

Operation Deputy Sheriff in South East Asia

Timor-Leste 2006

By Peter Murphy

Australia's Howard government pulled off its first 'regime change' between April and July this year, on the tiny new country of Timor-Leste (East Timor). Since late May 2006 Australia has had a military presence in East Timor, where it has presided over the resignation of the democratically elected prime minister, Mari Alkatiri. Perhaps needless to say, the Australian government has throughout this period received strong support for its actions from the US administration. US Secretary of State Condoleezza Rice called Australia's Foreign Minister Alexander Downer in early May and 'is understood to have told him the US was "right behind" any action Australia took' (*Sydney Morning Herald*, 13.5.06). She phoned up again later in May to ask what was needed, and subsequently some heavy airlift capacity was added to Australia's 1300 troops and four warships. This was the Sheriff and the Deputy Sheriff at work.

Events seemed to follow the coup d'état textbook, and the result has been chaos for almost the entire population of the capital, Dili. At the time of writing, in mid-September 2006, about 150,000 people, almost the entire population of the capital, have been displaced from their homes. Somewhere between 700 and 2000 homes and businesses have been burnt down or looted, and the year's coffee crop has not been picked.

The demonised Prime Minister, Mari Alkatiri - blamed for everything that has gone wrong - was finally forced to resign on 26 June, and the pro-US, pro-Australian Foreign Minister, Jose Ramos Horta, was installed as a figurehead Prime Minister on July 10.¹ However, the FRETILIN government itself has managed to retain power. The stage is therefore now set for an intense struggle in the campaign for the April 2007 parliamentary and presidential elections.

The background to the struggle

East Timor was formerly a Portuguese colony but after the 1974 democratic revolution in Portugal, a process of decolonisation was begun. However, before independence was formally introduced, the Indonesian military invaded, with the agreement of the US, Britain and Australia. Fretilin (formed in May 1974) led the long resistance to this occupation, during which thousands were killed by Indonesian bombardment or died in Indonesian camps.

After heavy defeats in the late 1970s, the resistance was rebuilt under the leadership of current Timorese President Xanana Gusmao. The strategy shifted from military struggle to political struggle, eventually creating the National Council of Timorese Resistance (CNRT) in 1998, which as well as Fretilin included the Union of Timorese

Democrats (UDT), a party also formed in 1974, which was led by wealthy families of local and Portuguese descent. In August 1975 UDT had been backed by the Indonesian military in an attempted coup against Fretilin. During this process, in the late 1980s, Gusmao resigned from the FRETILIN leadership in order to facilitate the creation of the wider coalition for independence. Following the fall of the dictator Suharto in May 1998, the new Indonesian government could no longer hold East Timor and surprised everyone by responding rapidly to a mild suggestion from Australian Prime Minister Howard for a referendum on independence.

The CNRT led the vote for independence in the subsequent referendum of 1999, which was supervised by the UN but relied on the Indonesian military for security. After the people's overwhelming rejection of integration into Indonesia, the army and its militias retaliated by murdering more than 1,300 people and destroying 70 per cent of all structures in East Timor. The United Nations then authorised an Australian-led military force to intervene, with the UN eventually taking over total administration of the country to oversee a transition to an elected independent Timorese government.

The first independent Timorese government was dominated by FRETILIN, which won 57.3 per cent of the vote for the Constituent Assembly in August 2001; and this was converted into the first parliament after formal independence in 2002 (the first Council of Ministers also included members of minority parties and non-FRETILIN people). After independence the UN mission was mandated annually, but it was progressively scaled down, mainly under pressure from the United States and Australia. By April 2006 the UN mission had only 130 personnel, and its mandate was due to expire on 20 May 2006. To maintain its own security East Timor has an army of 1500 regular soldiers, and a police force of 3500 officers, both of which were formed by the UN administration prior to the transfer of sovereignty.

East Timor's fast-growing population is now estimated at 950,000. The economic mainstay is agriculture and the main cash crop is organic coffee. The unofficial minimum wage, set by the UN administration prior to May 2002, is US\$85 per month. Since independence, East Timor's budgets have relied on donor funds held in trust by the World Bank, but it has refused loans from the International Monetary Fund and the World Bank, in order to avoid neo-liberal conditionalities. The budget for 2005-06 was just US\$89 million. However it has had economic growth every year since the devastation of September 1999, and with new revenue streams from oil and gas, its 2006-07 budget was boosted to US\$315 million.

