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Author(s): Dennis Shoemith

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Timor-Leste

Divided Leadership in a Semi-Presidential System

Dennis Shoemsmith

Abstract

The semi-presidential system in the new state of Timor-Leste has institutionalized a political struggle between the president, Xanana Gusmão, and the prime minister, Marí Alkatiri. This has polarized political alliances and threatens the viability of the new state. This paper explains the ideological divisions and the history of rivalry between these two key political actors. The adoption of Marxism by Fretilin in 1977 led to Gusmão's repudiation of the party in the 1980s and his decision to remove Falintil, the guerrilla movement, from Fretilin control. The power struggle between the two leaders is then examined in the transition to independence. This includes an account of the politicization of the defense and police forces and attempts by Minister of Internal Administration Rogério Lobato to use disaffected Falintil veterans as a counterforce to the Gusmão loyalists in the army. The December 4, 2002, Dili riots are explained in the context of this political struggle.

On May 20, 2002, after one of the longest and most painful processes of decolonization in Asia, the Democratic Republic of Timor-Leste (as East Timor was renamed) became the first new state of the twenty-first century. During 24 years of Indonesian occupation, the Timorese people demonstrated an astounding capacity to endure and finally prevail in what many observers believed to be a hopeless struggle. What are

Dennis Shoemsmith is Senior Lecturer in Political Science at the Northern Territory University, Darwin, Australia. He acted as an occasional United Nations consultant in Timor-Leste in 2000 and 2001. The author would like to thank the anonymous reviewer for expert advice on the manuscript. Email: <dennis.shoemsmith@ntu.edu.au>.

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their prospects now that they have achieved independence? What kind of political order is emerging and how will it be led?

This paper offers an analysis of the political leadership of Timor-Leste and argues that a fault line divides the most significant political actors, a division that is now formalized by the Constitution. Timor-Leste has a parliamentary system with an elected president. In practice, a semi-presidential system has emerged with two power centers: the presidency and the government located in the parliament. The president and the prime minister can each claim a decisive popular mandate. President Xanana Gusmão, as an independent candidate, won office on April 14, 2002, with over 82% of the vote. Dr. Maró Alkatiri, as the leader of Fretilin (Frente Revolucionária de Timor-Leste Independente, Revolutionary Front for an Independent East Timor) won 55 of the 88 seats in the Constituent Assembly in the elections of August 30, 2001 (the Assembly became the national parliament on May 20, 2002). Gusmão, the former resistance leader, and Alkatiri, the former activist in exile, both make claim to nationalist and revolutionary legitimacy.

A dual leadership system is potentially destabilizing for a new state. To function, the constitutional principle of the separation of powers between president and prime minister requires a collaborative arrangement between the two.¹ In Timor-Leste, the individuals occupying these two critical leadership positions are political opponents, perhaps even political enemies. The evidence of friction appeared early: only weeks after parliament was installed, the president publicly chastised it in an address to the nation in which he gave members of parliament six months to prove they could behave responsibly or he would call them to account before the people.

The differences between Gusmão and Alkatiri go back to a crisis in the resistance movement in the 1980s. The origins of this falling out will be explained below. It will be argued that because of the long-standing antagonism between the two leaders, the semi-presidential system creates a rivalry within the national leadership that could frustrate the attempt to establish an effective and, at the same time, democratic state in East Timor. As the government grapples with the challenge to combine disciplined governance with democratic principles, the prime minister's priority is to centralize state power under his party's control; the president's priority is democratic accountability in a pluralist party system.

1. The requirements of a semi-presidential system in East Timor are reviewed by J. A. C. Mackie, "Future Political Structures and Institutions in East Timor" in *East Timor, Development Challenges for the World's Newest Nation*, eds. Hal Hill and João M. Saldanha (Singapore: Institute of Southeast Asian Studies and Asia Pacific Press, the Australian National University, 2001), pp. 193, 200–01.

