East Timor’s "independence": illusion and reality

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Just after midnight on May 20, the tiny enclave of East Timor will be proclaimed the first newly independent country of the 21st century. Amid official celebrations in the capital Dili, UN secretary general Kofi Annan will formally hand power over to President-elect Xanana Gusmao and declare the territory’s 800,000 people liberated.

According to the East Timor Public Administration’s “Independence Day Events” web site, “Timor Leste will become the first nation of the new millennium and the world’s newest democracy. After 500 years of colonisation and 25 years of armed struggle, the Timorese people will at last embrace the freedom for which they have fought so long and hard.”

The completely illusory character of these claims is highlighted in the celebrations themselves. Just to stage the festivities, organisers have been obliged to tout for corporate sponsorship. “Sponsors who wish may sponsor a specific event in the celebrations. Others may prefer to simply sponsor an amount,” the web site declares. Depending on the size of their donations, sponsors will have naming rights over the events, including the main cultural festival.

Other benefits to sponsors include acknowledgment of their name and logo on TV and radio broadcasts, street banners, commemorative T-shirts and all Independence Day merchandise. Even the plaque dedicated to the “Heroes of the Resistance” in the proposed Legacy National Park will feature sponsors’ names. Small businesses and individuals are urged to donate. “Yes, we need the large corporations,” the web site implores, but “we have structured the sponsorships so that everyone could play a part”.

The biggest donors are the oil and gas companies that stand to profit to the tune of billions of dollars from the huge reserves beneath the Timor Sea, which lies between Timor and Australia: Phillips Petroleum, Shell, Osaka Gas and Woodside Energy. Thus, it turns out that the declaration of “independence” is dependent upon largesse from the oil conglomerates.

While the UN claims some 80 countries will participate, just four heads of government have confirmed they will attend. The four represent those nations with the most immediate economic and strategic stakes in East Timor. Portugal, the long-time colonial ruler, will send both its president and prime minister. After the celebrations its delegation will get down to real business, convening a summit of Portuguese-speaking nations (CPLP), an association of former colonies, in order to strengthen their commercial and diplomatic presence.

Australia, Portugal’s main rival in East Timor and the chief regional power, is dispatching Prime Minister John Howard. Just a week before the ceremony, the Howard government flew East Timor’s prime minister-elect Mari Alkatiri to Canberra in a VIP jet. There, Alkatiri met with Treasurer Peter Costello, Foreign Minister Alexander Downer and Defence Minister Robert Hill, who sought to strong-arm him into committing the tiny nation to a treaty ceding to Australia most of the Greater Sunrise Field, one of the largest proven oil and gas reserves in the Timor Sea. While unable to obtain full agreement at this stage, the Australian government is insisting that at least some sort of treaty be signed on May 20 as the first “independent” act of the new nation.

New Zealand, which played a key role in the Australian-led military occupation of East Timor in late 1999 and has significant financial interests, will send Prime Minister Helen Clarke. But guest of honour will be Indonesian President Megawati Sukarnoputri. Gusmao made a flying visit to Jakarta two weeks ago to beseech Megawati to attend. She only announced her decision at the last minute, in the face of trenchant opposition from significant layers of the Indonesian military establishment, who are still refusing to renounce Indonesia’s claim to the territory. Megawati will only stay four hours, but insisted on being accompanied by her personal military guard and a naval vessel, to be moored in Dili’s harbour. On Saturday, in a clear warning to East Timor’s fledgling government, five Indonesian navy gunboats could be seen hovering on the horizon, in sight of the Independence Day venue.

The United States, the main patron along with Australia of Indonesia’s 1975 invasion of East Timor and of the Indonesian military under former dictator Suharto, is sending ex-President Bill Clinton.

The entire event points to the relations that will dominate the tiny statelet’s existence: subservience to the various global and regional powers, the major oil companies and the international financial institutions—the World Bank and the IMF. East Timor begins life as the poorest country in Asia, and one of the most impoverished in the world, incapable of providing even the most basic services, infrastructure or facilities without constant appeals for foreign aid and loans. Of the first year’s budget of $100 million, woefully inadequate to meet health, education, housing and other critical needs, only a third can be met by domestic revenue.

Only to the extent that the East Timorese government maintains favour with its corporate and institutional sponsors will it be able to function at all. On March 12, for example, UN administration chief Sergio Veira de Mello informed the East Timor Council of Ministers that after May 20, the UN would no longer provide legal and legislative support, Internet access, telecommunications, photocopying and vehicle maintenance. International interpreters would cease to carry out simultaneous translation services in the Constituent Assembly and TV and radio services could be shut down, unless funds were borrowed from other sources to finance them.