Destabilisation

The progressive FRETILIN government was from the beginning undermined by violent movements associated with the Democratic Party and the Social Democratic Party, who did not accept the results of the 2001 elections. From April 2005 new attempts by these parties to destabilise or overthrow the government came through parts of the Catholic Church, and now included efforts to turn the military against the government. (The Catholic Church is very important in East Timor, because it played a positive role in the long dark years of the independence struggle, but its clergy are conservative, and resent the lower incomes and lower church attendances that have come with the end of the occupation.)

In April 2005, during a 19-day church protest against the FRETILIN government, some senior church figures asked the army commander, Brigadier General Taur Matan Ruak, to stage a coup d'etat, but he refused. Then early in 2006 two nationals and two foreigners - so far identified only as Australians or Americans - made two separate approaches to Matan Ruak, and one of his senior deputies, Lieutenant-Colonel Falur Rate Laek, to stage a coup against the FRETILIN government. Each time they refused.² Having failed to win over General Matan Ruak, the next move was an attempt to divide the armed forces. In early January 2006 Lieutenant Gastaõ Salshinha, who had been denied promotion because he had been caught smuggling sandalwood, launched a movement in the army's First Battalion, claiming that 'westerners' were suffering from discrimination in promotion. He met every effort to deal with this complaint by escalating his demands, to the exasperation of President Gusmaõ, to whom the complaints were addressed. There is in fact no ethnic basis to the alleged 'east-west' tension. East Timor has 16 ethnic groups located in different areas of the country. The political opposition is mainly based in the west of the country, but FRETILIN also has very strong organisation in the west.

Salsinha led anti-government demonstrations, with the participation of up to 594 striking soldiers, in February, March and April. These failed to bring the government down, and these soldiers were subsequently sacked by Brigadier-General Matan Ruak in mid-March, since they had been absent-without-leave for over a month. Then, on 28 April there was a wild rampage by about 120 anti-government thugs in Dili, associated with the sacked soldiers. This did shake things up - it led to four deaths, 70 civilian injuries and the burning of around 100 homes. But still the state was united, and the army and police managed to restore order.

However another figure now joined in the destabilisation, Major Alfredo Reinado, the commander of the Military Police unit - a man who had received Military Staff College training in Australia in late 2005, and whose wife was manager of the 57-strong US Peace Corps, and employed at the US Embassy. On 3 May Major Reinado led his small force of 17 heavily armed military police out of Dili, to the mountains at Maubisse, from where he protested against an alleged order by Prime Minister Alkatiri for the army to open fire on civilians during the 28 April disturbances. Reinado declared his continuing loyalty to President Gusmaõ however. Later in May it was Major Reinado's forces that were to lead the assault that became the immediate trigger for outside intervention.

As well as these skirmishes at home, the East Timorese government was now facing problems at the UN. In New York on 5 May, East Timor's Foreign Minister Ramos Horta, UN Secretary-General Kofi Annan, and almost the entire UN Security Council, were ready to vote to extend and strengthen the UN Office in East Timor, with a new mandate lasting to 20 May 2007. This was particularly important since the first parliamentary and presidential elections since independence were due in April 2007, and the scare of 28 April had underlined the nation's fragility. But Australia's Ambassador, the former Defence Minister Robert Hill, and US Representative William Brencick opposed the extension - and they got their way. The mandate was extended to just 20 June 2006.

Following on from this, on 11 May the Howard government decided to mobilise a

naval taskforce and 1100 soldiers to be ready to intervene 'if requested by the Timor government or by the United Nations'. The Timorese heard about this only on the news. The die was cast. There was no way that such a taskforce would be mobilised simply for practice - it was going to intervene.