The Extent of the Political Challenge

Before looking at the political leadership itself, it is necessary to appreciate the extent of the task that the leadership faces. The challenge is enormous: everything is urgent. Issues range from finding the money to pay civil service salaries to major, long-term policy questions such as designing a viable development strategy and working out a *modus vivendi* with Indonesia.

The destruction of 1999 was systematic and thorough. East Timor was left lacking basic human and material resources, dependent entirely upon foreign aid. An estimated 75% of the entire population was displaced during the militia-inflicted violence following the August 30, 1999, vote for independence. Over 70% of private homes, public buildings, and essential utilities were destroyed. More than 200,000 people, a quarter to a third of the population, were relocated by the Indonesian military into Indonesian West Timor. The new state must be built from the ground up. A report by the Australian Strategic Policy Institute (ASPI) released on May 20, 2002, predicted at least three lean years after independence, before gas and oil revenues begin to become significant.² Unemployment in the capital, Dili, is around 70%. With 50% of the population below 20 years of age, the pressure for jobs is unrelenting, with around 20,000 young people joining the current labor force of just over 300,000 each year. Organized gangs of unemployed youths have become an urban problem.

The trauma of the 1999 violence has not been worked through. A number of the militia members involved in the massacres of September 1999 have returned from West Timor, but the process of reconciliation is faltering after the United Nations failed to institute an effective judicial process to bring the perpetrators of the worst violence to justice. The unresolved position of pro-integrationist Timorese in an independent East Timor is destabilizing. There are claims that some militia elements have actually reorganized themselves under the cover of forming a "veterans" association, misrepresenting themselves as former pro-independence fighters.³ More destabilizing are the associations of disbanded veterans of Falintil (Forças Armadas de Libertação Nacional de Timor Leste, Armed Forces for the National Liberation of East Timor). Unemployed, angry with a government that they believe has failed to reward them, former guerrillas have been mobilized by political interests opposed to the government. A special report by the secretary-general of the United Nations Security Council noted the deterioration of internal security

2. Projected budget spending for 2001–02 was \$65 million with a \$20 million funding gap that needed to be met by international donor funding. ASPI, *New Neighbour, New Challenge: Australia and the Security of East Timor*, Report (Canberra, 20 May 2002) <http://www.aspi.org.au/timor_pub/ch1.html>. [Accessed March 14, 2003.]

3. Ross Coulthart, "East Timor: Justice Denied?" documentary, *Sunday Program*, Channel Nine, Australia, July 7, 2002.

by late 2002. In response to "several violent incidents, such as the destructive riot in Dili on 4 December and evidence of a rise in armed groups in rural areas," the Council adopted the report's proposals for greater support for the Timorese police and strengthening the U.N. Mission's operational capacity to deal with the threat posed by armed groups.⁴

To compound its domestic problems, Timor-Leste occupies a vulnerable geopolitical position, surrounded by the former occupying power, Indonesia. The district of Oecussi is an enclave, isolated in Indonesian West Timor, a hostage territory if relations sour with Indonesia. The new state's vulnerability was crassly demonstrated when six Indonesian gunboats were assigned to patrol off Dili's coastline on the eve of the independence ceremony.⁵

The ASPI report bleakly warns, "East Timor could become a failed state."⁶ Certainly, it has begun life, given the destruction of 1999, as a weak state, even as the report warns, a "mendicant state." Weak states can prevail, and in East Timor's case, there are some positive indicators for its political development. The new state currently enjoys considerable international support, expressed through development aid and an international peacekeeping presence. The Roman Catholic Church, whose clergy identified with the independence struggle, contributes to social cohesion and provides support for civil society through its social services and pastoral work. The people generally display a stoic social discipline and appear to have survived the violence of Indonesian occupation surprisingly intact. Mostly subsistence agriculturalists, the rural population may have rather modest expectations of the new state. In time, oil and gas revenues will start to underwrite state expenditures.

