

CONSTRAINTS AND CHOICES: EAST TIMOR AS A FOREIGN POLICY ACTOR

ANTHONY L. SMITH
Asia Pacific Center for Security Studies

Many who championed East Timor's cause during its occupation by Indonesia from 1975 to 1999 have expressed surprise that East Timor's post-independence foreign policy has not exactly been what they expected. The *Green Left Weekly* lamented this trend in 2001 by running an article entitled "East Timor: Foreign policy heads west" in which the author accused East Timor's leadership of engaging in a policy that "will whitewash the past betrayals" of the United States, Australia and others.² With East Timor's decision to assist Indonesia in undermining United Nations (UN) attempts to secure trials for the 1999 violence in East Timor, for other commentators, this represented an alignment with Jakarta.³ Indeed East Timor has taken great care to both garner the support of western nations, particularly Australia which has agreed to underpin its security policy, and placate Indonesia, on which East Timor's long-term future lies.

Although there is a debate in the literature on what constitutes a small state, there can be no doubt that East Timor, with just 920,000 people, fits the

¹ The views expressed in this article are those of the author and do not reflect the official policy or position of the Asia-Pacific Center for Security Studies, U.S. Pacific Command, the U.S. Department of Defense, or the U.S. government. The author would like to thank Dr David Capie, Victoria University of Wellington, and Dr Ian Storey, Asia-Pacific Center for Security Studies, for helpful suggestions on this paper. Author's Note: In this essay I use "East Timor" because it is still largely used in English language publications and is a direct translation of the truncated version of that country's official name in Portuguese, "Timor-Leste" (República Democrática de Timor-Leste). The term "militia" is also used throughout as shorthand, in keeping with the usage in East Timor, specifically for pro-Indonesian paramilitary groups.

² Jon Land, "East Timor: Foreign policy heads west", *Green Left Weekly*, Issue no. 435, 7 February 2001.

³ See, for example, Sian Powell, "Ramos Horta aligns with Jakarta", *The Australian*, 18 August 2004.

bill.⁴ In fact East Timor is simultaneously a small, weak and new state. Maurice East's classic study on small state behaviour concluded that small states often engage in a higher level of intensity in aspects of foreign policy behaviour because their decision-making processes are not based on the same resource bases as large states.⁵ Small states therefore, in this view, engage in intensive bursts of crisis management rather than long-term strategy. While East Timor's foreign policy focus has become narrow, as East predicts, East Timor has constructed a deliberate long-term strategy to cope with its large neighbour to the west, Indonesia, precisely to avoid sudden flare-ups that would require foreign policy intensity. Numerous other studies note the lack of resources in small and weak states; with the lack of military capacity undermining their ability to defend themselves militarily. According to a study by the Commonwealth Secretariat, this lack of wherewithal leads to three outcomes for small states: (1) neutrality; (2) alliance with a greater power; or (3) an emphasis on collective security.⁶ East Timor has attempted to pursue elements of all of these strategies, as this essay will show, without actually forging a formal alliance with Australia, its most important military backer. In addition East Timor has decided to develop an indigenous (albeit nascent) capacity to defend itself from a possible attack.

The constraints on East Timor remain considerable. East Timor is one of the poorest countries in the world, which has serious ramifications for the conduct of external relations. Per capita GDP is generally estimated at less than U.S.\$500, with over 40 % of the population below the poverty line. Aid to East Timor is around U.S.\$150 million a year. Officially East Timor aims to end its aid dependency in 2007, but development assistance will almost certainly be a feature of the economy for some time to come. East Timor's U.S.\$80 million annual budget is heavily subsidised by the aid donor community, principally Japan, Portugal and Australia. The country's only export is coffee, and it has pinned its hopes for a degree of economic self-sufficiency on gas and oil extraction from the Timor Gap.

A number of studies have emerged on East Timor's development of its defence sector, usually to comment on the poor state of affairs East Timor is in, but this study considers this issue in conjunction with East Timor's foreign and defence policy formation.⁷ What distinguishes this particular account is the

⁴ A 2004 census that was tallied in September revealed that East Timor's population was considerably larger than earlier estimates of 800,000. One of the factors in this is that East Timor's birth rate is amongst the highest in the world. East Timor will surpass the one million mark during 2005.

⁵ Maurice A. East, "Size and Foreign Policy Behavior: A Test of Two Models," *World Politics*, vol. XXV, no. 4, July 1973.

⁶ Dame Eugenia Charles et. al., *A Future for Small States: Overcoming Vulnerability*, Commonwealth Secretariat, September 1997, p. 12.

⁷ See, for example, Desmond Ball, "The Defence of East Timor: A Recipe for Disaster?" , *Pacifica Review: Peace, Security and Global Change*, vol. 14, no. 3, October 2002, pp. 175-189. See also the Australian Strategic Policy Institute's (ASPI) report *New Neighbour, New Challenge: Australia and the Security of East Timor*, May 2002. The ASPI report was prepared by Elsinia Wainwright with contributions from Alan Dupont, James J. Fox, Ross

consideration of East Timor as an actor, and its tactics and strategies to enhance its chances of survival. Senior Minister and Minister for Foreign Affairs, José Ramos Horta, has characterised his country's defence and foreign policy as being based on the need "to consolidate and maintain good relations with Indonesia and Australia".⁸ East Timor's leaders have attempted, since 1999, to engage a large number of countries and international organisations, but East Timor's core security question revolves around its relations with its two large neighbours, Australia and Indonesia – for whom East Timor itself has been, and retains the potential to remain, a diplomatic problem. East Timor's decision makers are not passive in the dynamic between Australia and Indonesia that involves them at its core. In fact, East Timor has a two-pronged policy to protect itself. East Timor is mindful of retaining Australian support for its security while working studiously to avoid antagonising Indonesia.

Foreign Policy and Indonesia

In January 1999, when Indonesia President, B.J. Habibie, announced that East Timor would hold a referendum, members of his inner circle had already considered the foreign policy implications of an independent East Timor. Indonesian leaders indicated publicly and privately to East Timor's independence leaders that any future independence should not involve East Timor becoming a "Trojan horse" for external powers.⁹ Indeed, a perception that East Timor might become a "Cuba" of the South Pacific, potentially even involving external communist powers, was a major impetus for Indonesia's invasion of East Timor in 1975. Decades later, the fear of East Timor as a possible launching pad for extra-regional powers has not entirely subsided among Jakarta's foreign policy making elite. With East Timorese opting for independence in the 30 August 1999 referendum, East Timor's new leadership was quick to try to allay Jakarta's fears. Key independence leaders, who later assumed positions of authority within the East Timorese state, such as Xanana Gusmão, José Ramos Horta, Marí Alkatiri, began to talk of joining the Association of Southeast Asian Nations (ASEAN), and declared that East Timor's future lay with Southeast Asia.¹⁰ A pre-independence plan by East

Thomas and Hugh White. As the title suggests, this report considers Australia's interests with regards to East Timor.

⁸ Ramos Horta, "An East Timorese Perspective" in *New Neighbour, New Challenge: Australia and the Security of East Timor*, May 2002, p. 19.

⁹ This phrase was used by Dewi Fortuna Anwar, then Senior Advisor to the President, in an interview with the author (Jakarta, February 1999).