The attack came on 23 May, just three days after the second FRETILIN National Congress, which re-elected Alkatiri as General Secretary. (His victory was unopposed but controversial, as his main competitor, Ambassador to the UN and USA Jose Luis Guterres, failed to gain enough support to be nominated, but said that the election by 'show of hands' was bullying.) Major Reinado and his troops returned to the hills above Dili and opened fire on an army observation post. Somehow Reinado had managed to arrange an interview with Australia's SBS TV *Dateline* programme, in which he called for international intervention, immediately *prior* to the shootout he initiated. The encounter was recorded and the whole thing broadcast, with *Dateline* reporter David O'Shea saying to camera, 'Surely this will bring in the international intervention'. Early the following morning, on 24 May, a second group – this time armed police led by a Commander Rai'los - attacked the army headquarters and a third group – again police led by a former police commander Abilio Mesquita - attacked Brigadier-General Matan Ruak's house in the west of Dili. That day the police commander Paulo Martins, his deputy Ismael Babo and many Dili police joined the rebel soldiers and police arms were removed from the arsenal. (Martins had been police chief under the Indonesians, and was selected for his post by the UN administration prior to 2002.)

In the face of this crisis, Prime Minister Alkatiri, President Gusmao and Francisco (Lu-Olo) Guterres, the President of Parliament, then invited in Australian, Malaysian, New Zealand and Portuguese military and police to restore order. The Australians were the first to arrive, on the evening of 26 May, as troops loyal to the government drove the armed rebels out of Dili. Government troops then returned to barracks and handed their arms to the Australians, as ordered.

The day before this (25 May), two or three government soldiers had attacked 37 unarmed police outside the UN compound in Dili, and this led to a split in the state structures. Just how this shocking incident took place - 12 police were killed and 25 wounded - is still being investigated, but it appears to have been contrived in some way. President Gusmao and Foreign Minister Horta, however, reacted to this horror by beginning to separate from Prime Minister Alkatiri and his government, with the President now claiming sole power over all the security forces. There has been no evidence that Prime Minister Alkatiri was in any way connected to this attack, but it has played a significant role in the campaign against him, both in terms of the split within the state leadership, and as a justification for subsequent denigration of the FRETILIN government.

On 26 May - the day that Australian forces arrived in East Timor - Australian Prime Minister Howard declared that East Timor had been 'poorly governed for years'. He repeated this on 28 May, saying that there had to be change in the government of East Timor.³ This fuelled an already predatory media agenda against Prime Minister Alkatiri in Australia. The Portuguese government at this point officially protested at Australia's interference in East Timor's internal affairs. The outside forces had been

invited in to support the government in the face of armed dissident elements. Yet it was the government that had been disarmed, and was being blamed for the crisis, while the rebels kept their arms and had free media access.

By early June Major Reinado had dropped his allegations about Alkatiri's having ordered troops to fire on civilians during the events of April 28, instead arguing that that FRETILIN and Alkatiri were 'communist' and had to be destroyed. On 16 July, claiming that he was acting under orders from the President, Reinado theatrically surrendered just 12 weapons to Australian forces. According to Reinado himself, however, he had been enjoying Australian beer with the Australian troops guarding him at Maubisse from the time of their arrival. He and twenty other soldiers were finally arrested by Portuguese police and Australian soldiers on 25 July, in possession of arms and ammunition, and just across the road from the Australian Army HQ in Dili.

The Australian government was perplexed that Alkatiri was still in power when Foreign Minister Alexander Downer visited Dili in early June, but they now had further support from within the heart of the state. Organised gangs, backed up and coordinated by armed rebel soldiers and police, burnt hundreds of houses and looted and burnt many businesses and government offices in Dili, maintaining a reign of terror - in spite of the presence of Australian and other forces. Support for Alkatiri's overthrow was also forthcoming from the Australian media, as it escalated its campaign. Across most of the media - and in a way which echoed many CIA media campaigns in Latin America and elsewhere - there was a wildly inaccurate portrayal of Alkatiri as an unpopular, authoritarian, fundamentalist Marxist, who ran a corrupt, nepotistic government. Alkatiri, a founder of FRETILIN and leader of its External Delegation, is in fact a well-trained lawyer and an effective administrator, credited along with President Gusmao with creating CNRT, and also for creating South East Asia's cleanest government, with a deep commitment to constitutional rule and institutional development. The violence in Dili was detached from its actual perpetrators and reported as if it was general phenomenon for which the government was in some way responsible.

On 19 June a programme on Australia's ABC TV called *Four Corners* launched an entirely new Alkatiri scandal, alleging that there was a secret FRETILIN hit squad. A veteran resistance fighter, Commander Rai'los, alleged that he and thirty men had been given automatic weapons by Interior Minister Rogerio Lobato as recently as 8 May, and had been ordered by Alkatiri to kill the 600 striking soldiers, as well as opponents inside FRETILIN. A list of rifle serial numbers was provided to *Four Corners*. Rai'los also took the opportunity to complain that when his group had taken part in the 24 May attack on the army headquarters at the beginning of the coup d'etat, they had suffered four casualties. This indication that Rai'los was part of the anti-government forces from the beginning did not, however, get in the way of *Four Corners'* allegations.