It is now more than two-and-a-half years ago, on August 30, 1999, that the East Timorese people voted overwhelmingly to secede from Indonesia, defying violence and intimidation from the Indonesian military and militia commanders. Immediately after the vote, thousands of ordinary people were killed in the ensuing militia rampage, hundreds of thousands were forced into Indonesian West Timor and most of the territory’s infrastructure, including homes, schools, hospitals and public services was destroyed.

The governments being feted in the course of Dili’s celebrations were, in the final analysis, responsible for the tragedy. For decades, they used the East Timorese people as pawns in their economic and strategic manoeuvres. And now, the new impoverished statelet, far from being the outcome of the independent mobilisation of the masses against imperialist

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oppression and intrigue, is utterly dependent for its existence on these same imperialist powers.

Until 1974, when the Salazar-Caetano fascist dictatorship fell in Lisbon, Portugal enjoyed unchallenged colonial authority over East Timor, which remained one of the world's most deprived backwaters. After suffering a devastating defeat in 1975 in Vietnam, the US and Australian governments feared that the fledging independence movement in East Timor, led by Fretilin, could trigger instability across the Indonesian archipelago. The Suharto junta was actively encouraged to invade the half-island in December 1975. For the next two decades, successive Australian and US governments solidly backed Indonesia's bloody suppression of Timorese resistance, at the cost of 200,000 lives.

Suharto's regime, itself installed in a US- and Australian-backed coup against the Indonesian masses in 1965-66, which saw the murder of up to one million workers and peasants, was regarded as a bulwark of Western strategic and business interests in South East Asia.

In 1978, after confirmation that substantial deposits of oil and gas existed under the Timor Sea, the Australian government became the first in the world to formally recognise Indonesia's annexation of East Timor. In exchange, Indonesia commenced negotiations with Australia on ownership and control of the Timor Sea reserves. The talks culminated in the signing of the 1989 Timor Gap Treaty by the Hawke Labor government in a champagne ceremony aboard an Australian airforce VIP jet. The treaty gave Australia the lion's share of the undersea fields.

But economic and political shifts began to undermine Canberra's calculations. The discovery of substantial oil and gas deposits revived Portugal's interest in its former colonial territory. With its sovereignty over East Timor still recognised by the UN, Lisbon challenged the Indonesia-Australia deal in the World Court. In 1995, the judges declared that Portugal had a valid claim under the UN Charter, although the court did not go so far as to make a ruling, because Indonesia refused to accept its jurisdiction.

By the mid-1990s, Washington's attitude to the Indonesian government was undergoing a certain modification. Suharto's corrupt and nepotistic regime, while still valued as a regional policeman, had become a barrier to the full opening up of the resource-rich Indonesian economy to global capital. In 1997 the US, acting through the IMF and World Bank, seized upon the Asian financial meltdown to undermine the military dictator. Portugal saw a window of opportunity and launched a diplomatic offensive, winning the backing of the European Union and the appointment of a UN envoy to East Timor.

At the same time, the Portuguese authorities set about courting Gusmao, Horta, Alkatiri and the rest of the Timorese leadership. In April 1998, as anti-Suharto protests escalated across Indonesia, the National Council of Timorese Resistance (CNRT) was founded at a congress near Lisbon. The CNRT leaders saw in the movement of workers and students against Suharto, not powerful potential allies in the struggle against Indonesian oppression, but an opportunity to present themselves to would-be investors as the guardians of a "more secure and predictable environment".

The CNRT's perspective of "self-determination" for East Timor had nothing to do with a struggle against imperialism or defending the interests of the Timorese masses. On the contrary, it was aimed at winning the backing of one or other capitalist power—Portugal or Australia—for the establishment of a separate state in which the native elite could operate as a junior partner. To this end, the CNRT promised to deliver two key benefits: stability—i.e., the suppression of unrest among the Timorese people—and profits, based on the exploitation of the island's natural resources, particularly oil.

Canberra responded to Portugal's initiatives by trying to strengthen its close and highly profitable relationship with the Indonesian government. Howard wrote to Suharto's beleaguered successor, B.J. Habibie, in late 1998, suggesting to him that the best way to proceed would be to offer the East Timorese a protracted period of limited autonomy as the best means of maintaining Indonesia's sovereignty.

