

# Timor-Leste: A Country Profile

## History

Timor-Leste or previously known as East Timor, once the farthest of the Portuguese colonies, lies in the longitude of 123°E and latitude of 9°S. Towards the south is Australia and in the north is the Republic of Indonesia.

Approximately 40,000 to 20,000 years BC, the first people to have settled on the island of Timor, were of the Vedo-Australoide type. Around 3000 years BC, the second wave arrived. They consisted of Melanesians, similar to the people of Papua and some Pacific Islands. The third wave who arrived around 2500 BC consisted of 'proto-malays' - people coming from South China and North Indochina.

Historically Timor-Leste was occupied by two nations, first Portugal and next by Indonesia. The Portuguese came for sandalwood and other resources in East Timor in 1515. Three centuries later, Portuguese introduced coffee plantations, sugar cane and cotton as new sources of revenue. Under Portuguese administration, Timor-Leste remained largely underdeveloped with an economy based on barter. Due to its geographical distance and internal conditions in Portugal, Timor was considered a neglected Portuguese colony. The average annual growth rate between 1953 and 1962 was very low, approximately 2%. Based on that fact, the United Nations declared Timor-Leste a non-self governing territory under Portuguese administration. As a colonial power, Portugal was forced by the UN to be more serious in developing Timor.

Before the Second World War, however, Timor-Leste was seen as strategically important. Timor served as a buffer zone for Australia. Under Japanese occupation, the Timorese lived under miserable conditions. Therefore they worked hand in hand with Australians to force the Japanese out of the island. This was the first instance of the close bond between Australia and the people of Timor. This had a tremendous impact on the existing relationship between the two states.

The changed political situation in Portugal in 1974 were to have serious implication on the political future of the Timorese. The so called 'transition to democracy' in Portugal brought Timor to a new era when Portugal for the first time gave freedom to the people of Timor to form their own political parties.

A violent coup took place on August 11, 1975, in an attempt to seize power from the Portuguese and prevent the control of the left-wing Frente Revolucionária do Timor Leste Independente (Fretilin). The Fretilin won the struggle for power. On November 28, 1975, Fretilin declared an independent Timor-Leste as the República Democrática de Timor Leste (RDTL). However, the RDTL was only short-lived as ten days later on December 7 1975 Indonesian troops invaded the country.

### East Timor Under Indonesian Rule

Between the years 1859 and 1974 East Timor was a Portuguese overseas territory and had never been under Dutch control nor had it been part of any larger Indonesian entity until the Indonesian military invaded the territory in 1975. Nevertheless, in an overt distortion of history the Indonesian government claimed that from the earliest times Timor had been an integral part of the wider history of the Indonesian archipelago and as such, rightly belonged within the larger federation.<sup>1</sup>

Based on this reason, Indonesian intelligent body, BAKIN (*Badan Koordinasi Intelijen Nasional*) planned the invasion of East Timor under a scheme called *Operasi Komodo* (Operation Giant Lizard), which according to the original document preferred non-military means of annexation.

In 1975, the decisive factor was not history but East Timor's strategic importance in the context of the Cold War. Indonesian's decision to invade and incorporate East Timor was based on the fear that communists would seize power after the sudden departure of the Portuguese colonial authority created a power vacuum. While the take over of the region was accepted by the US, ASEAN and Australia, it was never accepted by the UN. This did not, however, stop the Indonesian government from incorporating East Timor as its 27<sup>th</sup> province on 17 July 1976.

As mentioned above, the invasion and occupation of East Timor reflected power politics inimical to the Cold War period, in which the key players had their own geo-strategic interests which ultimately generated support for Jakarta in Washington and Canberra. For Indonesia, the prospect of an independent East Timor under Fretilin rule aroused fears that the region would become a pro-Soviet communist country that would radiate a 'poison' ideology throughout the Indonesian archipelago. At that time communism loomed as the biggest threat to the New Order government and Suharto was willing to take any action necessary to prevent the re-emergence of a powerful communist opposition movement (Singh 1995: 61).