Interior Minister Lobato was hauled in for questioning after the programme, and placed under house arrest. The media was then told by unnamed 'court officials' that he had admitted guilt and implicated Alkatiri. Calls for Alkatiri's resignation redoubled, but he again flatly rejected the allegations. On 17 July, the Human Rights

Monitoring Mission in East Timor apologised for wrongly reporting that Lobato had twice admitted guilt and implicated Alkatiri (*Sydney Morning Herald*, July 27.7.06). In early August, the Judicial System Monitoring Mission asked why Rai'los had not been investigated, while such attention had been focused on Lobato and Alkatiri.

On 21 June, President Gusmao publicly demanded the prime minister's resignation at a Council of State meeting. That night the Australian and US Embassy staff and local opposition figures threw a party in the Hotel Timor bar. Next day anti-government protests swelled from 150 to 2000, as young men were trucked in from Maliana in the west, to roam around Dili in large packs shouting 'kill the communists', 'kill Alkatiri'. On 22 June President Gusmao gave a 90-minute speech to the nation, denouncing FRETILIN and saying its leaders had not been legally elected. (On 11 August, however, the Court of Appeal in Dili ruled that the elections at the FRETILIN Congress were legal.)

Still FRETILIN insisted that Alkatiri should stay as Prime Minister, based on the fact that they had received 57.3 per cent of the vote in the 2001 elections, and on the constitution. But then Foreign Minister Horta resigned and Gusmao also threatened his resignation. To forestall this, and in the interests of maintaining national unity, Alkatiri resigned on 26 June. On 28 June he addressed FRETILIN supporters in a public rally to the east of Dili calling on them to defend the constitution, and to focus on winning the 2007 elections. Despite long delays by the Australian military, 20,000 people were finally allowed to assemble and parade in Dili on 29 and 30 June, where they called on President Gusmao to uphold the constitution and to work with the elected leaders to resolve the political impasse legally and peacefully. They called for reconciliation. The President responded positively.

Jose Ramos Horta was sworn in as Prime Minister on 10 July, technically nominated by FRETILIN. On 14 July, Agriculture Minister Estanislau da Silva, a strong supporter of Alkatiri and a senior leader of FRETILIN, was sworn in as First Deputy Prime Minister. (Da Silva is also the Chair of the Council of Ministers.) Jose Luis Guterres (the man defeated by Alkatiri at the FRETILIN congress) is now Foreign Minister. The Health Minister Rui Maria de Araujo, an independent, has become the Second Deputy Prime Minister.

On 18 July, Prime Minister Howard flew to Dili to congratulate the new Prime Minister.

Motives for the attempted coup

The Democratic Party, with seven seats in the 88 seat parliament, and the Social Democratic Party, with six seats, have never accepted the 2001 election outcome, and have not been a constructive opposition. They have repeatedly used destabilisation tactics, including violence, and have exploited the well-known tension between President Gusmao and FRETILIN to pressure the President to dismiss the government.

It was this negative dynamic that was used and amplified by foreign interests in 2006. An important background to these events, however, is western strategic relationships with Indonesia. Both the Howard and Bush governments are focused on the 'global

war on terror' and relations with China; and Indonesia and the Indonesian armed forces (Tentara Nasional Indonesia - TNI - who still play a dominant role in Indonesian politics) thus loom very large in strategic value for both governments. The Bush administration wants a renewed alliance with the TNI, and to keep Chinese influence in Indonesia to a minimum. Australia's interests are slightly different. Though recognising the need for co-operation with Indonesia in the interests of the global alliance against terror, all Australian governments see Indonesia as a strategic threat, or as the pathway of an invader from further north. The Australian strategy is thus to placate Indonesia, but always to be able to defeat the TNI in a conflict, and to have guaranteed US support for this. Both Howard and Bush want to suppress any Al-Qaeda development in Indonesia. Thus on 6 June, while chaos was reigning in Dili under the gaze of Australian troops, US Defence Secretary Donald Rumsfeld was visiting Jakarta to develop practical aspects of military cooperation.⁴

The US and Australian governments are currently seeking to normalise relations with the Indonesian military. Both governments have previously quarrelled with TNI over East Timor. The US broke relations with the TNI after the Dili Massacre in December 1991, restoring them only in November 2005. And the TNI abruptly broke relations with Australia in September 1999, when the UN military force, dominated by Australia, entered East Timor, and the TNI had to withdraw forever from the territory they had seized in 1975.