In early 1999, with his government haemorrhaging financially and threatened by continuing unrest among students and workers, Habibie issued East Timor with an ultimatum: accept autonomy within Indonesia through some form of "popular consultation," to be held within months, or face an immediate "scorched earth" withdrawal by Indonesia, which would strip the territory of all finances, services and infrastructure.

Habibie's proposal dovetailed with Portugal's agenda. Through the auspices of the UN and without any consultation whatsoever with the Timorese people, Portugal negotiated an agreement with Indonesia, dated May 5, that a referendum would be held, supervised by the UN, but conducted under the control of the Indonesian military. The CNRT leaders, well aware that the Indonesian-backed militia would run amok in the event of a vote for secession, initially opposed the ballot. But they soon fell into line, calculating that the unleashing of violence would force the hand of the UN and Western powers to intervene and install the CNRT in government.

Shut out of the UN intrigues, the Australian government hatched plans to outplay its Portuguese rival. While maintaining its long-held preference for Indonesian sovereignty over East Timor, the Howard government began work on option two—assembling an invasion force, Australia's largest military mobilisation since the Vietnam war, to secure Australia's interests. Through intelligence intercepts, Howard and his leading ministers were fully aware of the plans of the Indonesian cabinet and military high command. The Howard government calculated that any militia violence would provide the necessary humanitarian pretext to launch its Australian-led military operation.

By the time Australian troops landed in Dili in mid-September 1999, with the ostensible brief of "protecting" the East Timorese people, the carnage was already complete. But by leading the UN's INTERFET force, the Howard government had placed itself in the box seat to demand a substantial say in whatever administration the UN set up.

As these bloody events unfolded, the East Timorese leaders worked to prevent any popular resistance. Before and after the UN ballot, they opposed protests or demonstrations. Gusmao commanded his Falintil guerilla fighters not to retaliate against Indonesian militia violence, allowing the killings to proceed. On September 4, 1999, five days after the referendum, a CNRT statement insisted that no action be taken "that could be construed as starting a civil war". Their primary concern was that nothing be done that could compromise Western backing.

This remained their orientation as the UN established its Transitional Administration for East Timor (UNTAET). From the outset, the Timorese leadership was determined to prevent any genuine democratic participation.

Without any vote or popular consultation, UNTAET was afforded the powers of a colonial protectorate. Backed by Horta and Gusmao, Sergio Vieira de Mello, the UN administrator, wielded absolute authority, appointing ministries made up of UN officials and handpicked local politicians. Gusmao, who worked closely with de Mello, was treated as president-in-waiting, while Fretilin, the former guerilla movement, became a virtual state party.

On the pretext of preventing a revival of militia activity, the East Timorese leaders pleaded for an extended UN mandate, anxious to retain the thousands of UN troops and police to exercise control.

It was not until last August, two years after the secession ballot, that elections were conducted for a Constituent Assembly, and they were held under tight political control. At Gusmao's insistence, registered parties had to sign a Pact of National Unity, pledging to refrain from any criticism of each other, to form a national unity administration and to support him as inaugural president. As far as the media and the UN were

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concerned, Fretilin's victory was a foregone conclusion.

Despite huge pressure, the vote nevertheless revealed considerable alienation and disaffection on the part of ordinary East Timorese with the UN regime and its collaborators. Instead of its predicted landslide, Fretilin obtained just 57 percent of the vote.

Almost immediately, the Fretilin leadership set about blocking any further elections for at least five years. By forming a coalition with other groups, Fretilin achieved a two-thirds majority in the Assembly, allowing it to write the constitution. Its leaders then declared that no referendum on the constitution would be held, undermining the people's right to vote for or against. Following this, Fretilin announced that the Assembly would itself constitute the country's first parliament, removing any need for a general election until 2007.

The only poll held in the run-up to May 20—the presidential election—was a total farce. Not only did the UN, along with the world's media, declare Gusmao the winner in advance. Veteran former president Xavier do Amaral was prevailed upon to stand as a token candidate for the explicit purpose of providing a democratic façade.

The constitution itself lists various political freedoms and personal rights. But it entrenches executive control, providing presidential powers to veto legislation, dismiss governments, dissolve parliament, declare states of emergency and command the armed forces. Parliamentary and presidential elections will be conducted only once every five years. No referendum is needed to amend the constitution; it can be changed at any time by a two-thirds vote in parliament. The document also guarantees the interests of the emerging capitalist elite and foreign capital. It protects private ownership of production, upholds "free initiative and business management" and commits the state to "establish conditions to attract foreign investment".

