Robert LEE, *Lusotopie 2000 :* 175-189

Crisis in a Backwater

1941 in Portuguese Timor

During 1941 the hitherto neglected and obscure Portuguese colony in Timor became the object of international attention as a possible flashpoint for the coming war in the Pacific and, by consequence, a centre of espionage and intrigue. For the Japanese, Portuguese Timor represented an opportunity, a neutral colony where they could reasonably expect some hospitality in the midst of the Dutch possessions whose resources – above all oil – they so desperately needed. For the Allies, the colony was thus a threat – a potential Japanese base for espionage or, at worst, military action against these same Dutch possessions. These fears were intensified both by Portugal's status as a neutral power in the European war and by the quasi-fascist nature of the Salazar dictatorship. Indeed, among the Allies there was concern that some fascistically-inclined Portuguese colonial officials might be sympathetic to the Japanese.

Japanese and Allied Interest in Timor

On the Allied side, it was the British rather than the Dutch who were most active in monitoring developments in Timor. This can be explained by three factors. First, Britain had a long and intimate relationship with Portugal, often referred to as the « ancient alliance ». In colonial policy, this generally meant that the British upheld Portugal's continued status as a colonial power in return for Portuguese acquiescence in British economic penetration of these colonies. Second, Britain had an extensive diplomatic and colonial network in southeast and east Asia which had both the motivation (in terms of real interests to defend) and the capability to monitor Japanese activities throughout the region. Third, Australia, no longer quite a British possession but equally not yet quite independent in foreign policy, was close to Timor and thus had undeniable long-term strategic interests in the area. The British and Australian governments worked closely on Timor, and during 1941 involved their Dutch allies and the US as well.

Concrete Australian moves to increase British Empire influence in Portuguese Timor dated from as early as September 1937, when the

managing director of the Australian semi-official airline, Qantas, W. Hudson Fysh raised the desirability of establishing a British or Australian flying boat link with Timor with British officials, first in Batavia, then in London. This was just two months after the Japanese launched their initially successful but ultimately ill-starred invasion of China. For both the Anglo-Australians and the Japanese, civil air services of negligible commercial importance were one of the two chosen means of political penetration. Both the Australians and Japanese, especially the former, were able to use civil aviation as a means of gathering intelligence and establishing interests to be protected. On behalf of the Australians, the British secured Lisbon's permission for a weekly Darwin to Dili service in May 1939, following which the Australian Minister for Civil Aviation, J.V. Fairbairn, visited Dili in July of the same year[1]. It was the first time a minister of a foreign government had visited the colony. Japanese objections led to the Portuguese postposing the introduction of this air service for more than a year.

Meanwhile, Japanese pressure on the Portuguese was mounting for the establishment of a flying boat service from Palau, the capital of their territories in Micronesia. The Portuguese were reluctant, in general acting as though they considered the Allies less of a potential threat than the Japanese to their sovereignty in Timor. In December 1940 they eventually approved a regular fortnightly stop in Dili by the Darwin-Batavia Qantas flying boat service, and the next month Dili replaced Kupang as a fortnightly stop for the Qantas flying boats from Darwin to Singapore. A few months later, the visiting British consul, C.H. Archer, observed that, « It is well known that the Japanese desire to introduce a regular air service between Palau and Dili, and were mortified at the grant of permission to Qantas ». By way of compensation, the Japanese were granted permission for six trial flights from Palau to Dili between December 1940 and June 1941, but for no further flights.

Both the Australians and the Japanese used their airline privileges to spy on each other's activities in Timor. Certainly, the main function of the Qantas office seems to have been spying. D. D. Laurie was the first Qantas agent in Dili where he lived from February to April 1941. « When Mr Laurie was appointed, he was told by Mr Hudson Fysh, Managing Director of Qantas Empire Airways, that he was to make it his special duty to watch and report on Japanese activities in general. Mr Laurie appears to me to have carried out these instructions with zeal, discretion and conspicuous success », observed Archer diplomatically[2].

The appointment of David Ross, a quite senior Australian civil aviation official, as Laurie's successor as Qantas agent in Dili in February 1941 (although he did not arrive until April) also provoked a swift Japanese call for equality of treatment by allowing them a permanent civil aviation representative[3]. Ross had visited Dili in 1940 in preparation for the

1. C.C.H. WRAY, *Timor 1942, Australian Commandos at War*, Melbourne, Hutchinson Australia, 1987 : 5.
2. C.H. ARCHER, « Report on Portuguese Timor », in Australian Archives (henceforth AA), Series A816 n° 19/301/822 Relations with Portuguese Timor, Appointment of Commonwealth Representative, Occupation of Portuguese Timor, 1940-1941, 3 May 1941.
3. Ross had been born in Melbourne in 1902. After the Japanese occupation of Timor, he remained in Dili, exercising some privileges of the colony's neutral status. Eventually the Japanese permitted him to leave. He joined the Australian commandos, returning to Australia to become a group captain and Director of Transportation and Movements in the Royal Australian Air Force (See P. HASLUCK, « The Government and the People, 1939-

introduction of the Qantas service, and was on good terms with a number of Portuguese officials, including the governor. Ross's activities as an Allied spy on Japanese activities was far more significant than any work he did for Qantas, and the same was to be true of his Japanese counterpart, Tatsuo Kawabuchi, a Dai Nippon Airways official, who arrived soon after. Kawabuchi was supported by staff of five mechanics – an extravagant number considering that there were no regular Japanese air services to support. Ironically enough, Kawabuchi seems to have found Ross's company more congenial than that of his subordinates.

