from 1911 allowed land grants of up to 2,500 hectares, obliged concessionaires to cultivate a fixed proportion of their land on pain of forfeiting the concession, placed an obligation on foreign landowners to be domiciled in Portuguese territory and subject to Portuguese law, forbade the transfer of land from "native" to "non-native" without the governor's permission, and protected indigenous land rights. But Camera generally avoided large grants of land, and instead gave numerous small concessions to his political clients in the inflated bureaucracy, none of whom were successful as planters. He also believed in granting land in full freehold tenure to the Timorese, to break the power of the chiefs, and a few such concessions were granted. Some Dutch, Australian, and Chinese entrepreneurs were also allowed to set up coconut plantations in this period. Concessions were made at the low starting level of 4.5 centavos (about 1.5 English pence) per hectare. This could in theory be bid up at public auctions, but it rarely was.

The Republican authorities made an effort to provide credit for small planters, but with uncertain results. When renegotiating the contract with the monopolistic colonial bank, the Banco Nacional Ultramarino, the new authorities in Lisbon insisted that the bank should fulfil its ancient promise to set up a branch in Dili, and this was duly done in 1912. One author in 1921 spoke warmly of the role of the bank in stimulating the expansion of plantations. But the bank ran into terrible financial problems in the 1920s owing to speculative expansion around the world. In the early 1930s, the bank was savagely attacked for refusing to lend money to planters in Timor, while making an easy living by
exploiting the exchange rates between the mix of currencies which circulated in the colony. The Republicans had high-minded ideals for the reform of colonial labor, but in practice they merely stamped out the relics of slave labor and imposed forced labor more systematically than before. The Republicans at first hoped that doubling the head tax would stimulate a flow of free labour. As elsewhere in the empire, this measure provoked rebellions but had little effect on labor supplies, as tax could be paid by selling produce. The Republicans thus speedily returned to outright coercion. All able-bodied Timorese adults, men and women, were deemed to have a legal obligation to work for wages, unless they were chiefs and property owners, or were regularly employed. Male minors over the age of 14 could be employed, but women had to be 18 years of age. The Timorese were technically free to fulfil their labor obligations as they chose, but the state reserved the right to allocate them to an employer if they did not volunteer for paid work.

In reality, the basic system continued to be that pioneered by Celestino. Local military commanders ordered chiefs to supply a given number of laborers to private employers. The normal period of labor was increased to three months, and the payment to the chiefs was drastically reduced to one avo per laborer. Sundays were now meant to be completely free. Salaries remained as before, in spite of the rapid depreciation of the currency, but were to be paid in cash. Women received a third less than men, and minors half. Employers had the right to contract directly with chiefs, but they rarely seemed to have done so. Forced porterage continued as before, in spite of initial promises to abolish this hated system. Productivity continued to be as low as ever.

The performance of the plantation sector under the Republic was mixed. The SAPT forged ahead, and Celestino's heirs bought out the other shareholders after his death in 1911. Governor Duane rattler generously estimated that the SAPT was producing around 200 tons of coffee a year by the end of the 1920s, and was buying a further 100 tons or so from Timorese producers. The company was also said to be the only producer of rubber and cocoa in the territory, with an annual production all ged to be 50 tons of rubber and 15 tons of cocoa. In the mid-1930s, the SAPTs plantations were valued at some £90,000, although it is doubtful whether they could really have been sold at that price. The SAPT had also become a major trader in the colony, partially breaching the Chinese dominance of this sector of the economy. And in 1925, the company paid its first dividend. In contrast, the Companhia de Timor reduced its activities in Timor after the war and seemed to wither away. In 1929, the company
only employed two Europeans, compared to the ten on the staff of the SAP', and it was criticized for leaving almost all its extensive lands uncultivated. The other companies present before the war disappeared from the records, some of them probably absorbed by the SAPT.

The plantations certainly did not take over the export economy. When Camara took over as governor in 1911, he estimated that five-sixths of exports came from the "native" sector of the economy. In the late 1920s, before the onset of the economic crisis, this proportion was variously reckoned at two-thirds or four-fifths. Sandalwood, wax, and copra were practically monopolized by smallholders, while rubber and cocoa were essentially plantation crops. In the crucial field of coffee production, European plantations slowly built up their share to reach an uninspiring estimate of 15 per cent of coffee exports by the late 1920s.

The officers who seized power in Portugal in 1926 were backed by the large colonial planters and dreamed of settling as many Portuguese as possible in the colonies. Governor Duarte saw plantations essentially as a means of increasing white settlement. To this end he decreed a whole series of tax holidays, export duty exemptions, and other financial inducements for small Portuguese planters. He also sold off the government's loss-making experimental plantations at favorable rates. Duarte made a special effort to convince Portuguese soldiers and officials to stay on after their time of duty and become planters. He also tried to make planters out of members of the "Red Legion", who had been deported to Timor for opposing the coup d'etat in Portugal. By the mid-1930s, some fifteen men had been persuaded to start small plantations. The finances for this programme were provided mainly by taxes levied on the Timorese. In 1928 an agricultural credit association was functioning, but it is not clear how and when it was constituted.