¹⁰ A brief summary of East Timor's political structure and dynamics helps us further understand the nature of foreign policy formation. East Timor has a semi-presidential model of government, like Portugal and Mozambique, which means that the executive (prime minister and cabinet) are drawn from parliament while the presidency exercises some independent powers over, *inter alia*, the approval of legislation and supply. The ruling party is Fretilin (*Frente Revolucionária do Timor-Leste Independente*), the historic party of East

Timor's exile leadership to join the Pacific Islands Forum (PIF) was quietly dropped (although East Timor is an observer at the PIF), when existing ASEAN members made it clear that East Timor would have to choose between these regional organisations.¹¹

With the passage of time, and the move to full independence in 2002, the goal of joining ASEAN has not subsided. Ramos Horta has stated that "gaining membership of ASEAN will be the primary foreign policy goal of the future government in East Timor", although East Timor has been content to pursue Observer Status with the group as an interim measure.¹² Delegations from East Timor have been present at a number of ASEAN meetings. East Timor has also endeavoured to join the ASEAN Regional Forum (ARF). In 2003 Díli was blocked when India used a technicality to argue against new members coming in (Pakistan was also attempting to join), and in 2004 East Timor was disappointed again as the 23-member grouping decided that it would only admit one new entrant at a time (Pakistan was successful this time). East Timor will try again at the forum meeting in Laos in June 2006. Full membership of ASEAN, however, remains opposed by some existing member-states. This notwithstanding, East Timor's association with ASEAN makes sense for a number of reasons. First of all, joining ASEAN, and signing a number of its agreements, would do much to assure Indonesia that East Timor is not in fact a "Trojan horse". East Timor's desire to join is the strongest signal that the world's newest country is interested in following ASEAN's norms, in particular the organisation's long-term strategy of discouraging great power competition in the region. Second, membership of ASEAN would greatly shore up East Timor's security as one ASEAN country could not invade another without risking the demise of the organisation itself. And, third, as Soares and da Costa note, joining ASEAN also has a strong economic rationale, and would "connect ... [East Timor]

Timor's independence cause, which currently has a large majority in parliament and provides the Prime Minister, Marí Alkatiri, and much of the cabinet. José Ramos Horta, as the Minister of Foreign Affairs, has no party affiliation but is a former member of Fretilin. He usually represents the government view, but occasionally speaks in a personal capacity on views that differ from that of the Alkatiri government. Xanana Gusmão, the former resistance hero, holds the office of president, and he too has no party affiliation. Gusmão has a difficult relationship with the Alkatiri administration, of which he often makes thinly veiled criticisms, but usually functions in accordance with East Timor's general foreign policy framework, particularly in his official role as the Head of State. For more detailed analyses of East Timor's elections and general political dynamics, see Dennis Shoesmith, "Timor-Leste: Divided Leadership in a Semi-Presidential System", *Asian Survey*, vol. XLIII, no. 2, March/April 2003, pp. 231-252; Dwight Y. King, "East Timor's Founding Elections and Emerging Party System", *Asian Survey*, vol. XLIII, no. 5, September/October 2003, pp. 745-757; and Anthony L. Smith, "East Timor: Elections in the World's Newest Nation", *Journal of Democracy*, vol. 15, no. 2, April 2004, pp. 145-159.

¹¹ Dionisio Babo Soares and Helder da Costa, "Timor-Leste Facing Regional Dilemma", *Timor Post*, 3 February 2003.

¹² José Ramos Horta, "East Timor and the Region", *Trends in Southeast Asia*, Singapore: Institute of Southeast Asian Studies, January 2001 (www.iseas.edu.sg/trendsback.html).

commercially to several strong, outward-looking economies, from which it could also learn much in the area of development policy and practice”.¹³

East Timor has been able to establish relations with all the ASEAN countries, except Burma.¹⁴ But how East Timor might fit in with ASEAN is another question. Singapore has expressed doubts that East Timor could cope with ASEAN’s attempts at integration. There is also doubt as to whether East Timor has enough qualified diplomatic and bureaucratic staff to attend more than three hundred ASEAN meetings per annum. East Timor’s government also holds views that more authoritarian ASEAN members might find at odds with their own insistence on a narrower version of non-interference.¹⁵ For Burma, East Timor’s human rights activism, particularly with reference to Aung San Suu Kyi, is a substantial problem. Xanana Gusmão has stated that East Timor’s “solidarity” lies with Aung San Suu Kyi, whom Gusmão views as Burma’s rightful leader.¹⁶ Ongoing criticism from East Timor’s leaders has further antagonised Burma’s military junta in the intervening years.¹⁷ It is also clear that a number of East Timorese leaders are not averse to the idea of humanitarian intervention, perhaps not surprising given the manner in which East Timor became independent. But this view is something that will not sit well with a number of ASEAN members with highly conservative views on sovereignty. The very pro-American Ramos Horta,¹⁸ for example, wrote an op-ed article in the *New York Times* in which he directly compared the cases of East Timor and Iraq, spoke of the losses his own family had suffered, and argued that Iraq was as deserving of liberation as East Timor was.¹⁹ In short, he supported the Bush Administration’s decision to go to war in Iraq without a UN resolution. In January 2004 Ramos Horta defended US actions in Iraq, saying that the absence of a WMD threat was “irrelevant” given that the Saddam Hussein regime was guilty of human rights atrocities which the UN had failed to address. He added further that: “The UN does not ensure global

¹³ Dionisio Babo Soares and Helder da Costa, “Timor-Leste Facing Regional Dilemma”, *Timor Post*, 3 February 2003.

¹⁴ See “An Interview with José Ramos Horta”, *Irrawaddy*, 6 February 2004.

¹⁵ P.J. Boyce, in his study of post-colonial societies, argues that new states have traditionally engaged in a degree of foreign policy activism. (P.J. Boyce, *Foreign Affairs for New States: A Question of Credentials*, Queensland: University of Queensland, 1977). This tendency can be detected with East Timor too, however, it has its human rights activism has its limits with regards to Indonesia.

¹⁶ “Xanana declares solidarity with Aung San Suu Kyi”, [translated from Indonesian], *Suara Timor Lorosae*, 21 June 2001.

¹⁷ In a speech that Alkatiri’s gave to the UN he appealed for the release of Suu Kyi and other detained and urged political transition to democracy. “Prime Minister Dr. Mari Alkatiri Addresses the General Assembly in New York on 29th September 2003”, Ministry of Foreign Affairs and Cooperation, Timor-Leste, www.mfac.gov.tp/media/spc030929.html.

¹⁸ At the 2003 Non-Aligned Movement Summit in Kuala Lumpur, Ramos Horta proved to be a loyal friend to the United States, and condemned opposition to looming war in Iraq as “illogical anti-Americanism”.

¹⁹ “War for Peace? It Worked in My Country”, *New York Times*, 25 February 2003. (The article also upset a number of pro-East Timor activists, some of whom wrote heated responses and circulated petitions. They saw the “invasion” of Iraq in very different terms.)

peace. America is the only provider of peace in the world.”²⁰ Although the earlier *New York Times* article did not make this clear at the time, the article was penned in Ramos Horta’s personal capacity – and as it happens did not speak for the East Timorese government which did not support the US intervention. Nonetheless, ASEAN members will be aware from this and other episodes that in many respects East Timor’s current leadership may often forge a foreign policy that can mirror that of western countries in respect to intervention and human rights issues. For example, East Timor officially backed the US invasion of Afghanistan in contrast to the criticisms of Indonesia and Malaysia. (Gusmão actually registered his own opposition to war in Afghanistan, but this was not his government’s position.)