Nevertheless, on balance, the East Timorese will need to be exceptionally lucky to avoid a period of political turbulence in the months and years ahead. As Jamie Mackie has observed, if East Timor even comes close to reconciling the divergent objectives of achieving disciplined governance and democratic practice, it will be almost the only country in Southeast Asia to do so.⁷ The rioting in Dili on December 4, 2002, following a public attack against the government by President Gusmão, suggests that the new state is already facing serious instability.

4. U.N. Security Council, "Recent Violence, Rise in Armed Groups Threaten Success in Timor-Leste, Peacekeeping, Under-Secretary-General Tells Security Council," SC/7683, 4,715th Meeting, New York, March 10, 2003.

5. "Gunboats Will Backfire on the Generals," *Sydney Morning Herald*, May 20, 2002.

6. ASPI, *New Neighbour, New Challenge: Australia and the Security of East Timor*, Report.

7. Mackie, "Future Political Structures," p. 193.

The Historical Legacy: Ideological Divisions

José Alexandre Gusmão, 56, known by his nom de guerre as Kay Rala Xanana, or simply, Xanana (diminutive of Alexandre), is a poet, a man of the people, a long-time guerrilla leader, charismatic, warm and casual. Until his capture in 1992, Gusmão led the resistance struggle in the mountains of East Timor. Dr. Marô Bin Amude Alkatiri, 53, reserved and formal, emerged as Fretilin's leader in exile. As Fretilin's representative in Africa, as a professional and determined party organizer, and eventually as the party's general-secretary, Alkatiri established his dominance over the party he co-founded in 1974. The two men, different as they are, have both demonstrated, over a quarter of a century, extraordinary self-discipline and commitment in their different roles as Timorese nationalists.

The political fault line between the two leaders is more than a matter of style and temperament or the natural rivalry of two strong personalities who have established themselves independently as national leaders. They are divided by their political beliefs. Gusmão's and Alkatiri's differences go back to the formative 1974–75 period when Fretilin established its control of Portuguese Timor, declared independence as the República Democrática de Timor Leste (Democratic Republic of East Timor, RDTL) on November 28, 1975, and then fought a war of resistance against the invading Indonesians. Alkatiri, from the beginning, belonged to the radical left; Gusmão was actually in the moderate center. Their different understandings of democracy diverged from 1977, when Fretilin adopted Marxism-Leninism as the party's ideology. While both camps are now publicly committed to inclusive, multiparty democracy as proclaimed in Section 7 of the Constitution, their understanding of democratic practice in East Timor has not converged. The practical issue that divides them is the proper role in the new state of Fretilin, now the majority party in the parliament.

Gusmão formally left Fretilin in 1987 and from that time has refused to accept that the party has a privileged status above other political organizations. Alkatiri, while formally accepting multiparty democracy, believes that the party he co-founded has been from its "founding moment" in 1974 the true representative of the Timorese people and their quest for social justice. In practice, the Fretilin view fits within a dominant party system where opposition parties compete for power in regular elections, but a single major party retains government. It is doubtful that the Fretilin leadership could ever accept as legitimate a government formed by their political opponents on the right.

It is striking how the key political players who survived 1975 have returned to dominate the political landscape of independent East Timor. Gusmão, José Ramos Horta, Alkatiri, Rogério Lobato, then all in Fretilin, are key

players today. Their opponents in 1975, notably Mário and João Carrascalão, founders of the União Democrática Timorese (Timorese Democratic Union, UDT), are their opponents now. Respected journalist and Timor specialist Jill Jolliffe has observed the shared background of these leaders:

The *curriculum vitae* of many of the leaders of UDT and Fretilin is strikingly similar: from the family of a *liurai* [chief], primary school education at the Jesuit college at Soibada, higher education in the seminary at Dare, on completion of which they generally entered the Portuguese civil service. . . . The children of Portuguese *deportados* were a second source of leadership, Horta and the Carrascalões being the most obvious example.⁸

Although the son of a Timorese father and a Timorese mother, Gusmão grew up in an *assimilado* family (*assimilados* were indigenous Timorese who had mastered Portuguese, paid tax, were baptized, had Portuguese citizenship, and were eligible to receive a Portuguese education).⁹ He, too, studied at the Jesuit seminary in Dare before working in the colonial civil administration.