Despite the UN's repeated calls for Indonesian forces to withdraw from East Timor and criticism by international human-rights groups, the Indonesian military enjoyed support from the US and other Western governments.<sup>2</sup> As suggested earlier, Jakarta's own

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<sup>1</sup> The Indonesian government claimed that from the earliest times the whole Timor island was an integral part of the history of the Indonesian archipelago. Timor island was included in the Sriwijaya (7<sup>th</sup> century) in 672 AD and belonged to Majapahit (13<sup>th</sup> century) Empires until 1520 (Anwar 2004: 5; Suryadinata 1996: 6). Mohammad Yamin, an Indonesian poet and statesman subscribed the idea of the "Greater Indonesia" (*Indonesia Raya*) that claimed that Timor and Papua was under the rule of Majapahit Empire. According to Yamin, Majapahit "nation-state" was the basis of modern Indonesia (Agung 1990: 465).

diplomatic efforts were helped by wider international machinations. For the US, its interests were mainly strategic. Washington's East Timor policy rested not on any deep concern for East Timor itself, but rather its bilateral relationship with Jakarta. Indonesia was an important US ally in Southeast Asia, politically, strategically and economically. Politically, Indonesia was an important player in Washington's larger policy of "containment". At another level, Indonesia's influence in the Southeast Asian region especially its capacity to shape intra-regional politics, was valued by the US.

After twenty three years under the Indonesian rule, East Timor was prepared for a referendum under the auspices of the United Nations Assistance Mission for Timor-Leste (UNAMET). On June 3, 1999 the UN raised its flag on the soil of Timor-Leste. In September 1999, 78% of the people of East Timor voted in favour of independence from Indonesia. This decision was taken after Indonesia President B.J. Habibie offered independence to East Timor. Initially, Jakarta's plan was to offer the independence option only if the gesture of broad autonomy for the restive province was rejected in tripartite talks with Portugal at the UN. Habibie's decision to offer independence to the East Timorese was based on the reality that Indonesia had failed to win the hearts and minds of the people who live there. However, it was not clear who the idea came from, but Habibie faced mounting domestic and, more importantly, international pressure.

On August 30, 2001, Timor-Leste had its first free elections. On May 20th, Timor-Leste became the world's newest democracy and the first new country of the third millennium.

### **Political System**

The official name of the country is Democratic Republic of Timor-Leste with Dili as the capital city. It has 13 administrative districts; Aileu, Ainaro, Baucau, Bobonaro (Maliana), Cova-Lima (Suai), Dili, Ermera, Lautem (Los Palos), Liquica, Manatuto, Manufahi (Same), Oecussi (Ambeno), Viqueque.

The legal system has not yet been established. UN-drafted legal system based on Indonesian law remains in place but is to be replaced by civil and penal codes based on Portuguese law; these have been passed but have not been promulgated; has not accepted compulsory ICJ jurisdiction.

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<sup>2</sup> According to the celebrated foreign policy columnist Jack Anderson, President Gerald Ford admitted as much when he said that given a choice between East Timor and Indonesia the U.S., "had to be on the side of Indonesia." Suharto was eager to obtain U.S. support for the invasion because of ABRI's heavy reliance on U.S. weaponry (Jardine 1999: 38).

The executive branch of the government consist of:

*chief of state:* President Jose RAMOS-HORTA (since 20 May 2007); The president plays a largely symbolic role but is able to veto legislation, dissolve parliament, and call national elections.

*Head of government:* Prime Minister Kay Rala Xanana GUSMAO (since 8 August 2007), note - he formerly used the name Jose Alexandre GUSMAO; Deputy Prime Minister Jose Luis GUTERRES (since 8 August 2007)

*Cabinet:* Council of Ministers *elections:* president elected by popular vote for a five-year term (eligible for a second term); election last held on 9 April 2007 with run-off on 8 May 2007 (next to be held in May 2012); following elections, president appoints leader of majority party or majority coalition as prime minister

*Supreme Court of Justice* - constitution calls for one judge to be appointed by National Parliament and rest appointed by Superior Council for Judiciary; note - until Supreme Court is established, Court of Appeals is the highest court Timor Leste has nine political parties. (Names of its leaders in parenthesis): Democratic Party or PD [Fernando de ARAUJO]; National Congress for Timorese Reconstruction or CNRT [Xanana GUSMAO]; National Democratic Union of Timorese Resistance or UNDERTIM [Cornelio DA Conceicao GAMA]; National Unity Party or PUN [Fernanda BORGES]; People's Party of Timor or PPT [Jacob XAVIER]; Revolutionary Front of Independent Timor-Leste or FRETILIN [Mari ALKATIRI]; Social Democratic Association of Timor or ASDT [Francisco Xavier do AMARAL]; Social Democratic Party or PSD [Mario CARRASCALAO]; Sons of the Mountain Warriors or KOTA [Manuel TILMAN] (also known as Association of Timorese Heroes)

## Foreign Relations

Timor-Leste became the United Nation's 191st member on 27 September 2002. It has also become a member in regional and international organisations such as the Community of Portuguese-speaking countries, the World Bank, the International Monetary Fund (IMF), and the Asian Development Bank. At the 2002 Pacific Islands Forum in Fiji, Timor-Leste was granted special observer status.