This foreign policy inclination, reinforced by the presence of returning leaders from Australia and the lusophone world, is notable by its absence in respect to Indonesia. There East Timor treads carefully. The reality of East Timor’s geography means that is destined to have to act with Jakarta’s views firmly in mind. Good relations with Indonesia remain crucial for East Timor, including sealane transport, cross border trade (especially in food and petrol/oil), access to the Oecussi enclave inside West Timor, movement of people, and general territorial security. This is complicated by the facts of history, and much remains to be resolved between the two countries. To make matters worse, Indonesian elites and masses alike still fail to understand what transpired in East Timor, often blaming Australian meddling for East Timor’s departure or the East Timorese as ungrateful recipients of Jakarta’s largesse. Habibie, while president, once characterised Indonesia’s annexation as an “act of charity” – words that might fly in the face of the experience of most East Timorese. But in the interests of state survival, East Timor’s leaders have opted to normalise ties with Indonesia, despite ongoing difficulties as well as ignoring the burden of history.²¹ An examination of aspects of the relationship demonstrates this point.

First, East Timor has reassured Indonesia that it will not put pressure on Jakarta for human rights trials of those implicated in the 1999 violence. This has been interpreted by some international commentators as a sign of East Timor’s magnanimous attitude towards Indonesia, and therefore something to be emulated. The reality is that while all evidence points to the fact that President Gusmão seems to genuinely want the issue dropped for reasons of “forgiveness”, other leaders have a far more pragmatic approach. Only Gusmão seems against the idea that other countries might pick up the issue – an issue that it would be unwise for East Timor to venture into.

More than 250 people have been indicted by East Timor’s courts, including Indonesia’s General Wiranto, but there are limits to how far this can go. In February 2003, Gusmão said of the indictment against Wiranto from the UN-backed Serious Crimes Unit (SCU): “They did not inform me, it’s not East Timor policy. It’s a mistake, we don’t plan it. I regret [the indictment]

²⁰ “US is the only guardian of world peace, says FM Ramos Horta”, *Lusa*, 6 January 2004.

²¹ “The burden of history” is a phrase I borrow from descriptions of Japan’s often terse relations with its near neighbours over its own wartime past.

but I could not simply ask prosecutors to drop their charges as General Prosecutors Office is an independent institution.”²² In May 2004 the SCU actually issued an arrest warrant for Wiranto, but Indonesia’s Department of Foreign Affairs noted on this occasion that the warrant had not been conveyed to them via official channels.²³ East Timor’s political leaders argue that they cannot interfere in their own judiciary, in accordance with their own constitution, but equally give assurances to Indonesia that they will not seek to enforce it – which would be impossible any way. The well known Indonesian human rights group, TAPOL, accused Gusmão of “playing a dangerous game” and potentially interfering in Indonesian politics after the President met with Wiranto for a private meeting in June 2004.²⁴ East Timor’s Prime Minister, Alkatiri, publicly supported Gusmão’s right to meet with Wiranto in a private capacity, but the truth remains that such a visit fits with East Timor’s foreign policy approach of forgetting the past.

Indonesia’s own trials – known as the Ad Hoc Trials – have been roundly seen as farcical by many, including the U.S. State Department, which on the occasion of an acquittal of four Indonesian officers on appeal in August 2004 responded with the comment: “We are dismayed by this decision, and we are profoundly disappointed with the performance of the Indonesian court.”²⁵ The United States has now asked the UN to demand Indonesia’s accountability in the East Timor case. One civilian and four Indonesian officers were found guilty and sentenced to light jail terms but have been freed on appeal. None were charged with the organisation of militia violence, instead being tried on the lesser charge of failing to prevent the violence. Major General Adam Damiri also failed to appear on four occasions to the court trials arguing that he was preoccupied with the ongoing military operation in Aceh. East Timorese government leaders have not protested the outcome of these proceedings in any way. This has not always played well with East Timor’s parliamentary opposition parties, although Ramos Horta argues that these minor parties could undermine East Timor’s security should

²² Xanana regrets E. Timor indictment against Wiranto”, *Jakarta Post*, 28 February 2003. The SCU released a further report in April 2004, which blamed Wiranto and his subordinates for the 1999 violence. The report included testimony from Ian Martin, the UNAMET Mission chief, quoting Wiranto as saying that if the Falintil surrendered their weapons then he could guarantee that the militia would be disarmed in two days. The implication is obvious, that Wiranto believed he could disarm the militias any time he wanted.

²³ “Indonesia, Timor Leste agree to settle past problems”, *Antara*, 16 May 2004.

²⁴ TAPOL statement, June 2004 cited in *Suara Timor Lorosae*, 3 June 2004. (The original TAPOL could not be located, and this statement is sourced from www.asia-pacific-action.org/southeastasia/easttimor/netnews/2004/end_06v3.htm.)

²⁵ State Department Press Release cited in “East Timor: Washington ‘dismayed’ at reversing of war crimes convictions”, *Lusa*, 10 August 2004. The Bush Administration, in a point of departure from the Clinton Administration, has for a long time attempted to restore military-to-military relations. In the post-tsunami environment this has now been achieved. However, US criticism of Indonesia’s failure to address war crimes in East Timor has remained a constant through both administrations.

they ever be in a position to take a more hardline stance on Indonesia.²⁶ In June 2003 Alkatiri and five cabinet ministers, including Ramos Horta, visited Indonesia in his first official visit to Indonesia since East Timor's independence. Alkatiri appeared to speak off-the-cuff when he advocated an international tribunal for the 1999 violence just prior to his visit.²⁷ The Indonesian Department of Foreign Affairs protested these remarks and argued that they seemed contrary to the East Timor government's official position. Alkatiri, who had probably exposed his true feelings, promised not to raise the issue again. This incident is also revealing of Indonesia's sensitivity to East Timor's position on the issue.

With the issue of atrocities in East Timor still hanging over Indonesia, given pressure from the international community, East Timor has proved useful to Indonesia. In August 2004, Ramos Horta not only reiterated official opposition to UN trials for the 1999 violence but stated that the two countries involved would jointly decide on what course of action would be taken. What emerged by late 2004 was that Díli and Jakarta had decided to push for a South African-style "truth and reconciliation commission" over and above court trials. During Gusmão's December 2004 visit to Indonesia's President, Susilo Bambang Yudhoyono, this appeared to be the main topic of discussion. A formal decision was announced in March 2005, with Gusmão adding: "We are not looking for defendants. We are looking for truth."²⁸

Second, as well as avoiding open comment on Indonesia's judicial process with regards to war crimes in East Timor, Díli has avoided any negative commentary on other aspects of Indonesia's domestic situation. A large number of activists who supported East Timor have turned their attention to the situation in Papua, but to their open dismay, East Timor has not supported other independence causes inside Indonesia. Ramos Horta said of Papua and Aceh that while Indonesia should look carefully at the causes of discontent, and consider strengthening autonomy provisions, he has consistently ruled out any support for other independence causes. East Timorese leaders usually argue that Aceh and Papua do not have East Timor's separate legal status and therefore no legitimate claim to statehood. The Foreign Minister has also added, "we must also say that we cannot as a small nation in the making go around and endorse every secession claim in the region or anywhere in the world."²⁹ This remark is perhaps more candid about the nature of East Timor's vulnerable position, and one can infer that Ramos Horta is principally thinking of Indonesia. Knowledge that Indonesia

²⁶ For example, Jacob Fernandes, a deputy speaker of parliament, roundly criticised the Indonesian court system in August 2004 at the time of the acquittals, and suggested that Indonesia was incapable of delivering justice. "E. Timor official calls for international tribunal after Indonesian acquittals", *AFP*, 13 August 2004.

