Large protests in East Timor over ongoing Australian oil theft

Patrick Kelly
26 March 2016

An estimated 10,000 East Timorese rallied in the country's capital, Dili, last Wednesday against the Australian government's continued refusal to negotiate permanent maritime boundaries between the two states.

The demonstration involved a significant proportion of Dili's 200,000 residents, and was among the largest public mobilisations in East Timor since the former Portuguese colony and Indonesian territory received formal independence in 2002. This reflects mounting anger among ordinary Timorese over Canberra's theft of oil and gas reserves in the Timor Sea. Banners and signs read: "We don't need your aid—we need our oil back!" "Hands off Timor's Oil" and "Permanent, fair maritime boundaries."

Australian imperialism's record in the Timor Sea is one of unrestrained criminality.

After the Indonesian invasion of Timor in 1975, which was backed by the Whitlam Labor government, the Hawke Labor government signed a deal with the Suharto junta securing Australian oil and gas companies' access to lucrative energy reserves, including in the massive Greater Sunrise underwater field. Australian policy shifted gears after Suharto's downfall in 1998—it backed a referendum on independence in 1999 and launched a military intervention on bogus "humanitarian" grounds—as a means of protecting its oil and gas interests.

In 2002 and in 2006, Canberra organised a series of dirty tricks and provocations during maritime boundary negotiations, ensuring that Timorese officials agreed to leave the boundary an unresolved matter while dividing the energy revenues generated in the Timor Sea. A second military intervention in 2006 sought to fashion a regime in Dili more amenable to Australian interests.

Canberra also withdrew its recognition of the United Nations Convention on the Law of the Sea (UNCLOS), preventing Timor from having an international court arbitrate a permanent border. With staggering hypocrisy, current Prime Minister Malcolm Turnbull is now demanding that China respect a "rules based" order in the South China Sea and respect UNCLOS as part of his government's support for the aggressive US-led drive to contain Beijing's influence in the Asia-Pacific. The contradiction between Canberra's positions on the South China Sea and the Timor Sea is another example of how the imperialist powers either promote or dismiss international law depending on which stance advances their predatory interests.

The Timorese ruling elite has revived the issue of the maritime border with Australia amid a mounting crisis wracking the so-called independent state.

East Timor is the most oil-dependent state in the world, with more than 90 percent of public revenue generated from the Bayu-Undan field in the Timor Sea. Reserves are running out, however, and while estimates vary, it is widely expected that there will be no more extractable oil or gas within a decade. Plunging oil and gas prices on the world market are exacerbating the crisis. Timor's $16 billion sovereign wealth Petroleum Fund last year saw a slight decline in its value—the first time since the fund's creation that it failed to increase its holdings.

The government is spending significant funds on infrastructure projects geared towards attracting international investors. It has also expanded certain welfare and subsidy programs, which, though still meagre, have helped to contain social unrest in the impoverished country.

All of this, however, is now in question. Unless the enormous Greater Sunrise field is brought online, the Timorese state faces bankruptcy and collapse.

Under the current bilateral treaty, Australia and

© World Socialist Web Site

Timor are to share 50-50 any oil and gas revenues generated from Greater Sunrise, despite approximately 80 percent of the area belonging to Timor under the internationally-recognised principle of establishing maritime borders halfway between the land masses of neighbouring countries.

The Australian government and Australia's Woodside Petroleum, which has the rights over the field, have both refused Timorese demands for the construction of a pipeline from Sunrise to Timor, and the construction of oil and gas processing facilities in the small country. The Bayu-Undan reserves are piped to and processed in the northern Australian city of Darwin. Amid widespread youth unemployment, the Dili government is desperate for the employment and other downstream benefits from processing the Sunrise reserves in Timor.

The Dili demonstration last Wednesday was backed by the government as part of its strategy to pressure the Australian government for concessions.

The rally was widely advertised on state television, and through large billboards featuring former Prime Minister Xanana Gusmão, who now serves as the government's minister for planning and investment and is also the "chief negotiator for maritime boundaries." Representatives of parties in the so-called national unity government spoke at the rally, including from Fretilin (Revolutionary Front for an Independent East Timor) and Gusmão's CNRT (National Congress for Timorese Reconstruction). The Timorese diaspora also helped organise smaller rallies outside Australian embassy offices in South East Asia and in several European countries. The campaign has involved social media, with the #MedianLineNow hashtag demanding an equidistant border between Australia and Timor, as consistent with international law.

East Timorese Prime Minister Rui Araujo wrote to Turnbull on February 1, formally requesting the reopening of maritime border negotiations. Turnbull dismissed this, with the Australian Associated Press reporting that the Australian prime minister had said that "he was open to general talks on bilateral issues and trade but not on the border issue" and that "existing resource-sharing arrangements met international obligations."

Australian imperialism's intransigent stance triggered ructions in Dili within the country's tiny well-off elite.

Timorese President Taur Matan Ruak is in conflict with the "national unity" government. Last December he unsuccessfully attempted to veto the government's budget, on the grounds that spending was too high. Ruak has also blocked the reappointment of Major-General Lere Anan Timur as head of the Defence Force. Last month, Gusmão convened a meeting of CNRT, Fretilin, and other government parliamentarians, reportedly to discuss impeaching Ruak for what they allege is unconstitutional interference in the defence force.

Ruak responded with a speech in parliament, warning that the government could be overthrown amid growing anger among ordinary Timorese. He declared that he had received numerous complaints "concerning privileges granted to our brothers', Xanana [Gusmão] and Mari [Alkatiri, Fretilin leader], family members and friends regarding contracts signed with the state… There is widespread discontent over the granting of privileges. Suharto was overthrown by his family. Too many privileges!"

The author also recommends:

East Timorese prime minister resigns, "national unity" government formed
[10 February 2015]

To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact

© World Socialist Web Site