Three key bilateral relationships for Timor-Leste are those with Indonesia, Australia and Portugal. Xanana Gusmão made his first state visit to Indonesia as President of an independent Timor-Leste from 1-4 July 2002. During the visit a Memorandum of Understanding on the establishment of a joint commission for bilateral cooperation and a joint communiqué establishing diplomatic relations between the two nations were signed. In December 2004, it was agreed to establish a bilateral Truth and Friendship Commission between the two countries, and in April 2005 President Susilo Bambang Yudhoyono of Indonesia undertook a successful visit to Dili.

The relations between Timor Leste and Indonesia is generally good, although there was a bitter traumatic past, relations with Indonesia are very good. Indonesia is by far the largest trading partner of East Timor (approximately 50% of imports, 2005). Problems to be solved include, East Timor-Indonesia Boundary Committee meetings to survey and delimit land boundary; and seeking resolution of East Timorese refugees in Indonesia.

On 20 May 2002, Australia and Timor-Leste signed the Timor Sea Treaty. This treaty provides for the two parties to share government royalties from petroleum production in an agreed area of the Timor Sea, the Joint Petroleum Development Area (JPDA), jointly administered by both countries. The treaty, which came into force in April 2003, grants 90% of government royalties from the JPDA to Timor-Leste and 10% to Australia. Government royalties from the JPDA are expected to significantly accrue to Timor-Leste from 2007. Timor-Leste and Australia held the first round of formal negotiations on delimiting their maritime boundary in April 2004. These were followed by a second in April 2005, with an agreement having been reached in mid-2005 to defer boundary demarcation negotiations for 50 years while mineral extraction takes place in the Timor Sea.

Although geographically located in the region of Southeast Asia, Timor is not a member of Association of Southeast Asian Nations (ASEAN). East Timor also does not even hold a status as an observer in the regional organization. East Timor has expressed its intention of gaining observer status to ASEAN in July 2002 and in 2006. Timor Leste need to wait five years after independence to be accepted as a member of ASEAN. ASEAN, however, has been inviting the small nation to the ASEAN ministerial meetings as a sign of goodwill. In 2007 East Timor signed the ASEAN Treaty on Amity and Co-operation.

Timor Leste enjoys strong relationship with the Philippines. Being the only two predominantly Christian nations in Asia, relations with the Philippines became very positive as soon as East Timor was multilaterally recognized as an independent state. The two countries are now engaged in a growing commercial relationship, as well as cultural and educational exchanges.

### **Economy**

The separation of East Timor from Indonesia in late 1999 led the state to chaos. Approximately 70% of the economic infrastructure of Timor-Leste was destroyed by Indonesian troops and anti-independence militias resulting in massive outflow of people to the west. Substantial reconstruction in both urban and rural areas was held with a massive international program, worked by 8000 peacekeepers and 1,300 police officers. By the end of 2005, refugees had returned or had settled in Indonesia. However, the country continues to face great challenges in rebuilding its infrastructure, strengthening the civil administration, and generating jobs for young people entering the work force.

Oil and gas in the area of Timor Gap are the main natural resource in Timor Leste. These sectors contribute significantly to the country's economy and has become the primary

source of the government revenues. The technology-intensive industry, however, has done little to create jobs for the unemployed because there are no production facilities in Timor. Gas is piped to Australia. In June 2005 the National Parliament unanimously approved the creation of a Petroleum Fund to serve as a repository for all petroleum revenues and preserve the value of Timor-Leste's petroleum wealth for future generations.

Violence and civil unrest in mid 2006 disrupted both private and public sector economic activity and created about 100,000 internally displaced persons - about 10 percent of the population. The new government faces challenge on how best to use oil-and-gas wealth to lift the non-oil economy onto a higher growth path and reduce poverty. In late 2007, the new government announced plans aimed at increasing spending, reducing poverty, and improving the country's infrastructure, but it continues to face capacity constraints.

**Country Name:**

*conventional long form:* Democratic Republic of Timor-Leste

*conventional short form:* Timor-Leste

*local long form:* Republika Demokratika Timor Lorosa'e [Tetum]; Republica Democratica de Timor-Leste [Portuguese]

*local short form:* Timor Lorosa'e [Tetum]; Timor-Leste [Portuguese]

*former:* East Timor, Portuguese Timor

**Date of independence:** 28 November 1975 (independence proclaimed from Portugal); note - 20 May 2002 is the official date of international recognition of Timor-Leste's independence from Indonesia.