²⁷ See Paulo Gorjão, "Is East Timor's Alkatiri a leader or follower?", *Jakarta Post*, 23 June 2003.

²⁸ "Indonesia and Timor-Leste seal deal on atrocities", *AFP*, 9 March 2005 cited in UNMISSET Daily Press Review.

²⁹ Radio New Zealand International, 7 June 2001 cited in "Timor's Ramos Horta says unable to back Irian Jaya secession claim", *BBC Monitoring Service*, 7 June, 2001.

will not abide any latent or tacit support for independence movements, an issue that Jakarta is obsessive about, is a powerful imperative for East Timor to support Indonesia's territorial integrity regardless of the private opinions of key East Timorese decision makers.

Third, East Timor has carefully managed its relationship with Indonesian presidents and other members of the elite. Díli has taken great care to reassure the various presidents who have held office of East Timor's desire for close ties. On 23 July 2001, Gusmão and Ramos Horta issued a joint statement of congratulations to Megawati as the then new president of Indonesia, but made special reference (including in the title of the communiqué) to the outgoing Abdurrahman Wahid as a "good friend".³⁰ Although this statement also referred to Megawati as a "friend" of East Timor, there must have been a question mark over her views on the territory. Despite some in the western press mistaking Megawati for an Indonesian Aung San Suu Kyi, while opposition leader she had opposed the referendum in East Timor. Upon assuming the vice presidency Megawati had consistently refused to meet with East Timorese leaders or associated UN personnel. Her first reference to East Timor's sovereignty was on Indonesian Independence Day (16 August 2001), ending several weeks of speculation that she may not recognise the fledgling state. She did subsequently receive East Timorese leaders. In 2004 a message of congratulations from East Timor was also offered to President Susilo Bambang Yudhoyono on his electoral success.³¹ More importantly in this case East Timor refused to participate in a debate over the controversial nomination by the Golkar Party of former General Wiranto, who presided over the Indonesian military during 1999 when much of East Timor was destroyed. The prospect of Wiranto becoming president cannot have been appealing to many in East Timor, but East Timor's government deemed it unwise to comment on Indonesia's election process. In fact, Díli gave every indication that it would work with Wiranto if he were elected president.³²

Fourth, East Timor has been, at times, an advocate for Indonesia on the world stage. East Timor's leaders have argued that Indonesia is entitled to a permanent seat on the UN Security Council, alongside other regional powers like India, Brazil and Japan.³³ Those same leaders have also advocated greater western assistance to Indonesia, including debt right-offs. This line also serves

³⁰ Wahid was indeed a good friend to East Timor. His visit to East Timor during his presidency was a great success, particularly given the conciliatory tone of his remarks on that occasion. It may have helped that Wahid's own daughter was present in East Timor as a reporter during the 1999 ballot and witnessed the intimidation of pro-Indonesian militia groups firsthand. However, Wahid was unable to smooth over a number of outstanding issues between the two countries.

³¹ "Ramos Horta expects Susilo to strengthen RI-Timor ties", *Jakarta Post*, 24 September 2004.

³² "East Timor will work with Wiranto if he wins presidency: Sword-Gusmao", *Agence France Presse*, 26 April 2004.

³³ "Former occupier Indonesia should get UN Security Council seat: East Timor", *Agence France Presse*, 6 January 2004.

the purpose, as Gusmão articulates it, of underpinning Indonesia's stability thereby making for a more peaceful and prosperous neighbour.³⁴ More controversially, East Timor's leaders have argued that the US should resume military-to-military ties (which were partially restored in March 2005). Given that these ties were severed in the first place because of violence in East Timor in 1999 – although other human rights incidents have held up the resumption of military ties since then – East Timor's own disavowal of the ban undermined one of the initial reasons for it. East Timor also ensured that it made a contribution of U.S.\$60,000 to international tsunami relief in Indonesia (U.S.\$50,000 for Aceh and U.S.\$10,000 for Alor). For East Timor, as dependent on aid as it is, the money carries great symbolic value, even if it did stir up domestic controversy and was opposed by members of the parliamentary opposition, who argued the poor of East Timor were equally deserving.

Fifth, East Timor has shown a desire to avoid territorial squabbles with Indonesia. The demarcation of the border between the eastern and western halves of the Timor island is still being finalised, although roughly 90% of the border has been delineated. A minor territorial disagreement did emerge between East Timor and Indonesia over a claim to Batek island (or Fatu Sinai as it is known in East Timor) which is currently part of Indonesia's Kupang regency. Batek is also situated near the East Timorese district of Oecussi, and used by fishermen from both countries. In January 2004 the Indonesian airforce pounded the uninhabited island – which is slightly larger than a football field – to demonstrate their country's sovereignty. At the time the government of East Timor objected to this military exercise, drawing a sharp counter-response from senior Indonesian military (TNI) officers.³⁵ In February 2004 Indonesia's military commander in West Timor, Major General Supiadin, announced that he was considering a permanent troop presence on the island, a move that Marí Alkatiri, told a Portuguese newspaper was a "provocation".³⁶ Indonesia's sensitivity over this piece of territory was best explained by a regional military commander, Colonel Moesanip, who stated, in reference to Malaysia's acquisition of two disputed islands at the international court: "We don't want to see Batek island or any other island in East Nusatenggara meet the same fate as Sipadan and Ligitan which were lost to another country."³⁷ The loss of these two islands caused Megawati to issue an order to her armed forces to protest remote and disputed islands across the archipelago. In August 2004 East Timor, after apparently reviewing maps and other documents, acknowledged Indonesian sovereignty over Pulau Batek, and the case was closed.

³⁴ "East Timor: Gusmão says debt relief to Jakarta would aid Indonesian democracy", *Lusa*, 17 June 2003.

³⁵ Yemeris Fointuna, "TNI pooh-poohs East Timor war games fears", *Jakarta Post*, 16 January 2004.

³⁶ *Lusa*, 18 February 2004.

³⁷ "Indon Army yet to Station Troops on Batek Island", *Antara*, 20 January 2004.

Sixth, East Timor has entertained discussions on Indonesia's claims to its former assets in the territory. This remains both a prominent issue on the table between Indonesia and East Timor, and a particularly perplexing issue as there were some 10,000 individual Indonesian property assets in East Timor prior to independence. There are three categories of assets to be considered: government, business (including state-owned enterprises and private businesses) and private. Discussions on this issue occur at the Joint Ministerial Committee (JMC) between the two countries. The East Timorese government's decision to at least discuss the issue of assets with Indonesia has provoked considerable protest within East Timor's parliament and society at large. Some parliamentarians put forward the formidable point that the illegality of Indonesia's invasion nullifies any right that Jakarta has to claim buildings and infrastructure. East Timor's position as one of the world's poorest countries further complicates resolution of this issue in Indonesia's favour, yet East Timor's government still treads carefully.