The UN mandate will continue, albeit in modified form, well after the May 20 handover. Up to 6,500 UN troops, police commanders, judicial officers and administrators will remain until May 2004, with the possibility of indefinite extension. UN Mission of Support in East Timor (UNMISET) personnel will continue to occupy key posts, as well as train and supervise the newly-formed military and police forces. To all intents and purposes, East Timor will remain a semi-colonial protectorate.

The UN and East Timorese authorities fear popular unrest—and for good reason. A UN Human Development Program report, issued on May 13, revealed that East Timor's annual per capita GDP of just $478 will make it one of the 20 poorest countries in the world—alongside Rwanda and Angola. More than 40 percent of the people live below a poverty line of 55 cents per day, over half are illiterate and more than 50 percent of infants are underweight.

Other reports indicate that average life expectancy is only 56 years, malnutrition is endemic, and diseases such as malaria, dengue fever and tuberculosis are common. Twice as many women die in childbirth in East Timor than anywhere else in South East Asia or the Western Pacific. Less than a quarter of East Timor's women have ready access to a health facility or a qualified midwife. The country has no industry to speak of. Some 90 percent of the population live off the land, mostly as subsistence farmers. Urban homelessness and unemployment are rife and will worsen as the artificially inflated economy produced by the UN presence winds down.

A recent dispatch from *Lusa*, the Portuguese newsagency, commented: "The capital remains a city of contrasts where misery and wealth coexist. East Timor will be Asia's poorest country upon independence but a simple meal in a Dili restaurant costs more than $13 and a cup of coffee over $1. Much of the population subsists on little more than 50 cents a day, and the city still has open sewers, no streetlights and many destroyed homes." Outside Dili, conditions are even worse. An *Australian Financial Review* report noted: "What this weekend's influx of visitors is unlikely to see is the grinding poverty of the rural districts of East Timor where life is as bad as the worst places in Africa."

Gusmao has urged the Timorese people to be "patient" in their expectations, declaring that if living standards rose in 15 years, that would be an achievement. But there are already signs of deep disaffection and political dissent, particularly among youth and students. The past two and a half years have seen angry demonstrations by jobless workers, strikes over low pay, demonstrations against the UN and stone-throwing against foreign troops. Public hostility to Gusmao's pursuit of "reconciliation" with the Indonesian military authorities and militia is deepening and there are rumblings of discontent with Fretilin's authoritarian and anti-democratic methods. Opposition parties have protested the scrapping of ballots for the constitution and the parliament.

The May 20 ceremonies themselves are being held under tight security. Both the UN and East Timorese authorities have issued warnings against unauthorised demonstrations and armed groups. Marito Reis, a local official interviewed in Bacau by the *International Herald Tribune*, reflected popular unease. Reis spent nearly 15 years in Indonesian prisons for fighting Indonesia's occupation. "After 24 years of struggle, this is our prize. But I ask myself and our leaders what is going to be the content of this independence?"

The East Timorese leaders hold out the prospect that, after years of austerity, the Timor Sea oil and gas, combined with coffee exports and tourism, will eventually provide the basis for higher living standards. In order to attract foreign capital, wage levels for local workers are being kept to about $3 a day. But major investment has still not been forthcoming and global coffee prices have plummetted. The IMF predicts a 0.5 percent contraction in East Timor's GDP this year, accompanied by economic "shocks" from the loss of UN employment.

Even the much-vaunted oil and gas wealth will prove to be a mirage. The Howard government wants to retain nearly all the revenue from the Greater Sunrise Field, as well as piping the gas from the giant Bayu-Undan project to the northern Australian city of Darwin. In any case, the profits generated in the Timor Sea will flow exclusively to the global oil companies, with only a relative trickle of royalties for the Dili administration.

Foreign donors pumped some $300 million into the territory last year, but most of it has been directed to protecting economic and strategic interests. Of the $3.9 billion the Howard government has spent or committed to East Timor between September 1999 and June 2004, it is estimated that more than 90 percent has been devoted to military purposes.

At the beginning of the 21st century, East Timor provides yet another tragic example of the dead-end of nationalism and the myth of "national independence". Within the new nation, the East Timorese masses face nothing but poverty and increased exploitation. "Independence" has become synonymous with attracting transnational investment, setting up free trade zones and meeting the dictates of the IMF and World Bank.

As illusions fade and the reality of East Timor's predicament becomes apparent, social tensions and class antagonisms will rapidly deepen. From this terrible debacle more critical layers will begin to emerge, basing themselves on the understanding that genuine liberation from economic and political oppression can only be achieved through the development of a unified struggle of the working class and poor masses of Timor, Indonesia and the entire region against the global capitalist order.

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