

Australia and Portugal to set up an East Timorese army

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Australia and Portugal will finance and supervise the setting up of an East Timorese army, underscoring the proposed new state's reliance on the capitalist powers.

The Australian government has pledged \$A26 million over five years to help establish a force of 1,500 regular soldiers and 1,500 reservists. About half the full-time troops will be former guerillas of the pro-independence Falintil forces that fought against Indonesian rule between 1975 and 1999.

Portugal, the former colonial ruler of East Timor, has offered matching funding, plus the provision of a naval element, consisting initially of two patrol boats. The two countries will share the training of the new military force.

The decision, announced by Australian Defence Minister John Moore to coincide with a three-day military cooperation conference in Dili last month, reverses earlier assurances given by the East Timorese leadership to Indonesia and the Timorese people themselves that the new country would have no armed forces, merely a police force.

In making his announcement, Moore made it clear that Canberra regards the defence of East Timor as vital to Australian strategic interests. "As a near neighbour, Australia has an interest in the development of an independent East Timor which is secure, stable, democratic and able to offer its citizens a better future," he said.

As with the initial deployment of 4,500 Australian troops to East Timor in late 1999, the Howard government is seeking to portray its involvement as being motivated by humanitarian concerns. The proposal will, however, legitimise the establishment of a long-term military presence on the island.

The announcement clears the way for Australian officers and soldiers to be attached to the East Timorese army as trainers and advisers. Australian officials in Dili told journalists that the Australian military's role would be "specialist training," possibly in communications, medical and diving skills. This will allow for ongoing intelligence operations and establish the conditions for deeper involvement in the event of military conflicts.

The East Timorese leaders had already agreed to the present 9,000-strong UN force remaining in the territory after independence is formally granted, most likely at the end of next year. Australia has declared its readiness to continue participating in the force, which is largely dominated by Australian personnel.

Both Australia and Portugal have definite strategic and economic interests in maintaining a military involvement in East Timor. In the first place, the half-island has a highly strategic location in the midst of the volatile Indonesian archipelago, which sits astride key shipping and naval routes between the northern Pacific and Indian oceans. Secondly, it can provide a base for trading, banking and other

commercial operations in the region.

Not the least consideration is that East Timor's waters contain huge reserves of oil and natural gas. Their value was highlighted last week when the US oil giant, Phillips Petroleum, and the Australian oil company, Woodside Petroleum, signed an agreement to jointly develop two gas fields in the Timor Sea. Australian Prime Minister John Howard personally endorsed the deal.

Together the two projects, known as Bayu-Undan and Greater Sunrise, are now predicted to cost about \$A7.6 billion in the initial construction phases, and to yield up to 45 trillion cubic feet of gas, worth tens of billions of dollars on world markets. The Anglo-Dutch conglomerate Shell and Osaka Gas of Japan also have shares in the project, and Shell is currently making a \$10 billion bid to take over Woodside.

Continued Western military engagement in East Timor is likely to be seen as a threat in Jakarta, whose forces occupied East Timor between 1975 and 1999. In explaining the decision, Australian officials referred to continuing tensions on the border with West Timor, which remains part of Indonesia. They asserted that up to 150 pro-Indonesia militiamen had crossed the border in recent months.

Taur Matan Ruak, the commander of the 1,000 Falintil fighters who have been kept in cantonment under UN rule, also pointed to the threat of Jakarta-backed militia as the main justification for the new defence force.

The leadership of the National Council of Timorese Resistance (CNRT) appears anxious to transform Falintil into a Western-backed army. Jose Ramos Horta, foreign minister in the UN's East Timor transitional administration, said he expected the US and other countries to contribute to the proposed force. Also invited to the three-day Dili meeting were Britain, Japan, New Zealand, Brazil, Thailand, Malaysia, Singapore, The Philippines and South Korea.

One factor in the Timorese leadership's calculations may be a concern to find employment for the Falintil guerillas, who continue to live in dire poverty, as do the vast majority of Timor's people. Overall, unemployment is estimated at 70 percent and per capita income at US\$210 a year, a catastrophic drop of 50 percent since 1996.

Under the plan, Falintil soldiers will become the core of the armed forces, under the control of the CNRT. This has definite internal as well as regional implications. The new army, the first contingent of which is due to be trained by January, may well be called upon to deal with an increasingly restive population, significant layers of which are becoming hostile to the CNRT's authoritarian style of leadership.

A recent incident points to the violent methods already being employed to suppress political differences. At least two people were seriously injured and 22 arrested in the eastern town of Venilale last

Sunday when about 100 people assaulted the local headquarters of the CDP-RDTL (Popular Defense Committee - Democratic Republic of East Timor), a group founded in November 1999. According to media reports, the CDP-RDTL demands recognition of the republic declared in November 1975, shortly before the Indonesian invasion.