The six Japanese trial flights were clearly being used for espionage purposes. For instance, the fifth flight, by the flying boat *Enranimi*, arrived in Dili on 19 May, leaving two days later. She had taken on 5 000 litres of fuel in Palau but arrived in Dili with empty tanks, clear evidence of reconnaissance en route. The flight was preceded by the arrival in Dili of the *Nicha Maru*, whose putative function was to act as a « guard ship » for the flying boat. Like the flying boat, the ship's main function was spying, although she did carry a little cargo. Her only inward freight was beer, a commodity whose arrival was welcomed by spies of all sides, while she left for Palau with a little Kapok, some buffalo horns, 8 tons of rubber and 100 tons of copra[4]. The Japanese did not receive permission to establish a regular service until a few days after the Japanese attack on Pearl Harbor in December 1941. Meanwhile the Portuguese authorities in Dili attempted to be as neutral as possible, refusing to allow either an Australian or a Japanese radio operator in Dili.

The flurry to develop pseudo-commercial air services to Dili prompted the Portuguese authorities in Dili to start their own airline. During 1940, the Serviços Aereas da Colonia Portuguesa da Timor began a weekly service from Dili to Kupang. In fact the plane – a British-built de Havilland Dragon Rapide – was a Koninklijke Nederlandsch Indische Luchtvaart Maatschappij (Royal Netherlands Indies Airlines Company or KNILM) machine. The pilot and mechanic were also Dutch. By April 1941, the Dili authorities were six months behind in paying the lease and salaries, but the Indies Government was absorbing the loss, judging the political and espionage advantages of their presence more than compensated the costs involved[5].

Beside the development of politically-inspired air services, the other chosen means of exercising influence was through investment in the exploitation of Timor's natural resources. These comprised both the existing plantation industries, mostly coffee, and oil concessions whose commercial significance was as negligible as that of the air routes. Desultory rivalry over oil concessions brought no more political benefits to either side than it did profits to the investors. In November 1939, the Portuguese government in Lisbon granted permission to explore most of Portuguese Timor for oil to a fairly flimsy Australian consortium called Oil Concessions. This provoked strong Japanese protests in Lisbon, as the Japanese had developed a strategy

1941 », *in Australia and the War of 1939-1945*, Vol. I, Canberra, Australian War Memorial, 1952 : 538.

4. Department of External Affairs, Japanese Activities in Portuguese Timor (Summary of Information received since the preparation of Mr Archer's Report), 19 July 1941, in AA, Series A816 n° 19/301/822. Relations with Portuguese Timor, Appointment of Commonwealth representative, Occupation of Portuguese Timor, 1940-1941.
5. C.H. ARCHER, « Report on Portuguese Timor », 3 May 1941, in AA, Series A816 n° 19/301/822, Relations with Portuguese Timor, Appointment of Commonwealth Representative, Occupation of Portuguese Timor, 1940-1941.

of their own to move in on the search for oil in Timor. This involved working through a Belgian financial adventurer then resident in Dili, Serge Wittouck. However, the Dili authorities refused to allow the concessions to pass to Wittouck, whom they heartily disliked[6]. However, Oil Concessions's insecure financial base meant that it was unable to meet its obligations to undertake genuine exploration work under the terms of its concession. The solution was for the Australian Consortium to sell out its interests to a genuinely powerful (but, in reality, apathetic) multinational consortium of the Australian branches of Anglo-Iranian Oil, Royal Dutch Shell, and Standard Vacuum Oil. The sweetener was an advance by the Australian government of £1,000 to Oil Concessions, to be paid to the Portuguese in default of actual operations.

These complex arrangements may have kept the Japanese out, but accomplished little else. In fact, their success in this prompted the Japanese to put increased pressure on Lisbon to give them transport and mining concessions (excepting oil) in Timor, threatening trouble in Macao, then surrounded by Japanese-occupied territory, if the Portuguese did not comply. Soon after the Australian-Portuguese deal on oil was finalised – in the late October 1940 – the newly-appointed first Australian Minister to Japan, Sir John Latham, urged the despatch of Australian mining engineers to Timor to give some concrete meaning to the concession[7]. Commercial imperatives lacking, nothing was done.

Investment in Timor's plantation economy proved more useful, for the Japanese at least. On the whole, the Japanese approach to extending their influence in Portuguese Timor was more rational and systematic than that of the British, Australians or Dutch. This was because it was part of a concerted drive to expand Japan's interests in southeast Asia as a whole. The two organisations which took responsibility for this were the Navy General Staff's Policy Study Committee for the South Seas Area (*Tai nan'yo hosako kenyu iinkai*, or Tainanken) and the South Seas Development Company (*Nan'yo Kohatsu Kabushiki Kaisha* or NKKK). The NKKK had been established in 1921 to exploit the resources of Japan's newly-acquired mandated territories in Micronesia. It worked closely with the Japanese colonial administration based in Palau, and by the early 1930s had created an economic empire based on the intensive cultivation of sugar in Micronesia by imported Japanese labour. The Tainanken was more recent, only being founded in July 1935[8].