Alkatiri, descended from a south Yemeni family settled in Timor, as a practicing Muslim stood out from the mostly Catholic and mostly Portuguese *mestiço* (mixed-ethnicity) leaders of Fretilin. He completed primary and high school in Dili and later moved to Angola, where he graduated as a surveyor at the Angolan School of Geography. Upon his return to Dili he worked in the Public Works Department as a Chartered Surveyor.¹⁰ Alkatiri's Portuguese education gave him entry to the small Portuguese-speaking urban elite. He became politically active as early as 1970, when he began to question Portuguese control of the territory. He gravitated to the radical politics reaching Dili from the liberation movements in Portuguese Africa and from radicals in Portugal itself. In the early 1970s, as a student in Angola, he made contact with the radical Movimento Popular de Libertação de Angola (Popular Movement for the Liberation of Angola, MPLA).

Alkatiri was a founder member of the Associação Social Democrata Timorese (Social Democratic Timorese Association, ASDT) and its successor Fretilin, founded in September 1974. Fretilin was influenced by the ex-

8. Jill Jolliffe, *East Timor, Nationalism & Colonialism* (St Lucia, Queensland: University of Queensland Press, 1978), p. 69.

9. Sarah Niner, ed., *To Resist Is to Win! The Autobiography of Xanana Gusmão* (Richmond, Victoria, Australia: Aurora Books, 2000), pp. 3–5.

10. Alkatiri was born in Dili on November 26, 1949. The family migrated from south Yemen at the end of the nineteenth century: "Biographical Notes on Marô Alkatiri" (Dili: Cabinet of the Transitional Government, 2001). Jolliffe, *East Timor*, p. 57. His family has branches in the Moluccan Islands and in West Timor and a cousin, Mar'ie Muhammad, was a finance minister in the Suharto government; Jill Jolliffe, "Exile Returns to Run East Timor," *Asia Times*, Hong Kong, September 21, 2001.

ample of successful liberation movements in Portuguese Africa, particularly by the martyred Amílcar Cabral's Partido Africano da Independência da Guiné e Cabo Verde (African Independence Party of Guinea and Cape Verde) in Guinea-Bissau. Samora Machel's Frente de Libertação de Moçambique (Mozambique Liberation Front, Frelimo) provided the working model for Freltin.¹¹ Some of the left faction in the Freltin Central Committee also found inspiration in the Vietnamese revolution and in Mao Zedong's Cultural Revolution in China. Alkatiri was linked to a nationalist-Marxist group whose program was articulated by Vicente Sa'he and Mau Lear (António Carvarinho). Armed with the credibility of his firsthand knowledge of radical nationalism in Mozambique and Angola, Alkatiri was able to help mediate nationalist-Marxist policies into the Freltin platform.¹²

Allegations of communism in Freltin were used as propaganda by the Indonesians to justify their invasion in 1975. James Dunn, a firsthand observer in 1974–75 when Australian consul in Portuguese Timor, judges communist influence in Freltin at that time as negligible. Observers sympathetic to the independence struggle have been careful to point out that in 1975, even the Marxist minority in Freltin were nationalists first. The front was an inclusive coalition of conservative, moderate, and radical nationalists.¹³ Freltin's president, Xavier do Amaral, and vice-president, Nicolau Lobato, were not aligned with the left. However, the Marxists, although a minority and positioned in the second echelon of the party leadership, were disproportionately influential in the decision-making machinery. The Marxist faction led by Roque Rodrigues and António Carvarinho persuaded the moderate leadership to adopt revolutionary armed struggle and a radical land reform program.¹⁴