Despite East Timor's assurances and negotiations of various kinds, Indonesia continues to engage in actions that have proved unsettling to the tiny state. When Megawati made her inaugural visit to East Timor as President (she had been there once before as an opposition leader) on 20 May 2002, this was opposed by Indonesia's most senior parliamentary leaders – a point that cannot have been lost on East Timor's leadership. When Megawati persisted with the one hour visit to Díli the TNI placed on standby a force of 2,000 troops, six warships, amphibious tanks and jet fighters at West Timor's provincial capital, Kupang, so that, in the words of one Indonesian officer, "Not even an ant will touch her".³⁸ The Indonesian military's wish to send a clear signal to the territory caused great alarm within East Timor. Another signal to East Timor was Indonesia's nomination in July 2004 of a former National Intelligence Agency (BIN) officer, Ahmed Bey Sofwan, as its ambassador in Díli. Given the role that BIN has played in East Timor's tragic past, this was a provocative step. But as expected Ahmed was welcomed by East Timor's government.

Australia and the Timor Gap

While Indonesia remains most important from East Timor's conception of maintaining security, Australia is critical in another sense. Australian resources and military-to-military aid have been instrumental in underwriting the economic development and defence of the new state. It is evident that East Timor does not perceive Australia as a security threat, even if impressions of Australia as a bully now abound. In an article entitled "Aussie go home" (18 August 2004) the Australian news magazine *The Bulletin* noted the rising anti-Australian sentiment in East Timor and quoted an unnamed Australian

³⁸ Comments by Colonel Muswarno Musanip in "Jet fighters, warship to accompany Megawati to East Timor", *Agence France Presse*, 17 May 2002.

businessman as saying that if statues of Australian Prime Minister John Howard and Habibie were erected in Díli, that Habibie's would last longer. Much of this relates to Australia's hardball tactics in the convoluted negotiations over oil and gas reserves in the Timor Gap. President Gusmão has argued that Australia is "stealing" East Timorese oil, already pocketing US\$1 billion from oil extraction.³⁹ Opposition parties are demanding that East Timor take Australia to the International Court of Justice (ICJ).

On this issue, East Timor finds its position weak. It is unlikely that the government will seek recourse through the ICJ, despite the resources that are at stake. East Timor hopes that the development of oil and gas reserves will underpin its long-term economic development. East Timor and Australia have engaged in lengthy negotiations over the resources in the Timor Gap. The Zone of Cooperation (ZOC) Treaty signed between Australia and Indonesia gave Australia a favourable deal, with 50:50 shares of Zone A within the Timor Gap, and the UN assumed Indonesia's treaty obligations as a stop-gap measure after 1999. After East Timor's independence this arrangement was replaced by the Timor Sea Treaty from 2 April 2003. Under this arrangement East Timor was supposed to take 90% of the revenue from the old Zone A, now called the Joint Petroleum Development Area (JPDA), while the two adjacent zones became the exclusive preserve of the respective signing parties. The main commercially tenable fields are Elang-Kakatua-Kakatua North (EKKN), Bayu-Undan and the Greater Sunrise. (Other large fields are located in the Timor Sea, but have not yet been developed.) The smallest of these, EKKN, is the only field in production, with around 14,000 barrels of oil a day. EKKN and the Bayu-Undan fields fall within the JPDA, while the Greater Sunrise field straddles the JPDA and the seabed claimed by Australia. East Timor and Australia have settled on an interim formula whereby the revenues are split 18/82 – subject to the resolution of the seabed boundary. In April 2005 the two countries settled the process by agreeing that East Timor would receive U.S.3.9 billion in oil and gas revenues (subject in international prices) in return for an agreement to shelve boundary claims. However, East Timor still does not accept Australia's claim to a continental shelf and argues that the field should fall within their jurisdiction. East Timor is instead arguing for a boundary that is equidistant between the two countries.

Australia has proved tough in the negotiating room, simply refusing to move on the issue, which has frustrated East Timor's wish for a speedy resolution. Ramos Horta has accused Australia in the past of delaying these talks so that they could exploit the lucrative Buffalo, Laminaria and Coralina oil fields, which lie within East Timor's claims. Australia had indicated that this issue would take many years to resolve. And the potential resources involved are considerable relative to East Timor's budget. Greater Sunrise could bring in \$7 billion over the next two decades, most of which is to accrue to Australia under current arrangements, while Laminaria and Corralina have

³⁹ "Why is Australia stealing Timor oil, asks Xanana", *Timor Post*, 7 April 2004 (from a press summary sourced from www.etan.org/et2004/april/08-14/07localm.htm.)

returned over \$1 billion in revenues since 1999. While East Timor recognises its weakness, its leaders have engaged in a war of words with Australia. Gusmão has spoken of an “unequal relationship”, and likened the stakes surrounding the negotiations for the Timor Gap as akin to the independence struggle itself.⁴⁰ Furthermore, Australian Foreign Minister, Alexander Downer, has criticised East Timor’s leaders for appealing directly to the Australian public: “The tactic here is to try to create public controversy in Australia by a lot of emotive criticism of Australia.”⁴¹ The Australian government realises that it does not have a lot of sympathy from its own public on the issue. One poll revealed that 77% of Australians wanted the ICJ to determine the sea boundary.⁴²

East Timor’s claim may be more in line with the established principles of the Law of the Sea, but that country’s reliance on Australia’s military and financial aid limits East Timor’s bargaining position. It has forced East Timor to accept an additional payment and shelve its seabed claim.

Other Relationships

East Timor’s foreign policy goes beyond considerations of Indonesia and Australia, and the new state has been very active in forging new bilateral and multilateral relationships. Despite obvious resource limitations, East Timor has proved an enthusiastic joiner of international and regional organisations. East Timor has joined the UN as a full member, as well as a number of UN organs and groups like the G-77 (developing nations). East Timor’s foreign minister even expressed an interest at one point of the predominately Catholic nation joining the Organization of Islamic Conference (largely because some existing members like Algeria were strong supporters of East Timor’s independence), while Alkatiri has floated the idea that East Timor might pursue membership of the Commonwealth (like Mozambique did). East Timor has also ratified an array of international conventions on human rights, weapons of mass destruction and landmines. East Timor’s diplomatic corps will remain very small, with posts in key capitals like Canberra, Jakarta, Lisbon, Washington and now Maputo (to be headed by Alkatiri’s own wife) and Bangkok. Ties of empire and sentiment also play a role for East Timor, with substantial links to Portuguese speaking nations, particularly Portugal and Mozambique. In June 2004, Gusmão visited Mozambique for an ACP (Africa, Caribbean, Pacific) summit meeting as part of a tour of all of Africa’s five Portuguese speaking countries. For a small nation of less than one million people, East Timor remains determined play a role in global affairs, albeit it a modest one. In addition this the international prestige of key East Timorese leaders, notably

⁴⁰ “Gusmão compares Canberra oil dispute to independence struggle”, *Lusa*, 22 April 2004.

⁴¹ “East Timor trying to win sympathy over oil claims: Australian FM”, *AFP*, 25 April 2004.

⁴² Newspan survey cited in Karen Michelmores, “Most Australians support ICJ determining Timor boundary: poll”, *AAP*, 7 October 2004.