Nan'yo Kohatsu's interest in Portuguese Timor dated from before the foundation of the Tainanken. It began sending small merchant vessels to Dili from Palau as early as 1934, in a successful attempt to break the Dutch monopoly of shipping to the Portuguese possession. Shipping had long been a monopoly of the Dutch Royal Mail Steam Packet Company (Koninklijke Paketvaart Maatschappij, generally known as the KPM). This monopoly was much resented because of the high rates KPM charged. Japanese merchant shipping to Dili peaked with seventeen vessels calling in 1938. However, only seven called in 1939 and five in 1940, because the government had prohibited them from the coasting trade when it bought two old Japanese

6. H.P. FREI, *Japan's Southward Advance and Australia, from the Sixteenth Century to World War II*, Melbourne, Melbourne University Press, 1991 : 152-153.
7. C.C.H. WRAY, *op. cit. :* 6.
8. H.P. FREI, *op. cit. :* 150-151.

120-ton motor vessels to undertake the trade itself. The first of these, the *Dili*, was soon left derelict in the harbour after which she was named, the second, the *Oe-kussi*, was still in service in 1941. At that time, Archer reported :

> « The personnel of the Japanese vessels has been of a very high grade, and has constantly changed between voyages, – a fact which strongly suggests that naval men were being used, and that as large a number as possible were being given experience in these waters »[9].

In May 1936, just three months after an abortive coup in Tokyo had confirmed, among other things, that Japanese expansionist ambitions would be southward rather than directed towards Siberia, Nan'yo Kohatsu's executive director, Matsui Haruji, called on the Navy General Staff to request support for his plans for economic penetration of Portuguese Timor[10]. The shipping service from Palau had proved popular, and the sequel was the visit to Japan by a major investor in the only significant plantation company in Timor, the Sociedade Agricola Patria e Trabalho or SAPT. This man was Dr Sales Luiz, who sold his shares in the SAPT to Nan'yo Kohatsu. As a result, Dr Sales was banned from re-entering Timor on the ground that he was a « bad patriot ». However, the damage had been done, and by 1941 Nan'yo Kohatsu owned 40 per cent of SAPT[11].

Nan'yo Kohatsu's investment was far more than a business deal. On 20 July 1936 the Tainanken responded to Matsui's briefing by issuing a « Memorandum for the Planned Advance into Portuguese Timor ». Written in the language typical of Japanese policy documents of this era, it alluded to « using the good offices of the Nan'yo Kohatsu for concrete advance to establish a foothold », then « think of the next step ». The strategy was defined :

> « We shall establish power swiftly and advance by putting deeds before words ; we shall keep the intention of our pay-offs completely secret and throw our utmost internal support behind the Nan'yo Kohatsu KK »[12].

The NKKK investment in the SAPT constituted Japan's major economic interest in the colony until 1945. Similarly, the Japanese consistently followed the strategy outlined in this 1936 memorandum until their invasion of the colony in 1942.

Timor and the Possibility of General War in the Pacific

More overt Allied strategic interest in Timor dates from 1941, as it became clear that the *impasse* between Japan and the USA over the Japanese occupation of French Indochina probably would be resolved by war. As early as April 1941 US-Dutch-British defence discussions at Singapore agreed that « the movement of Japanese forces into Portuguese Timor […] should be regarded as an act of war ». Subsequently, the Australian Cabinet, then still headed by Robert Menzies, decided in September 1941 that it would send troops to Timor in the event of a Japanese force being despatched there, whether or not other hostilities broke out in the Pacific.

9. C.H. ARCHER, *op. cit.*
10. *Ibid.*
11. *Ibid.*
12. H.P. FREI, *op. cit. :* 152.

They also decided that a German invasion of Portugal would be sufficient grounds for an Allied occupation of Portuguese Timor[13].

This meant that a Japanese move on Timor would provoke war. The British, Australian and Dutch governments therefore agreed to a joint Netherlands Indies-Australian invasion of Portuguese Timor in the event of any Japanese moves. This view was confirmed and strengthened by the new Australian Labor Government which came to power in October 1941. Early in December, as the crisis in US-Japan relations intensified, its representative in London pressed on Churchill four alternative circumstances under which Australia believed Britain should declare war on Japan. These were Japanese moves into (1) the Kra Isthmus in southern Thailand, (2) Russia, (3) the Netherlands Indies, and (4) Portuguese Timor. The last was undoubtedly the softest of these targets for the Japanese, and, from the point of view of both the Australians and the Dutch, the most dangerous[14].

As it turned out, the Japanese launched their war against the Western powers in Asia and the Pacific with something far more dramatic than the occupation of a neutral, strategically-located territory like Portuguese Timor. Nevertheless, the fact that Japanese moves over the previous year had been concentrated in the similarly neutral if very much more important colony of French Indochina certainly justified the Allied speculations about Timor. Moreover, when war did break out, one of the first Allied responses was the Netherlands Indies-Australian invasion of Portuguese Timor on 17 December 1941. This was a great irony : the Allies provoked Japan into war because they could not countenance Japanese occupation of a neutral's colony, Indochina in this case, yet they began their offensive operations with precisely the same kind of move. Both the diplomacy surrounding that invasion, in particular the Portuguese response, and the campaigns which followed it in Timor have great interest, some moments of irony, even humour, and many more of tragedy. They are not, however, the subject of this article[15].