The attackers were reportedly members of the CNRT. The CDP-RDTL supporters were forced to seek refuge in a UN police station, which called in reinforcements to control the pursuing crowd. Police said youth armed with machetes, knives, clubs and stones surrounded the building and threatened to kill the CDP-RDTL members.

Accusations of autocratic methods have been levelled against Xanana Gusmao, the former commander of Falintil. He resigned last week as president of the UN-appointed 36-member National Council over a dispute involving the timetable for the handover of power by the UN. Gusmao retracted his resignation later in the week but faces ongoing criticism from other National Council members.

The dispute arose when the National Council rejected Gusmao's proposed timetable for the UN to hand over power to the CNRT by the end of 2001. His proposal involved the adoption of a constitution and the formation of a national unity government without a referendum. His critics, notably Joao Carrascalao of the Portuguese-aligned Timor Democratic Union and Mari Alkatiri of the former independence front, Fretilin, did not disagree but demanded that the proposal be explained in more detail.

It was not the first time that Gusmao had threatened to walk out of the leadership. He resigned as CNRT president at a national congress in August until the congress agreed to his blueprint for a five-year post-independence national unity government. Backed by Horta, Gusmao insisted that all political parties subscribe to the ruling CNRT coalition and be barred from running election candidates in their own right.

These rifts have appeared amid increasing popular discontent with the UN administration. A UN Security Council delegation last month was told of people queuing daily to request assistance to rebuild their homes. An estimated \$US3 billion in damage was caused to houses during last year's militia rampages but the UN budget for the reconstruction of homes is just \$15 million a year. Hospitals remain closed because of a lack of funds and electricity, and only \$30,000 has been spent on reopening roads.

Much of the \$592 million earmarked for UNTAET's 2000-2001 budget will flow straight out of the territory as repatriated salaries or as profits from foreign-run business catering to UN staff. About \$230 million is allocated for military personnel, \$230 million for administration and salaries and \$130 million for operating costs. By contrast, East Timor's first consolidated budget amounts to \$59 million, including only \$13.5 million for schools.

The UN operation has itself produced a stark social polarisation. About 2,000 foreigners—UN staff, aid workers and diplomats—mostly enjoy living allowances of \$US100 a day, on top of salaries, while locals are employed for \$4 a day.

After more than a year of the UN administration, the lack of housing, clean water, sewage and hygiene facilities is still creating serious health problems, worsened by the withdrawal of doctors and medical staff and the non-replacement of public servants. World Health Organisation (WHO) statistics show that the infant mortality rate may exceed 90 per 1,000 live births, because only one in five births is attended by medical personnel. The maternal mortality rate is estimated to be as high as 8.5 per 1,000 births.

Some 80 percent of children have intestinal parasitic infections; one in five aged 6 months to 5 years are chronically malnourished. Malaria

is "highly endemic" in all districts, with the highest disease and death rates reported in children. Leprosy is also endemic, as is lymphatic filariasis. Tuberculosis is "a major health problem," with 8,000 active cases, and sexually transmitted infections are common.

Despite this, the WHO is scaling down assistance because "East Timor generally is no longer in a state emergency" and the World Bank has pledged only US\$12.7 million for a Health Sector Rehabilitation and Development Project. There are only 35 doctors, three hospitals and nine clinics, yet these impossibly over-stretched resources are to be reduced further. The UN recently proposed a future health workforce of only 1,480 staff—less than half the level of 3,500 under Indonesian rule—but the CNRT urged a reduction to 1,087, in order to make the civil service "sustainable" after the UN's withdrawal.

An Australian supporter of the CNRT leaders, author Helen Hill, wrote from Dili last month: "Daily one hears criticism from Timorese young people and students that they [Timor's leaders] have already 'sold out' to the great powers and the neo-colonialists." Hill denied the truth of the criticism, but commented: "One is acutely aware that a generation is a long time in politics and that yesterday's revolutionaries are today negotiating with the World Bank."

Gusmao and Horta have been working with the UN authorities to implement World Bank and International Monetary Fund plans for a low-wage and low-cost "free market" economy in order to entice international investors to exploit East Timor's lucrative resources—oil and natural gas, coffee and tourist attractions.

At a meeting of donor nations in Portugal in June, the World Bank stipulated that public sector wages had to be kept below the current average of \$1,609 a year and that government spending be strictly curtailed to encourage private investment. Gusmao and Horta welcomed the plan. Horta last month went further and urged the granting of wide tax-exempt status to foreign investors.

While the media and political groups supporting the UN operation glorify East Timor's march to "independence," the truth is that the planned statelet will be beholden in every respect—economically, socially, politically and militarily—to the very capitalist powers responsible for its predicament.



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