Gusmão and Ramos Horta, gives East Timor a greater profile on the world stage than it would not otherwise have.

Keeping the Peace

East Timor's status as a small and vulnerable nation/state has caused it to carefully manage its diplomatic relations with larger neighbours Indonesia and Australia. But this is not East Timor's only survival strategy even if foreign policy approaches might be considered as the first line of defence. East Timor has also decided to develop armed forces alongside the police, reversing a pre-independence platform by the exile leadership of opting only for a *gendarmerie* – like that of Costa Rica. Once again the East Timorese leadership have reconsidered this in the light of considerations of external threats.

In the immediate aftermath of the 1999 referendum, much of East Timor was destroyed by rampaging pro-Indonesia militia groups. According to UN estimates, the militias destroyed nearly 70% of the country's infrastructure, force around 250,000 people into neighbouring West Timor, and execute a large number of independence supporters. This destruction was the catalyst for the Australian-led INTERFET (International Force East Timor) intervention in late September 1999, and militia activity in the border regions has remained a rationale for the retention of international forces in the territory. The Peacekeeping Operation (PKO), later transferred to UNTAET and then United Nations Mission of Support in East Timor (UNMISSET) after East Timor's independence, peaked at around 8,000 troops, with Australian and New Zealand troops, patrolling the border. It was established for a year in May 2002, and from 20 May 2003 it was renewed for a further year. It was extended again in 2004 after lobbying from various interested countries and the UN Secretary General, Kofi Annan. The mission initially included 1,250 police officers, 5,000 soldiers and almost 2,000 civilians in various capacities within UNMISSET and the East Timor bureaucracy. On renewal of the agreement in May 2004, the force was reduced to 310 troops and supplemented by 58 civilian advisers, 157 police advisers, 42 military liaison officers and a 125 police International Response Unit. This Mandate was extended again in November 2004 for a "final six months". The UN Mandate comes up again for possible renewal again in mid-2005, and the government of East Timor is lobbying vigorously to get yet another one year extension. East Timor's government has consistently demonstrated a desire to maintain a UN presence for as long as possible for security and economic reasons. East Timor is supported by Kofi Annan, but both the United States (a Security Council member with veto power) and Australia want to wind the operation up when it expires in May 2005.

Australian troops have remained at a steady 25% of UN forces, including troops on the difficult border regions (along with New Zealand). Australia made it clear during 2003, when discussions occurred on East

Timor's security post-UN mandate in the territory, that it would make provisions to ensure that East Timor remained defended. John Howard acknowledged in mid 2003 that Australian troops may be in East Timor for some time: "Having invested so much into helping the people of East Timor we don't want to pull out prematurely so that the country then comes under unacceptable strain and perhaps collapses."⁴³ The Australian government has also made it plain that once UN forces are withdrawn that Australia will at the very least leave behind advisers to assist with the training of security personnel. Australia's underwriting of East Timor's security helps partly to explain why Ramos Horta compares the relationship to that of a "husband and wife", despite the heat of the Timor gap negotiations.

Nonetheless, East Timor officials stress that the usefulness of Australia's military presence and military-assistance is problematic from the point of view of assuring Indonesia that East Timor will not become an offshore base for an outside power. Hadi Soesastro, a well-known Indonesia academic and commentator, has written that the development of a formal defence relationship between Australia and East Timor "is likely to arouse negative reactions in Indonesia".⁴⁴ Soesastro goes on to note that the US-Singapore relationship – which is close but has no formal pact – provides a model for the relationship. East Timor's strategy, accordingly, has been to delay the end of the UN mandate, and its peacekeeping force components, as long as possible in order to subsume the Australian presence into an international effort.⁴⁵ The end of the UN mandate will pose a real dilemma for East Timor, namely how to allow Australia to underwrite its security while reassuring Indonesia at the same time. One strategy will remain constant: East Timor will not seek a formal military pact with Australia.

East Timor Seeks a Military Capability

In the short term East Timor has sought to hold on to multilateral forces, but ultimately its strategy is to develop its own capacity. East Timor has developed a force that largely resembles the recommendations found within the London University's King's College led study of August 2000 called the "Independent Study on Security Force Operations and Security Sector Reform for East Timor". East Timor's armed forces, *Falintil-Forca de Defesa de Timor-Leste* (F-FDTL), reached an overall strength of 1,216 in 2003 and increased to the target number of 1,500 troops by 2004. The F-FDTL consists of two light infantry divisions with the First Battalion at Los Palos and the Second Battalion at the Metinaro training centre. Australia has

⁴³ "PM says troops may remain in East Timor 'for years'", *ABC*, 19 June 2003.

⁴⁴ Hadi Soesastro in *New Neighbour, New Challenge: Australia and the Security of East Timor*, May 2002, p. 28.

⁴⁵ This observation is based on interviews with various East Timorese officials. But it is quite evident that the East Timorese government is petitioning the UN to remain in the country.

provided much of the technical assistance and equipment needed to establish the F-FDTL. The naval component is located at Hera Port with two patrol boats and 50 sailors. East Timor's armed forces are, in theory, designed to take over the security of the entire country, but in the meantime they must rely on the assistance of other nations. The UN concedes that the development of the defence forces is "hampered by lack of experienced and skilled personnel, proper training and equipment, and a very limited logistical capability for deployment".⁴⁶

These problems also manifest themselves in the police force. The National Police Commissioner, Paulo de Fatima Martins, has added his voice to that of a number of politicians who have called for greater professionalism within the police force. On 20 May 2004 the East Timor national police (PNTL) assumed responsibility for all operational activity. The PNTL number just over 3,000, and on 21 June 2004 training for the 84 members of the Police Reserve Unit (renamed from the Rapid Deployment Service). The response of this unit to the demonstrations on 19-20 July 2004 caused the UN to remark that this "suggests the importance of further training for this particular unit".⁴⁷ East Timor also has plans to establish a anti-terrorism unit within the police force to be known as the Unit Against Terrorism (UAT).⁴⁸

East Timor's ability in capacity terms to fund a defence force is one matter, but maintaining discipline within that force is quite another. Regrettably the ability of the security forces to remain professional must be seriously questioned in the light of the high volume of problems. Both Amnesty International and the United Nations High Commissioner for Human Rights have issued reports in the last few years that conclude that the police are incapable of keeping order. F-FTDL have compounded the problem by overstepping their proscribed legal role, and in one notable incident arrested 90 domestic suspects of a paramilitary group between January and February 2003. F-FTDL's actions were condemned by interested UN groups but defended in East Timor across the political spectrum, including by President Gusmão. There are also numerous instances of inter-service rivalry resulting in serious cases of violence. As an indication of the kinds of problems East Timor faces in December 2003, the F-FDTL discharged 60 soldiers for discipline problems of various kinds, including refusal to report for duty except on payday. Edward Rees, a former political officer with the UN in East Timor,

⁴⁶ United Nations Security Council, "Progress Report of the Secretary-General on the United Nations Mission of Support in East Timor (for the period from 29 April to 13 August 2004)", 13 August 2004, S/2004/669.

⁴⁷ United Nations Security Council, "Progress Report of the Secretary-General on the United Nations Mission of Support in East Timor (for the period from 29 April to 13 August 2004)", 13 August 2004, S/2004/669.