The Archer Report of May 1941

Anglo-Australian spying in Timor during 1941 resulted in the creation of a series of reports which provide a remarkably thorough and detailed description of the colony. Allied spies in Timor were of three types : first there were Australian officials who enjoyed some status and recognition from the colonial regime (the Qantas agent who also became the British consular officer in Dili, David Ross, is the most important example) ; second, there were Dutch technical personnel, notably ship's captains and air pilots, who passed on intelligence either to the Australians in Dili or to British

13. R.G. MENZIES, « War Cabinet Agendum, Occupation of Portuguese Timor, 240/1941 », 12 August 1941 in AA, Series A816/1 n° 19/301/820A, Occupation of Portuguese Timor, 1942.
14. These options for war are discussed in HASLUCK, *op. cit.* : 554. By contrast, the Timor question is ignored in the more recent D. DAY, *The Great Betrayal : Britain, Australia and the Onset of the Pacific War, 1939-1942*, Sydney, Angus and Robertson, 1988.
15. There is a fine account of the campaign in Timor from the point of view of the leader of the Australian side, then a young citizen-soldier but later to become Sir Bernard Callinan, AC, CBE, DSO, MC. See B. CALLINAN, *Independent Company, the Australian Army in Portuguese Timor*, Melbourne, William Heinemann, 1953.

contacts in Batavia[16] ; and third there was a real professional, C.H. Archer, who spent most of April 1941 in Timor.

The time of Archer's arrival was a crucial one. It appeared as though Timor was becoming the focal point of Japanese aspirations in the Pacific, and there was the real possibility that events in Timor could provoke war between Japan and the Allied powers. The stakes were big : the Japanese had already tried to buy Portuguese adherence to the Anti-Comintern Pact and recognition of Manchukuo in 1939 with a guarantee of the security of Macao. Once again, Japanese threats to Macao were being linked to demands for concessions on Timor. The situation would need to be handled carefully, as the British were extremely anxious to maintain Portuguese neutrality in Europe, something which worked very much in their favour in the European war. On the other hand, the Dutch and Australians could not tolerate any Japanese military presence in the Portuguese colony.

Archer was a Japanese-speaking member of the British consular service who visited Timor between appointments in Shanghai and Mukden. His report gives a succinct snapshot of a sleepy colony on the edge of an abyss. Archer was highly critical of the Portuguese administration, and lost no opportunity to make unfavourable comparisons with Dutch rule in the western part of the island. He described a colony suffering from a bloated and inefficient administration, high taxation and extremely poor services. The report[17], which includes an account of his travels in the colony, is a fascinating document which deserves a full summary.

Arriving on board the regular KPM steamer, General Verspyck, Archer was in Timor from 26 March to 29 April 1941. At Dili he was met by, among others, D.D. Laurie, Qantas Station Superintendent, and George Bryant, « an elderly Australian who has resided in Portuguese Timor for over thirty years ». The Governor, Manuel d'Abreu Ferreira de Carvalho, had wanted Archer's visit kept secret and was angry that everyone knew that he was a British consul. Presumably de Carvalho wished to avoid alarming the Japanese, but secrecy was virtually impossible in a place as small as Dili. Certainly the Japanese in Dili knew who Archer was, since a few months earlier he had been in Shanghai where he had been in contact with Japanese officials about a visit to Mukden in their puppet state of Manchukuo[18]. As a result, he had only two short interviews with de Carvalho and had to rely on private facilities and hospitality. He especially appreciated Laurie's

16. An example of this was the KNILM (Royal Netherlands Indies Airlines) pilot stationed in Dili, Captain Versteege, who reported to the Acting Australian Government Commissioner in Batavia on Japanese ship and aircraft movements and even on the details of Japanese fuel stocks in Dili. Versteege's game was a dangerous one, as at that stage both he and his aircraft were on secondment to the Portuguese. In fact they constituted in its entirety the Serviços Aereas da Colonia Portuguesa de Timor (Secretary, Department of External Affairs to Acting Secretary, Department of Defence Co-ordination 18/4/1941 n° D.1012 in AA, Series A816 n° 19/301/822. Relations with Portuguese Timor, Appointment of Commonwealth Representative, Occupation of Portuguese Timor, 1940-1941). Another example was the master of the KPM vessel General Verspyck, Capt J. Oudenaarde, gave the British *consul en mission*, C.H. Archer a copy of the chart he and his predecessors had made of Dili and its approaches, which Archer forwarded to the RAN. Once again, Dutch officials were only too happy to spy for the Australians and British.
17. C.H. ARCHER, « Report on Portuguese Timor », 3 May 1941, in AA, Series A816 n° 19/301/822, Relations with Portuguese Timor, Appointment of Commonwealth Representative, Occupation of Portuguese Timor, 1940-1941. Unless indicated to the contrary, the details of the description of Timor which follows are drawn from this report.
18. Archer to Foreign Office, from Koepang (now spelt Kupang), 7 April 1941, in AA, Series A816 n° 19/301/822, Relations with Portuguese Timor, Appointment of Commonwealth Representative, Occupation of Portuguese Timor, 1940-1941.

« diligence and enterprise » in acquiring information. In short, he found that Qantas agents made good spies. He even asked for an official letter to Qantas chief, Hudson Fysh, thanking him for Laurie's assistance. Lacking the Governor's hospitality had its compensations, as « I acquired a personal experience of the bankruptcy of municipal services and the abominable squalor of living conditions, which, had I been the Governor's guest, must in some measure have been decently veiled from my eyes ».