Alkatiri was a successful international advocate of Freltin's cause. He came to know Samora Machel, the leader of Frelimo. He had already made contact with the more doctrinaire MPLA in Angola. He was invited by Presi-

11. Peter Carey, "Introduction," in *East Timor at the Crossroads: The Forging of a Nation*, eds. Peter Carey and G. Carter Bentley (London: Cassell, 1995), p. 5. On the political character of Frelimo, see Patrick Chabal, "Angola and Mozambique: The Weight of History," Contemporary Portuguese Politics and History Research Centre, Dundee, Scotland, 2000, <<http://www.cphrc.org.uk/essays/chabal2.htm>>. [Accessed March 14, 2003.]

12. John G. Taylor, *Indonesia's Forgotten War, the Hidden History of East Timor* (London: Zed Books, Ltd., 1991), p. 48.

13. Jolliffe, *East Timor*, p. 153; James Dunn, "Communist Influence in Freltin Prior to the 1975 Invasion," email to ETAN/US, July 29, 1998, <<http://www.etan.org/et/1998/july/july29-31/29communi.htm>>. [Accessed March 14, 2003.]

14. Bill Nicol, *Timor: The Stillborn Nation* (Camberwell, Victoria, Australia: Widescope, 1978), pp. 94, 104–05. Rodrigues had been conscripted into the Portuguese army where he rose to the rank of lieutenant and served in Mozambique. In Lisbon he joined the ultra-left Maoist group, the Communist Party of the Portuguese Workers/Movement for the Reorganization of the Party of the Proletariat (Partido Comunista dos Trabalhadores Portugueses/Movimento Reorganizativo do Partido do Proletariado, PCTP/MRPP).

dent Machel to attend Mozambique's Independence Day celebrations in 1975. As Fretilin's national political commissioner, he toured Africa gathering from 26 states pledges of "certain recognition" if Fretilin declared independence from Portugal. On his return to Dili, he was sworn in as minister of state for political affairs in the Cabinet appointed on December 1. He now occupied the third position in Fretilin, behind Xavier do Amaral and Nicolau Lobato. His rise in the party made Alkatiri the most influential spokesman for the left-wing factions in Fretilin.¹⁵ Jolliffe described Alkatiri at that time as "a reasonable and competent politician with an intelligent grasp of foreign affairs." Nonetheless a confidential report, made in October 1975 by a senior Australian foreign affairs officer, advanced another view: "[t]here are several extreme left ideologues in and around the Central Committee, the most important of whom is Alkatiri."¹⁶

On December 3 that year, Alkatiri, Ramos Horta, and Rogério Tiago Lobato left East Timor as the result of a Cabinet decision to seek international support for the new republic. Alkatiri and Lobato were to proceed to Mozambique. It was the beginning of a 24-year exile. On December 7, Indonesia invaded Dili. Mozambique, which had achieved independence from Portugal on June 25 that year, recognized the Timorese republic. It accredited Alkatiri as head of Fretilin's mission and offered him safe haven. To support himself, he completed a law degree and worked for 10 years as a lecturer in international law at the Eduardo Mondlane University in Maputo. In 1977, he was appointed by the government in exile as minister for external relations. He married Marina Ribeiro, also a Timorese, and raised three children. Lobato had a more disorderly career in Africa: in 1983 he was convicted of diamond smuggling in Angola and jailed for several years.