But tiny East Timor continues to upset the main game. For the TNI, East Timor is a symbol of the treachery of Canberra and Washington; and East Timor's first government, led by the national liberation movement, is a neon sign in the region that the TNI can be thwarted. This is particularly dangerous for the Indonesian government as their rule over the provinces of Aceh and Papua is under serious challenge. They therefore use the fact that the US and Australia need their co-operation in order to pressurise their governments on regional issues. Thus for both Howard and Bush, beating up on the FRETILIN government made good strategic sense.

And the Bush administration also had another motive to punish East Timor's government - its agreements with the Cuban republic for 220 Cuban doctors and 30 medical technicians to work in East Timor's public health system, and for 300 Timorese students to study medicine in Cuba. (Health care in East Timor is now widely available and free.)

What's more, both President Gusmao and Prime Minister Alkatiri had offended Australia's Foreign Minister Downer during the protracted negotiations about the seabed boundary between their respective countries, and the share of each in Timor Sea gas and oil revenues. In the 1980s Australia's Labor government had signed a Timor Sea Treaty with Indonesia to facilitate oil and gas developments, on terms exceedingly generous to Australia. Under the UN administration, a new treaty was negotiated on fairer terms to East Timor, which Alkatiri was pressured to sign in 2002. At this time there was also disagreement about the seabed border, which has yet to be resolved, partly because the biggest gas and oil field lies in a highly contested zone and the arguments about revenue share and the border were linked. Only in January 2006 was it agreed that Timor and Australia would share equally in the

revenue from this field, but there will be no seabed boundary determined for 50 years. Alkatiri is widely credited for getting this better than expected - but still unfair - outcome, though both he and President Gusmao were reviled in the Australian foreign affairs establishment for their defiant stance. This provided further emotional context for official venom against him this year.

Senior Murdoch media commentators Paul Kelly and Greg Sheridan each had articles in *The Australian* at the end of May projecting a view close to the government - that, post-9/11, Australia had to interfere in and change regional governments to avoid 'failed states'. (There was also the more extreme view from the Jakarta lobby in the Department of Foreign Affairs, that East Timor should never have been independent.) On 30 May Kelly wrote that Australia's military intervention was 'a highly political intervention in its impact, atmospherics and consequences'. He continued: 'In this sense Australia is operating as a regional power or a potential hegemon that shapes security and political outcomes ... We have taken complete charge of law and order in East Timor and its domestic power struggle is conducted against the backdrop of our unstated pressure'.

Endnote, 21 September 2006

The story continues to unfold - on August 30, Reinado led a breakout of his troops from Becora jail, after troops under Australian command withdrew from the area for four days. In September, it was revealed that Gusmao had paid part of Reinado's hotel bill at Maubisse, and that Mesquita - arrested with 16 automatic weapons in Dili on June 19 - had provided a written statement to the US Embassy and Australian military officers about his role on May 24, claiming he was under orders from President Gusmao. Reinado, again armed and on the loose, again well connected to the media, has harshly attacked the new Prime Minister for failing to keep his promises, echoing the demands of the Democratic Party and the Social Democratic Party to immediately take over government.

This article is Peter Murphy's personal account and does not necessarily represent the views of his employer, the SEARCH Foundation.

Notes

1. Mr Horta, part of the External FRETILIN Delegation since late 1975, resigned from FRETILIN in the early 1990s to become the personal ambassador of Xanana Gusmao (now President of East Timor, then leader of the liberation struggle). Horta was never a leftist in FRETILIN, and in his diplomatic life appears to have absorbed the conventional neo-liberal wisdom. At the time of the coup he was Foreign Minister of East Timor. (To become prime minister Horta had to put off his strong ambition to become the next UN Secretary-General.)
2. See Australian journalist John Martinkus, *New Matilda*, 28 June 2006.
3. Transcript, ABC TV *Insiders*, 28 May 2006.
4. American Forces Press Service, 6.6.06.