He described the rigours of life in Dili in lurid details :

> « The leading hotel of Dili, the "Hotel Portugal" proved to be a very moderate sized bungalow, with an annex in the garden. The two buildings have between them eight bedrooms, each about 12 ft by 15, with a minimum of furniture, and that in an advanced state of decay. Actually, all the rooms in the hotel were full… ».

Electricity was available sporadically from late dusk until midnight, but it was very weak and continually failed. The municipal ice works were inadequate and ice was rationed. Shortly before he arrived, there had been no ice supplies at all for some time because the colony had run out of ammonia. The water supply had not recovered from the damage done by floods in 1939 and was fearful. It was « the colour of dark chocolate and three inches in a basin are sufficient to prevent the bottom being seen ». Despite that, he found that dysentery was rare.

He met some colonial officials, including Commander A. E. Barbosa, who was Harbour Master, Director of the Portuguese Air Line and of the Government Industrial Department, the Fabricas Officinas e Armazens Geraes, or FOAG, which was responsible for all trade and commerce. Barbosa was generally considered fascist and pro-Japanese. Archer was sure he was a fascist, but less convinced that he was pro-Japanese.

Archer's only inland travels took him to Aileu, 31 miles south of Dili. There had been a road to Aileu, but it had been broken by floods in 1939. Two years later, eight of those miles had to be covered on horseback as the road had still not been repaired. The journey took all day. In addition, he went to Kupang in Dutch Timor and back by air, noting en route how unpopulated the country was. He flew there via the south coast and returned via the north, describing Oe-kussi, the Portuguese enclave in West Timor, which he only saw from the air, as « no more than a small village, and the anchorage has no weather protection at all ». Thus, Archer's impressions of Timor, while astute in many respects, have their limitations. They were based on what he saw and what he was told in Dili. All he saw of the interior was Aileu and the road thither. He had little opportunity to see much of the Timorese – the « natives » as he would have it – in their traditional society, then still very much intact in the interior. It is doubtful, from the evidence of his report, that he spoke to a single Timorese in any capacity other than as master to servant. All his evidence comes from Portuguese, Australian, Dutch and local Chinese sources. Perhaps this is scarcely surprising in view of the colonial mentality of the day, but times were changing, and Archer was familiar with Japanese pan-Asianist rhetoric. In this context, his lack of any analysis of how the Timorese might respond to the Japanese is surprising.

It is difficult not to see both these limitations of the report and Archer's clear bias against the Portuguese as evidence of a certain English *hauteur* which verges at times on racism. Despite these failings, the report is, on its

own terms, an honest and thorough document and, as such, a valuable source on conditions in Timor just before the outbreak of war in the Pacific. Archer's report was partly written as a diary and an account of his travels. He wrote it in Dili and Kupang where he would have had no secretarial support, with the result that its structure is not always transparent. In broad terms, though, Archer addresses the following themes.

Population

Archer reported that a census had been taken in 1940. Its preliminary results gave a population of about 450,000 natives, 300 Portuguese, including slightly under 100 *deportados*, 13 Japanese, over 2 000 Chinese, who he found controlled almost all local business and acted as middlemen, and less than a dozen other Europeans and Indians. The *deportados* were convicts sent to Timor for the duration of their sentences. Most, but not all, had been convicted of political offences. According to a lawyer called João Gomes Moreira, who had been involved in an independence movement in Angola, 60 % of the *deportados* were democrats, 30 % communists and 10 % ordinary criminals. The majority of the Portuguese, about 1,100 Chinese and 1,800 natives were in Dili, making it a town of a little over 3,000 people.

On languages, he noted the linguistic diversity, recognising that Tetum was widely spoken in Portuguese Timor and the eastern parts of Dutch Timor, Dawan was spoken in west Timor, and Malay only in Kupang. He claimed that Malay was useless in Dili. He found that there were far more educational opportunities in Dutch than in Portuguese Timor, especially in Kupang, mostly due to the work of missionaries, both Catholic and Protestant, who received government subsidies in the Dutch part of the island.

Education in the Portuguese part of Timor was rudimentary : there were no state schools or state subsidies. The church gave some education to its converts, who were not numerous, and the Chinese maintained their own schools. « This education system, or lack of it, must be regarded as largely responsible for the extreme docility and inertia of the native population », he judged. This was just one of many patronising remarks about the Timorese, which recur in every possible context.

Government

The report contains an analysis both of the administrative institutions of Portuguese Timor and of the political attitudes he encountered there. Naturally enough, the political issue which most interested Archer was attitudes to the European war and the coming war in Asia. So far as structures were concerned, he found that Timor was divided into a *Concelho* (Dili), administered by a municipal council, and six Circumscriptions – Fronteira, Suro, Manututo, São Domingos, Lautem and Oe-kussi. Each circumscription was ruled by a Portuguese administrator and his *junta local*, comprising himself, a Chinese businessman representing commerce, and an approved elected native. Its main aim was to encourage local commerce by organising transport and sale of produce through the Government Industrial Department,

FOAG. Payment by FOAG, however, was always either late or never : « the consequent delay or even failure to obtain payment tends to damp the enthusiasm of natives for any labour beyond that which accords them the bare necessities of life ».