The economic slump of the 1930s and the devastation of the second World War demonstrated the futility of Governor Duarte's expensive schemes, as the plantation sector was ravaged by the recession. Even the powerful SAPT got into severe financial difficulties after 1935, and Celestino's heirs were forced to sell a large part of the company's shares. It seems that it was at this point that the state and the Banco National Ultramarino acquired the 47.62 per cent stake in the company which they held at the end of Portuguese rule. The few struggling coconut plantations also collapsed in the 1930s, as did an ill-fated attempt to grow cotton under plantations conditions. The Japanese invasion in 1942 was the last straw. The white planters and plantation
employees fled, mainly to Australia, and the plantations went back to bush.\textsuperscript{172}

Plantations bounced back again after the second World War, in a period of high commodity prices on the world market and renewed expansion of exports. The prolonged coffee boom of the post-war years was especially advantageous to planters. The details of land concessions remain unclear, but the Estado Novo showed none of the qualms about alienating land from "natives" to grant it to white settlers that democratic colonial powers began to experience after the war.\textsuperscript{173} By the early 1970s plantations were said to account for 45 per cent of Portuguese Timor's coffee output, although this figure was probably inflated by the fact that the largest planters also acted as trading companies purchasing coffee from smallholders.\textsuperscript{174}

The venerable SAPT was still in the lead among planters. Coffee and rubber were the Spats main crops in the mid-1960s, and the company also grew cocoa, vanilla, cinnamon, and quinine.\textsuperscript{175} In the early 1970s, the SAPT was reputed to produce a quarter of the colony's coffee, more than all the other planters put together.\textsuperscript{176} Apart from the SAPT, the plantation companies which appear in the sources for this period were newcomers.\textsuperscript{177} The Companhia de Timor was swallowed up by the SAPT, apparently in the late 1940s.\textsuperscript{178} A few small Chinese planters were also active.\textsuperscript{179}

In spite of the apparent success of plantations, Helder Lains e Silva, an agronomist who made a thorough study of the coffee economy from 1946 as part of the government's expanded agricultural research programme, came to the conclusion that the future did not lie with plantations. He argued that smallholders were consistently more productive than planters, whatever index of productivity was used. He noted that one of the most successful plantations, the Fazenda Algarve, was using "native" methods of growing coffee, showing that plantations were not even introducing any significant technical innovations.\textsuperscript{180}

Lains e Silva also repeated the judgement of the early Republicans that only the payment of rock bottom wages enabled the plantations to survive. He noted that laborers had to work for two months to buy a cheap pair of cotton pants, and that the Timorese plantation areas appeared to be poorer than elsewhere. The Ermera planters paid their laborers only 6 patacas (about ten English shillings) a month, compared to Timorese smallholders who paid 15 patacas a month, plus tobacco and food.\textsuperscript{181} Although Lains e Silva could not say so openly, the only reason that the planters obtained any labor at all was because of the workings of the hated forced labor system.\textsuperscript{182}
In the late 1950s, Portugal came under increasing international pressure to abolish forced labor, and the partial reforms of these years were complemented by a spurt of legislation provoked by the shock of the nationalist uprising in Angola and the loss of Goa in 1961.\textsuperscript{183} The panic which these reforms produced in Timor is illustrated by the conference of district officers held in 1959, which proposed savage vagrancy laws in order to maintain a functioning labor force for the "modern" sector of the economy.\textsuperscript{184} How the Portuguese planters in fact weathered the storm of the abolition of forced labor remains far from clear, but the experience of other Portuguese colonies suggests that it was through greatly increased levels of capital investment, sustained artificially by guaranteed prices paid by consumers in Portugal for colonial produce.\textsuperscript{185}

\textbf{Conclusion}

Much remains to be ascertained about the history of the changing relations between the plantation and smallholder sectors in Portuguese Timor, but it seems that plantations only developed at all because of the severe distortions introduced into all factor markets by the colonial authorities. To the endless vexations of the forced labor system were added the severe losses caused to Timorese agriculture by land alienation. Although the total amount of land involved was small, East Timor had remarkably little good agricultural land, and what there was often seized by the planters\textsuperscript{186} The skewed provision of credit and the differential fixing of prices were also employed by the colonial state to prop up a system of production which would otherwise probably not have been viable. The Timorese population and the metropolitan tax-payers picked up the bill for the Portuguese obsession with plantations and white settlement.

\textbf{NOTES}

1. H. Lains e Silva, \textit{Timor e a cultura do café}, Lisbon, Junta de Investigacões do Ultramar, 1956, for an outline economic history of this period centred on coffee.