⁴⁸ Terrorism has increasingly given East Timor cause for concern. Al Qaeda has raised the East Timor issue as an example of threat to the Muslim world. See "Al-Qaeda 'angry over East Timor'", *The Australian*, 16 March 2004. Reports emerged in March 2005 that four Al Qaeda suspects had entered into East Timor. Two unidentified Egyptian men were also detained in Indonesia in early 2005 on suspicion that they may try to enter Australia via East Timor.

and critic of East Timor's military strategy, has noted some alarming divisions that have emerged with the defence forces:

Falintil commanders and their followers admitted to the ETDF [East Timor Defence Force] were loyalists of President Xanana Gusmão, who was the Falintil commander-in-chief. Of those who were excluded from the ETDF, a sizable minority had an acrimonious relationship with Gusmão. ... Old divisions in the anti-Indonesian resistance movement are being institutionalised in the new East Timorese state with one political grouping – President Gusmão's allies – finding a home in the defence force and dissidents under the patronage of the Minister for the Interior finding a home in the police service, and some elements of the local government.⁴⁹

Rees also warns that “The institutionalisation of political differences in the defence force and police service will almost certainly cause East Timor to take a regional approach to democracy and possibly follow the worst example – that of its old oppressor Indonesia.”

The development of East Timor's military has not been welcomed by a number of commentators who point out that the F-FDTL is undisciplined, that too many resources are diverted away from the police, and that East Timor cannot fund its long-term military ambitions. Many question whether the creation of an armed force has any utility at all. Desmond Ball argues that the creation of a military structure is at the expense of what should be a more able police force. He links the decision to abandon the “Costa Rica” model to the political pressures exerted by the Falintil (*Frente Revolucionária do Timor Leste Independente*), who were by mid-2000 threatening to withdraw their cooperation with the UN authorities.⁵⁰ In March 2000, UNTAET formed the “Falintil Study Group”, in which the Falintil leadership argued for a force of 5,000.⁵¹ Clearly there was a need to accommodate the Falintil movement; in fact the remnants of this movement who missed out on government jobs have gone on to cause real concern for the fledging state (see the next section). Falintil's proposal for a force of 5,000 also demonstrates self-interested bureaucratic empire building. However, the need to reward the veterans of the independence struggle presumably could have been achieved through other government jobs, or even the inclusion of elements of the Falintil into an enlarged police force. Aside from Falintil's demands is a calculation by East Timorese leaders that need a military to prepare for future contingencies, although most outside observers would see the F-FDTL as too small, too lightly armed, and too poorly trained to actually achieve much in the face of armed aggression.

⁴⁹ Mark Dodd, “East Timor: Ex-Freedom Fighters Hit The Streets For Jobs”, *IPS/GIN*, 23 July 2004.

⁵⁰ Desmond Ball, “The Defence of East Timor: A Recipe for Disaster?”, *Pacifica Review: Peace, Security and Global Change*, vol. 14, no. 3, October 2002, p. 176.

⁵¹ *Ibid.*

That said, many countries structure their security forces on the basis of past threats, and East Timor is no exception – despite Ball’s reasonable assumption in East Timor’s case that “military threats are the least probable”.⁵² East Timor’s foreign policy and defence decision makers believe that a replay of the 1975 invasion, while highly unlikely, should not be completely ruled out.⁵³ These decision makers believe that East Timor should develop its own national resilience and deterrent capability. They also believe, given the poor quality of many Indonesian units, that such an invasion could be stalled and made costly because of the higher morale of East Timorese troops – much as it was after 1975. East Timor seeks to make it as difficult as possible for an external power (like Indonesia for example) to invade. The invasion of 1975, the destruction of East Timor in 1999 by militias and departing Indonesian soldiers, and ongoing difficulties with Indonesia have contributed to a situation whereby East Timor feels a standing army is a necessary precaution, particularly as international military forces under UN auspices are being phased out.

Current Threats

In the last few years rumours of a coup, or the potential for a coup, have circulated around East Timor, including within the diplomatic corps. The government has had to deny any possibility that this is the case, but the mere mention of this has raised levels of alarm. This is a strong indication that East Timor’s immediate security is not so much under threat from pro-Indonesian militia groups across the border – although this remains a concern – but from the emergence of hardline groups of ex-Falintil who have missed out on the spoils of government jobs.

The nuisance threat from pro-Indonesian militias has lingered however. Militia leaders continued for several years after the events of 1999 to use West Timor as a base of operations, particularly in the refugee camps on that side of the border. The slow reduction of refugee numbers have reduced the problem, but East Timorese leaders remain concerned about this source of external threat, to the extent that they desire a continued presence by UN forces to counter it. In the latter half of 2000 alone, it was reported that an estimated 150 militia members had infiltrated East Timor in groups of five to thirty men.⁵⁴ In March 2001 Cândia Lopes de Carvalho, commander of the *Combat Lafaek* (Crocodile Combat) militia, openly threatened to resume attacks on East Timor once the UN left: “At the moment we are in a cooling-down period. We will wait for the United Nations to leave before we go back in.”⁵⁵ These militia groups retained the backing of some within the Indonesian

⁵² Ibid, p. 181.

⁵³ This observation is collated from a number of confidential interviews with East Timorese officials over the last few years.

⁵⁴ Bertil Lintner, *Jane’s Intelligence Review*, November 2000.

⁵⁵ “Militias ‘lying in wait on Timor border’”, *Straits Times*, 24 March 2001, A19.

military (TNI): “They also reorganized and rearmed reportedly with direct aid from elements within the TNI, including the elite Special Forces (Kopassus) ...”⁵⁶ In fact, militia elements that continued their infiltration of the border had modern equipment including automatic weapons, grenades and combat uniforms. This problem was serious enough that the United Nations Security Council (UNSC) passed a resolution on 8 September 2000 calling on the TNI to disarm and disband the militia groups. Since 1999 many reports tabled at the UN cite the militia threat from West Timor, although the Indonesian delegation usually protests the implication that elements of the Indonesian security forces might be somehow involved or that Indonesia does not have the problem under control.⁵⁷ Indonesian military chief, General Endriartono Sutarto said he regretted that supposed threats emanating from the Indonesian side of the border were being used as a pretext to renew the UN presence: “If they wish to seek a continued UN presence in their country they should not do so by discrediting a neighbour.”⁵⁸ Indonesia’s UN delegation did express support when the Security Council decided to peg the Timor border area back from phase five (the highest security status) to four, although noted that “the status was improperly imposed in the first place”.⁵⁹

The last major act of militia violence occurred in 2003 when the UN forces assessed that about half a dozen small groups had attempted infiltration from West Timor early that year. In one case six villagers in Tairelelo and Lobano were indiscriminately killed by a militia group. But another incident revealed the potentially serious nature of these infiltrations. In March 2003 militia members in Atabae opened fire on a truck and a bus, and were later tracked down by a Fijian patrol. The Fijian troops killed one man, arrested four members, and seized rifles, 1,000 rounds of ammunition and other military supplies. The suspects were identified later by UN troops as “ex-militia” from Atambua in West Timor. A UNMISSET press release concluded that the group had received “extensive military-style training”, including the ability to negotiate difficult territory and endure hardship.⁶⁰ In 2003 evidence emerged from captured militia that there were wider plans for infiltration and violence – all with the tacit support of elements of Indonesia’s military. In keeping with East Timor’s policy towards Indonesia, Díli officially drew a distinction between the Indonesian government and the militia elements:

⁵⁶ “East Timor Situation Report”, *CRS Report for Congress*, Washington DC: Congressional Research Service, 23 May 2001.