Circumscriptions were divided into units under the *chefes de posto*, who were also Portuguese. They collected the head tax, supervised work by natives and looked after routine administration, and law and order. They were assisted by unpaid native chiefs and by unpaid « volunteers » called *morades* who « form a sort of primitive boy scout movement which is of greatest value to the government ».

Archer compared the extent of the colonial bureaucracy in the Dutch and Portuguese parts of the island. In Dutch Timor there was a total of six Dutch civil servants (four *controleurs* and two assistants). Elsewhere, though, he mentions a resident responsible for Dutch Timor and the islands westwards to Sumbawa and Sumba. There were also three assistant residents, only one of whom was responsible for Timor. Only the area around Kupang (whose population was then about 7,000) was government territory, the rest of the Dutch part was nominally under the control of local rajas. In Portuguese Timor there was an administrator for each of the six circumscriptions, plus ten *chefes de posto* under each, a total of sixty, plus the officials in Dili. On Archer's analysis, there were eleven times as many European civil servants per native in Portuguese as in Dutch Timor. The Portuguese were much lower paid and, in his opinion, of a lower calibre than the Dutch. Archer was never very friendly towards the Portuguese administration and missed no opportunity to comment on its alleged « improvidence and slackness », citing its « extremely dilatory and wasteful » road maintenance as an example.

Perhaps more seriously, he also identified the continuation of practices which, to modern eyes, could only be considered feudal, although Archer refrained from using the word. This included forced labour, as discussed below, restrictions on freedom of movement, and corporal punishment. Native workers in Portuguese Timor, he found, suffered much petty tyranny, including a curfew :

> « Any native found on the streets after 8 pm without a pass from his employer is taken up by the police, and subjected to corporal punishment in the form of beating of the hands to a point which may interfere with the following day's labour. This seems to be the standard punishment for all minor delinquencies. As the natives are entirely docile, enforcement by curfew of such methods seems a bit of cruelty which is difficult to excuse ».

Contempt tempered by sympathy seems to have been Archer's general attitude to the Timorese. It is also revealed in his discussions of the potential for Allied propaganda in Timor and the colony's defence. He believed that there would be no point in directing propaganda at the Timorese :

> « … material would have to be translated into the "Tetum" dialect ; Malay is virtually useless. But I think this omission would not be of the slightest consequence. The natives are devoid of the most rudimentary political consciousness, and their condition is so primitive that I imagine few would even be capable of grasping the idea that a world war is going on ».

There was to be an irony in Archer's extremely patronising attitude to the Timorese. For, after Timor did become a theatre of war in 1942, it was in the Timorese rather than the Portuguese population that the Allies were to find

their most enthusiastic supporters. The Allied soldiers who fought the Japanese in Timor reported almost the exact opposite of Archer's conclusions about the Timorese[19].

Archer considered the defensive capability of the colony derisory. It was, of course, but it could hardly be said that the British in Malaya or the Dutch in the Indies were well prepared for invasion by a modern army either. He found that in Portuguese Timor there were 300 soldiers, of whom only 15 were Europeans. The native troops well ill-equipped and even paraded barefoot. All but 40 soldiers were in Dili. In addition there was a small mounted frontier patrol of 40 men based in Bonobaro. This modest force was armed with 500 old rifles (Steyer, 1886), ten machine guns and nine Japanese 20 mm guns dating from 1890. There was one Hotchkiss 47mm gun and also 70 Mannlicher rifles. He claimed that 90 per cent of the small arms ammunition was believed to have perished. These meagre forces were supplemented on 25 March 1941 by the arrival of the sloop *Gonçalo Velho* from Macao for an extended visit. She carried 150 well-armed Europeans and was to stay in Dili until relieved by the *João Lisboa*, then on the seas from Portugal.

His contempt for the natives extended to his assessment of their martial qualities :

> « The Timor natives, from whom the levies are drawn, are a race with no martial traditions at all. With obsolete arms, no gas-equipment and bare feet, it is difficult to believe that even the mildest dose of frightfulness would fail to break their fighting spirit ».

In this he could not have been more wrong. The Timorese may not have been well-equipped but their culture was a highly martial one, many of whose rituals revolved around war. Guerrilla war, in particular, replicated many of the characteristics of their traditional fighting patterns of raid and counter-raid. « Fighting spirit » was the last thing they lacked. Indeed, it is the one commodity from which the island of Timor has always suffered an abundance.

Archer was on surer ground when he discussed the attitudes of the European and Chinese elements of the population. He judged that there was a lot of fascist feeling, but no very active hostility towards the UK or sympathy for Japan, among Portuguese officials. There were no newspapers or radio station, but news from outside was permitted quite freely. Most Portuguese, including those who were pro-fascist, relied on the BBC : « It is noteworthy that even officials who are suspected of pro-fascist or pro-Japanese leanings betray a familiarity with the BBC bulletins which could only be acquired at first hand ». As for the Chinese, they sold Japanese