**Form of government:** Republic

**Capital city:** Dili

**Administrative divisions:** 13 administrative districts; Aileu, Ainaro, Baucau, Bobonaro (Maliana), Cova-Lima (Suai), Dili, Ermera, Lautem (Los Palos), Liquica, Manatuto, Manufahi (Same), Oecussi (Ambeno), Viqueque.

**Executive branch:** *chief of state:* President Jose RAMOS-HORTA (since 20 May 2007); note - the president plays a largely symbolic role but is able to veto legislation, dissolve parliament, and call national elections

*head of government:* Prime Minister Kay Rala Xanana GUSMAO (since 8 August 2007), note - he formerly used the name Jose Alexandre GUSMAO; Deputy Prime Minister Jose Luis GUTERRES (since 8 August 2007)

*cabinet:* Council of Ministers

*elections:* president elected by popular vote for a five-year term (eligible for a second term); election last held on 9 April 2007 with run-off on 8 May 2007 (next to be held in



May 2012); following elections, president appoints leader of majority party or majority coalition as prime minister

*election results:* Jose RAMOS-HORTA elected president; percent of vote - Jose RAMOS-HORTA 69.2%, Francisco GUTTERES 30.8%

**Legislative branch:** unicameral National Parliament (number of seats can vary from 52 to 65; members elected by popular vote to serve five-year terms)

*elections:* last held on 30 June 2007 (next elections due by June 2012)

*election results:* percent of vote by party - FRETILIN 29%, CNRT 24.1%, ASDT-PSD 15.8%, PD 11.3%, PUN 4.5%, KOTA-PPT (Democratic Alliance) 3.2%, UNTERDIM 3.2%, others 8.9%; seats by party - FRETILIN 21, CNRT 18, ASDT-PSD 11, PD 8, PUN 3, KOTA-PPT 2, UNDERTIM 2

**Judicial branch:** Supreme Court of Justice - constitution calls for one judge to be appointed by National Parliament and rest appointed by Superior Council for Judiciary; note - until Supreme Court is established, Court of Appeals is highest court.

**Natural resources:** gold, petroleum, natural gas, manganese, marble.

**Political leaders and Parties:** Democratic Party or PD [Fernando de ARAUJO]; National Congress for Timorese Reconstruction or CNRT [Xanana GUSMAO]; National Democratic Union of Timorese Resistance or UNDERTIM [Cornelio DA Conceicao GAMA]; National Unity Party or PUN [Fernanda BORGES]; People's Party of Timor or PPT [Jacob XAVIER]; Revolutionary Front of Independent Timor-Leste or FRETILIN [Mari ALKATIRI]; Social Democratic Association of Timor or ASDT [Francisco Xavier do AMARAL]; Social Democratic Party or PSD [Mario CARRASCALAO]; Sons of the Mountain Warriors or KOTA [Manuel TILMAN] (also known as Association of Timorese Heroes)

**Nationality:** Timorese

**Ethnic group:** Austronesian (Malayo-Polynesian), Papuan, small Chinese minority

**Religions:** Roman Catholic 98%, Muslim 1%, Protestant 1% (2005)

**Languages:** Tetum (official), Portuguese (official), Indonesian, English  
*note:* there are about 16 indigenous languages; Tetum, Galole, Mambae, and Kemak are spoken by significant numbers of people.

**Boundary disputes:** Timor-Leste-Indonesia Boundary Committee has resolved all but a small portion of the land boundary, but discussions on maritime boundaries are stalemated over sovereignty of the uninhabited coral island of Pulau Batek/Fatu Sinai in the north and alignment with Australian claims in the south; many refugees who left Timor-Leste in 2003 still reside in Indonesia and refuse repatriation; Australia and

Timor-Leste agreed in 2005 to defer the disputed portion of the boundary for 50 years and to split hydrocarbon revenues evenly outside the Joint Petroleum Development Area covered by the 2002 Timor Sea Treaty.

**Major infectious diseases:** *degree of risk:* high *food or waterborne diseases:* bacterial and protozoal diarrhea, hepatitis A, and typhoid fever *vectorborne diseases:* chikungunya, dengue fever and malaria (2008)

**Life expectancy at birth:** *total population:* 66.94 years

*male:* 64.6 years

*female:* 69.39 years (2008 est.)

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