⁵⁷ The Indonesian press has also featured reports that lend credence to the idea that the threat of militia violence is trumped up. See, for example, “Pro-Integration Group Becomes Scapegoat in E Timor”, *Antara*, 18 January 2004.

⁵⁸ “TNI chief regrets E Timor’s pretext for extending UN’s presence”, *Antara*, 6 May 2004.

⁵⁹ Statement by Ambassador Rezlan Ishar Jenie, Permanent Representative of the Republic of Indonesia to the United Nations before the Security Council on the agenda item “The Situation in Timor Leste”, New York, 24 August 2004.

⁶⁰ UNMISSET Press Release, “Atabae attacks: Four Suspects Appear in Court”, 4 March 2003.

“They did not accept the results of the 1999 referendum. The Indonesians did but they did not.”⁶¹

What now emerges as a major headache for East Timor are internal domestic groups that represent a challenge, or potential challenge, to the state. A number of these groups are disaffected former resistance fighters. Some speak of civil war. A most prominent articulator of the view that the current leadership of East Timor is politically illegitimate and that civil strife looms is Cornelio Gama. Gama, perhaps better known by his nom-de-guerre “L7” (pronounced: “Elle Sette”) from his days as the Falintil commander of Baucau, is leader of a semi-religious society known as *Sagrada Familia* (or sometimes, “the Baucau group”). The Alkatiri administration has attempted to draw him into the government fold, conferring on him the role of “adviser” and providing a government motor vehicle for his personal use. None of this has yet placated Gama. Under the auspices of a group calling itself the National Union of Resistance Staff and Veterans Gama led a large demonstration in Díli, on 19-20 July 2004. Police responded with the use of tear gas, amidst unverified claims that East Timor’s usually armed police had fired pistol shots at Gama. More than a score of Gama’s supporters were arrested.⁶²

Another veterans group, the Committee for the Popular Defence of the Republic of Democratic Timor-Leste (CPD-RDTL), retain a hardline ideological position. They reject the current constitutional framework elections and insist on a departure of the “neo-colonial” United Nations. Their use of intimidation in the countryside to enforce an alternative governmental structure – including the issuing of their own identification papers and confiscating those issued by the government – has been widespread.⁶³ The subtext of their actions indicate that they are essentially an anti-democratic movement, and show no signs of joining the political process as a political party. While the government has entertained dialogue with the CPD-RDTL, it has refused to deal with Kolimau 2000, described by the ruling Fretilin Party as a group of “bandits”. This group is an odd combination of ex-Falintil and ex-militia. Kolimau 2000 tells its followers that dead resistance heroes will rise from the grave and join their band. While they wait for the promised resurrection, Kolimau 2000 have extorted money and intimidated local populations. Their total disregard for the law has raised the ire of leaders across East Timor’s political spectrum. It was Kolimau 2000 members that the F-FDTL arrested in 2003, provoking an argument between Brigadier General Taur Matan Ruak and UNPOL Commissioner, Peter Miller. Aside

⁶¹ “Militias aim to destabilize East Timor government: official”, *Agence France-Presse*, 22 January 2003.

⁶² Australian National University’s Professor Jamie Fox, a noted expert on East Timor, told *Radio Australia* that a sense of grievance is shared by all ex-Falintil and other clandestine elements neglected by patronage, and that Gama could potentially “galvanise those sentiments”. “East Timor: Ex-Falintil Guerillas Call for Veterans Affairs Department”, *Radio Australia*, 23 July 2004.

⁶³ Jill Jolliffe, “Rebels Threaten Timor Peace”, *The Age*, 24 January 2004.

from Kolimau 2000 there are numerous reports from outlying areas of “ninjas” and “martial arts” groups functioning as criminal syndicates.

Providing for the former Falintil is an emotional issue in East Timor, which extends to members of the armed forces. In 2003, Colonel Lere Ann Timor, the F-FDTL Chief of Staff, announced that he would resign and join the veterans (taking his guns) if their needs were not looked after. Major Manuel Freitas (“Maubati”), Deputy Commander of the 1st Falintil-FDTL Battalion, told the press that if Colonel Timor resigned then all ex-Falintil within the service would follow. Even the Commander of the F-FDTL, Brigadier General Taur Matan Ruak, who is not known for political commentary, weighed into the discussion by urging the government to deal with veterans’ issues. The implication remains that the unresolved issue of what to do with veterans retains the potential to split the armed forces.

The absence of militia attacks since early 2003, while not an indication that the threat is completely finished with, may mean that the problem has subsided. Australian Foreign Minister, Alexander Downer, has stated that militia activity has “died right away” and that the Australian government’s “main concern in East Timor is internal security ... [and] maintenance of law and order”.⁶⁴ East Timor disagrees, and continues to emphasise the possibility of external challenges – both in terms of low level cross-border threats and longer-term external security needs.⁶⁵

Conclusion

East Timor’s leaders, who were once seen as left-wing radicals that would upset the regional order, have proved to be cautious and conservative in their foreign policy approaches. Indonesia remains East Timor’s primary security concern, but East Timor’s strategy, as a small and vulnerable state, has been to seek cordial relations with its former occupier. In the interests of self preservation, East Timor’s leadership have worked overtime to placate Indonesia, including on two critical issues that caused Jakarta concern in the 1970s. First, East Timor is careful not to give the impression that it will be a base for foreign powers, and thus will not sign a formal alliance with Australia. Second, East Timor has made it clear that it will not offer support to any secessionist movements within Indonesia. In addition, East Timor has used diplomacy to reassure Indonesia on an array of other issues, including assisting Indonesia to scotch the possibility of war crimes trials, taking care over territorial issues and continued affirmation of Indonesian political leaders. But this is only the first part of East Timor’s strategy. Diplomatic overtures are the first line in shoring up East Timor’s security. The other element to East Timor’s approach to create a defence force – and retain a UN presence for as

⁶⁴ “East Timor: Australia ready to renew military commitment”, transcript of *ABC* interview, 4 May 2004.

⁶⁵ See, for example, “Ramos Horta Concerned about Ex-E Timorese Militia in E Nusatenggara”, *Antara*, 18 August 2004.

long as possible – to prepare for a worst-case scenario. While considerable problems with East Timor's current military should be noted, East Timor's leaders do perceive an underlying strategic imperative in the creation of a domestic defence capability. Although external commentators stress internal threats, East Timor has taken a conscious decision to prepare for external contingencies. In time the relationship between East Timor and Indonesia will become more routine, but until then East Timor remains cautious of its giant neighbour. While East Timor refuses to sign a formal alliance with Australia, it is clear that Australia remains central to East Timor's security. It remains in East Timor's interest to extend the UN presence for as long as possible in order to embed the Australian commitment in a larger framework.

As a case study in diplomacy, East Timor's foreign policy, particularly as it relates to its relatively much more powerful neighbours, Australia and Indonesia, is quite evidently constrained. Nonetheless, it is also clear that within these serious limitations East Timor continues to exercise its independent judgement as a foreign policy actor.