19. On the role of the Timorese in giving succour to Allied, especially Australian, commandos in Portuguese Timor during the Japanese occupation, the primary and classic source is B. CALLINAN, *Independent Company, The Australian Army in Portuguese Timor,* Melbourne, William Heinemann, 1953. Callinan's account subsequently has been used by many supporters of East Timorese independence as evidence of an Australian « debt of honour », to use a term well-known to historians of the Netherlands Indies, to the Timorese. It is difficult to disagree with this judgement, but a close reading of Callinan's account reveals that the attitudes of the Timorese to the Allies and Japanese were varied and changed according to circumstances. Many Timorese did, in fact, rally to the Japanese. That was scarcely surprising. Moreover, it tended to be from converts to Christianity that the commandos received the most assistance. The similarities between Timorese responses to the Japanese invasion in 1942 and the Indonesian invasion in 1975 are striking. In both cases, the easily-exploited divisions in Timorese society, the skilful use of anti-colonial propaganda by the invaders, and Timorese traditions of internecine warfare meant that the violence of invasion and civil war fed off each other.

goods, there being none other, but were pro-Chungking. They also regularly received recent Chinese-language papers from Macassar and Java which were pro-Chungking. The local Chinese association, the Associação Comercial Chinese de Timor, told Archer it would gladly distribute pro-Allied propaganda in Chinese to its members and indeed to all Chinese in the colony.

In contrast, Lisbon papers were very old when they arrived and only a few people, notably the Governor, subscribed. In addition, the odd Dutch, Singapore and Australian papers arrived by flying boat. Archer felt that copies of the Free French paper published in Australia would be useful, as virtually all Portuguese officials were proficient in French. A smaller number was proficient in English, but none knew Dutch. In short, he believed that, in any future conflict with Japan, the Chinese would strongly support the Allies ; the Portuguese would be divided between pro-Allied and neutral, as even those who were sympathetic to fascist ideas were not particularly pro-Japanese ; while the Timorese would be apathetic. In two out of three cases he was right. What he ignored in this analysis was the inability of the Timorese to stay out of a fight. Had he been familiar with the difficulties the Portuguese had experienced in controlling the island, he could scarcely have made this mistake.

Finance and Taxation

The colonial administration, in Archer's opinion, was neither very well-funded nor very efficient. The colony's budget for 1941 was 1,556,051 patacas of which 663,000 patacas were from the poll tax. In addition, 380,000 patacas were raised through import and export duties. The only significant items of expenditure were administration (the bulk), repayment of a loan to Portugal (about 109,000 patacas), and the military (about 200,000 patacas).

The currency was the pataca, based on the Hong Kong dollar, exchangeable at 2.20 to the Netherlands Indies guilder, and worth 1s. 2d. sterling. There was a black market, reflecting the pataca's low esteem among traders, who preferred to use guilders. The Banco Nacional Ultramarino was the only bank. Customs duties in Archer's opinion were quite high, reaching, for example, over 20 % on the export of coffee.

The major source of revenue was the poll tax, levied at 6 patacas per adult male per annum. Coolies in private industry had to pay 11 patacas per annum. Higher-paid workers had to pay a professional tax of 16 patacas per annum. These were quite high rates, as coolies only earned 3 to 4 patacas per month plus food. The budget figures suggested that the poll tax was paid by about 100,000 people, which was about half the adult male population. Poor Timorese who could not pay the poll tax could work off their debt. Archer observed that, « A great deal of the work on the roads is done on this basis. The mild system of servitude thus instituted, however objectionable in theory, arouses no resentment among a lethargic people, who have no experience of any other arrangement ».

For comparative purposes, Archer examined the situation in Dutch Timor. There the poll tax was 1,50 fl, about 3.30 patacas, or less than half, and wages were at least 4,50 fl per month, or three times those in Portuguese Timor. Also the budget of Dutch Timor was about 600,000 fl, or just a little less than Portuguese Timor, despite its considerably smaller population.

However, the Dutch budget was subsidised by 250,000 guilders from other parts of the Netherlands Indies, which explained the lower taxation. By comparison, Portuguese Timor received no subsidies and one fifteenth of the Portuguese Timor budget even went to paying off an old loan to the home government. Archer was also impressed with the roads and airport in West Timor compared with those in Portuguese territory. He was aware that this situation was due to the riches the Dutch were able to extract from Java, Sumatra and Borneo, but failed to acknowledge the real difficulties under which Portuguese officials laboured, lacking any such budgetary subsidy from the richer parts of their empire.

Foreign Trade and Investment

Economic activity in Portuguese Timor was neither at a very high level nor of enormous significance to the lives of most of the population. Most Timorese scarcely participated in the economy beyond what was necessary to pay the poll tax and purchase a few simple items of clothing. Foreign trade was modest and the domestic market very limited. Neither Timor's natural resources nor its modest plantation sector were of much significance in international markets. However, the colony's strategic position meant that these were matters in which the Allies, and the Japanese even more, took a close interest.

Exports were dominated by coffee, which formed 70 % of their value in 1939 and 52 % in 1940, when coffee prices were depressed by the isolation from growers imposed by the Royal Navy on German and other central European coffee drinkers. The coffee crop had fallen from 1,626 tonnes in 1938 to 840 tonnes in 1940. There had been floods in 1939 and drought in 1940. The fall in coffee prices, from between 35 and 40 guilders per 100 kilograms in 1939 to between 25 and 30 guilders per 100 kilograms in 1940, meant that production costs were no longer covered. Alternative coffee markets were difficult to find. Australia seemed to offer the most potential and the first modest exports – just 15 tons to Adelaide – were just being organised. Other exports were beeswax, rubber, sandalwood and buffalo hides. The Netherlands Indies took 87 % of exports in 1939, but only 50 % in 1940. The slack was taken up by Portugal, which went from insignificance to taking 23 % of exports. No doubt this was coffee which went from neutral Portugal into Axis countries in Europe. Japan took around 10 % of total exports, but hardly any coffee, even though Japanese investors were active in the Timor coffee industry.