2. For brief general introductions in English, see the initial chapters in J. Jolliffe,
East Timor, nationalism and colonialism, St. Lucia (Queensland), University of Queensland Press, 1978, and J. Dunn, Timor, a people betrayed, Milton (Queensland), Jacaranda Press, 1983.


7. Silva, Timor, 33, 49.


10. Silva, Timor, 49.

11. J. S. Martinho, Timor, quatro séculos de colonização portuguesa, O Porto, Livraria Progedior, 1943, 129. Great Britain, Foreign Office, Annual Series, no. 3928 (Angola), for world prices. Silva, Timor, 37, seems to fail to account for the rapid depreciation of Brazilian currency in these years, basing himself on a Brazilian source.


15. Silva, Timor, 49.

16. H. Galva O and C. Selvagem, Império ultramarino portuguesa, monografia do
império, IV, Lisbon, Empresa Nacional de Publicidade, 1953, 402; Silva, Timor, 49.


19. Agencia Geral do Ultramar, Timor, 93; Roger, Timor Oriental, 13.


26. Anon., Colônia portuguesa de Timor, Hong Kong, Kelly and Walsh, 1928, 5 (exports are mistakenly given in picos); Duarte, Ocupagdo, 88-89.

27. Agencia Geral do Ultramar, Timor, 68, 93.


31. Anon., A nossa provincia de Timor, no place of publication, no publisher, [c. 1910], (SOAS Library copy bound in 1 vol. with other publications, spine title Timor diversos, shelfmark HI(I-I 330.)

32. T. Duarte, Ocupação e colonização bronco de Timor, Oporto, Editora Educação Nacional, 1944, 22. On p.109, he gives an export figure of only 7 tons.

33. Agencia do Ultramar, Timor, 68.

34. Silva, Timor, 52; Roger, Timor Oriental, 11.

35. Clarence-Smith, The third Portuguese empire. ch. 2 and 3.
36. Castro, As possessões, 320-60.
41. Clarence-Smith, The third Portuguese empire, ch. 4.
42. Rego, 0 ultramar português, 39-95; Martinho, Timor, p. 84-86; Duane, Ocupado, 26-67, 83-84.
44. Duane, Ocupado, 66-67, 74.
45. Oliveira, Timor, III, 199.
46. Martinho, Timor, 85.
49. Martinho, Timor, 87.
51. Clarence-Smith, The third Portuguese empire, ch. 5.
52. Martinho, Timor, 86; Great Britain, Portuguese Timor, 25: Ormeling, The Timor problem, 184.
54. Duarte, Ocupado, chs. 6 and 7.
57. Duane, Ocupacao, 88 (my translation).
58. Duane, Ocupacao, 88-89.
60. Duarte, Ocupando, 89; Silva, Timor, 40-41; Martinho, Timor, 232 (n.1).
61 Oliveira, Timor, III, 52-53, 199-200; Boletim de Comercio, Agricultura e
70. Duane, *Ocupacao*, 90.
73. Clarence-Smith, *The third Portuguese empire*, ch. 5-7.
84. *Boletim de Comercio, Agricultura e Fomento, IV (1)*, 1915, 23.
88. Silva, *Timor*, 112.
89. Clarence-Smith, *The third Portuguese empire*, ch. 2.
96. Anon., *Timor: o governo de general de brigada do quadro da reserva José Celestino da Silva durante 14 annos: latrocínios, assassinatos e perseguições, segunda série*, Lisbon, no Publisher, 1911, 9-10, 60, 64.
107. *Boletim de Comercio, Agricultura e Fomento, IV (1)*, 1915, 86.

115. Duane, *Ocupacao*, 80-82, for a partial list based on information from the heirs of Celestino da Silva.


117. Castro, *Flores*, 221, 239

118. *Boletim de Comercio, Agricultura e Fomento, IV (1)*, 1915, 103 ff.


120. Galvão and Selvagem, *Imperio ultramarino*, IV, 408, for 1919 and 1920 exports. Other figures scattered through the sources.


127. Anon., *Timor, o governo*, 4, 10, 56, 60.


129. B. da Franca, *Macau os seus habitantes: relações com Timor*, Lisbon, imprensa Nacional,1897,244-45;Great Britain, portuguese, Timor, 25.


142. Clarence-Smith, *The third Portuguese empire*, Ch. 5.


150. *Grande enciclopedia portuguesa e brasileira*, XXI, 676, citing Vasconcelos, 1921.


166. Duane, *Ocupacao*, 93, 98-100, 103, 127-33, 144.
168. De Boer, *De economische positie*, passim.
178. *Grande enciclopedia portuguesa e brasileira*, XVI, 150.
186. Great Britain, *Portuguese Timor*, 16.