

# INDUSTRIAL DEVELOPMENT IN EAST TIMOR: AN EXPLORATORY STUDY OF ATTITUDES AND PERCEPTIONS TOWARDS THE FUTURE

Filipa Dionísio Vieira  
Mário Marquês Cabral  
Cristina S. Rodrigues

## ABSTRACT

Industrialization is essential for the economic development of a country (Porter, 2004). There are few examples of countries that have made the transition without industrialization, much at the expense of the existence of valuable natural resources (such as oil and diamonds), but with the resulting social inequalities. Industrialization is the normal process for the development of the economies, associated with the phenomenon of globalization of the industry and markets, allows the rapid growth of the same. Take the case of China, which in just over twenty years, went from a really rural to an industrial power in global terms (UNIDO, 2009). Why promote industrialization in poor countries? Because if the developed countries to support industrialization in developing countries benefit from cheaper manufactured goods and the process allows to reduce the gap and inequalities between developed and developing countries (UNIDO, 2009).

East Timor was an overseas province of Portugal until 1974 and for 450 years. After this period, the territory was invaded and occupied by Indonesia, a situation that lasted until the referendum held on August 30, 1999. The process leading up to this historic event was long and difficult but with the support of the United Nations, self-determination has finally arrived in East Timor in 2002. The proposal of the government of East Timor to the economic development is a strategic long term model and intends to reflect the will and aspirations of the people. Being a young country, post-conflict and with low incomes, it is pointed out the need to implement a unique and specific strategy to the country in order to bring prosperity. One way to achieve these aspirations may pass through private sector investment through the creation and implementation of industry in the country. This allows for increased employment, improved living conditions of the Timorese people and consequently the economic development of Timor-Leste, reinforcing the message widely disseminated in "Goodbye Conflict, Welcome Development". For the period 2011-2030, the first decade will focus on creating the basic conditions for development in all areas: infrastructure, education and training, health, agricultural productivity and food self-sufficiency, sustainable urbanization and development of important sectors industry and services. Private investment in Small and Medium Enterprises (SMEs) and Research and Experimental Development (R&D) in key sectors are one of the four pillars of the economic framework by 2020, presented by the government of East Timor (PED 2010).

The present study aims to understand the attitudes and perceptions of the East Timorese in relation to industrial development of the country. Taking as a starting point, a survey of the population of East Timor, named as Projeto Timor, we present and discuss the results obtained on various issues such as attitudes in relation to existing industrial development potential of the country, perceived advantages and disadvantages of industrialization and industrial sectors that are perceived as more relevant to East Timor.

**Keywords:** East Timor, Industrial Development, Attitudes, Survey.

Topic: INNOVATION, MANAGEMENT AND TECHNOLOGY

Stream: TECHNOLOGY AND INNOVATION