The largest import item was cotton cloth, about a third of the total, virtually all of it of Japanese origin, although about half of it was imported indirectly through the Netherlands Indies. The Indies and Japan led the list of importers, followed by Portugal. Australian imports were trivial, comprising mostly flour, groceries, medicines and toiletries for use by Europeans in Dili, mostly imported by the Australian businessman, Bryant.

The plantation economy was dominated by one company, the Sociedade Agricola Patria e Trabalho, known universally by the acronym SAPT. Together with its subsidiaries, the Empresa Agrícola Perseverança and the Empresa Agrícola Timor Limitada, the SAPT was the only important agricultural enterprise in Portuguese Timor. They produced cocoa, rubber

and almost the entire arabica crop (Arabia is the more valuable of the two varieties of coffee cultivated in Timor, the other being robusta). Initially owned by the da Silva family, these enterprises were now partly Japanese-owned. As discussed above, Japanese penetration of SAPT had began soon after the first Japanese merchant vessels called at Dili in 1934. Japanese capital came through the South Seas Development Company or Nan'yo Kohatsu K.K. In 1941 NKKK owned 40 % of SAPT, the Banco Ultramarino 8 % and Portuguese investors 52 %. The three directors were the Governor's son, José de Rocha Carvalho (in charge of production), the NKKK nominee Sachimoro Segawa (in charge of exports – he had arrived on 22 January 1937) and João Jorge Duarte, manager of the bank. There were three other Japanese employees.

Dili's Foreign Community

The largest foreign community in Dili in 1941 was the Japanese, who numbered thirteen. Besides the four NKKK personnel, there were six Dai Nippon Airways officials, headed by Tatsuo Kawabuchi, a woman doctor and her two children. All the Japanese residents were in Dili as the result of the deliberate strategy of penetration devised by the Tainanken and the NKKK. The Portuguese were well aware of them and so maintained strict surveillance and censorship of the activities of the Japanese population. They insisted, for instance, that the Japanese communicate with Palau and Japan in English only, so that the Portuguese knew exactly what instructions and reports were being exchanged.

Besides the Japanese, there was a German couple who had gone there when expelled from Singapore about April 1940, and also a German Jew named Max Sander, who had lost his nationality and acquired no other. He had thought of becoming Australian. He claimed to be anti-Nazi but socialised with the Japanese. Archer saw no sinister Axis plot in this, reporting almost pathetically that, « Mr Ross is convinced that [Sander's] intimacy with the Japanese – now somewhat reduced – is no more than the result of extreme loneliness and a common liking for billiards ». There were a couple of Dutch subjects ; and the Australian businessman Bryant, who was ill and hoped to return to Australia to collect the old age pension. However, a higher and more patriotic calling awaited him. David Ross arrived as the new Qantas agent and Anglo-Australian spy on 13 April. Ross proposed to employ Bryant as a translator, as he spoke good Portuguese. The final foreigner was Ross's predecessor as Qantas agent, Laurie. The Belgian financier, Dr Serge Wittouck, had been a resident of Dili, where he had established his Asia Investment Company in 1936, widely seen as a front for Japanese operations. He had employed various personnel, including Max Sander, and had built large officers in Dili. Wittouck had made all sorts of claims, but turned out to be an adventurer and committed suicide in 1940. A year later Sander was trying to sell the buildings to recover his salary. He found potential buyers in short supply.

* * *

The Archer report is a valuable source on the economic and political life of Timor as the island was being propelled into a violent and tragic episode

in its history. The circumstances of its creation were unique in the island's history : it had become an important place in the rivalry of the great powers, a potential *point d'appui* in what seemed to be a coming war. Even in the seventeenth century, when the Indonesian archipelago had been the focus of much European diplomacy and war, Timor had never attained this status.

After Archer's departure, the most important source of Allied intelligence was David Ross. His Japanese counterpart, the Dai Nippon Airways agent, Kawabuchi, played the same role on his government's behalf. The issues throughout the rest of 1941 remained the same : Japanese demands for a regular air service and the establishment of a consulate. By October 1941, the Portuguese, threatened with reprisals in Macao, were no longer able to resist. Ross was appointed British consul to preserve the appearance of neutrality[20]. By the time war broke out, the dual Allied and Japanese presence, supported by sound intelligence on both sides, meant that Timor was to be a focus of operations for both sides. The result was the loss of 60,000 Timorese lives as the colony was invaded first by the Allies and then by the Japanese. To all this, the Portuguese colonial administration was little more than an aggrieved witness. The Pacific War may not have broken out in Timor, but the fear that it may have broken out there had created an irresistible momentum. This meant that Timor became the site of bloody struggles whose toll on civilian lives was, in relative terms, one of the highest anywhere in the world during those desperate years of the early 1940s.

September 2000

Robert LEE
University of Western Sydney, Macarthur (Australia)
<rlee_uws@hotmail.com>

20. These events are only given the briefest summary in this article. The correspondence from the Allied side may be found in the file AA, Series A816 n° 19/301/822. Relations with Portuguese Timor, Appointment of Commonwealth Representative, Occupation of Portuguese Timor, 1940-1941.