Mauberism and Marxism

In these early years, nationalist, social democratic, and Marxist views within Fretilin were all accommodated within Mauberism, an ideology created for the party by José Ramos Horta. The term *mau bere*, "my brother," was a local Mambai greeting that the Portuguese appropriated and used to denigrate Timorese as backward and primitive people from the interior.¹⁷ Ramos Horta claims authorship of the ideological transformation of this term into a symbol of social justice:

15. Jolliffe, *East Timor*, pp. 219–20; Nicol, *Timor: The Stillborn Nation*, pp. 102–05.

16. *Ibid.*, p. 220. Telegraphic message to Canberra, Darwin, October 22, 1975, in *Australia and the Indonesian Incorporation of Portuguese Timor, 1974–1976*, Documents in Australian Foreign Policy, Document 284, ed. Wendy Way (Canberra: Department of Foreign Affairs and Trade, 2000), p. 500.

17. Taylor, *Indonesia's Forgotten War*, p. 42.

I began therefore to concoct our own version of social democracy by coining the word Mauberism—from Maubere, a common name among the Mambai people that had become a derogatory expression meaning poor, ignorant. Though vaguely defined without any serious theoretical basis, Maubere and Mauberism proved to be the single most successful political symbol of our campaign. Within weeks, Maubere became the symbol of a cultural identity, of pride, of belonging.¹⁸

The celebration of Maubere identity allowed Fretilin to Timorize the idea of “the people” (in a nationalist sense) and “the masses” (in a revolutionary sense). It provided the party with a radical foundation myth validating the struggle for independence and social revolution. Mauberism as an ideology established a reading of popular sovereignty that was indigenous but not traditional. It authenticated the rural villager, not the traditional rulers (the *liurai*) (who, in 1975, supported UDT rather than Fretilin). Translated into a radical social program, Mauberism validated

fundamental economic re-construction with production, distribution and consumption cooperatives becoming the basic economic units . . . the expropriation of large landholdings, the inclusion of unused fertile land in the cooperative system, the implementation of agrarian reform and the diversification of monoculture, especially reliance on cash crops such as coffee.¹⁹

The Fretilin program stressed self-reliance and the rapid development of Timorese participation in local decision making. The party introduced education and cultural programs, drawing on Paulo Freire’s rural literacy and adult education work in Brazil.

Following the Indonesian occupation, the Central Committee moved further to the left. The radicalization of the party was completed in May 1977, when Central Committee members still inside East Timor met, without their leader, Xavier do Amaral, and acclaimed Marxism-Leninism as the party’s guiding ideology. Amaral was subsequently deposed.²⁰ Vice-President Nicolau Lobato, who assumed the presidency, was killed by Indonesian troops in December 1978.

Gusmão, according to his own account, was a political innocent when he joined Fretilin in May 1975. By August he was working for Fretilin’s Department of Information and was elected to the party’s Central Committee. Following the Indonesian invasion, he moved to a Fretilin stronghold behind

18. Niner, ed., *To Resist Is to Win!* p. 3, note 1.

19. Carey, “Introduction,” *East Timor at the Crossroads*, p. 5.

20. Niner, *To Resist Is to Win!* p. 49, note 82. Amaral was charged with treason. His supporters were purged from the Central Committee. Fretilin chose the same course as Frelimo in Mozambique, which had declared itself a Marxist-Leninist Party in February 1977.

Mount Matebian where he became the regional guerrilla leader of the Falintil, the party's armed wing.²¹

As a member of the Central Committee, Gusmão opposed the use of revolutionary violence and did not condone the terrorism against "counter-revolutionaries" that was conducted by other Falintil resistance groups in the purges of 1977. He applied himself, however, to the study of Marxism in an effort to understand the ideological shift in the party and carried around with him a copy of the *Thoughts of Chairman Mao*.²² Gusmão increasingly found himself, as a Falintil commander, in opposition to the ideological extremists in the party's Central Committee. His difficulties with the Fretilin leadership increased as he assumed a leading role in the resistance. In March 1981, he was elected national political commissar, the post previously occupied by Alkatiri, and commander-in-chief of Falintil. At the same time, he was elected president of the Revolutionary Council of National Resistance (Conselho Revolucionário da Resistência Nacional, CRRN).

By 1986, Gusmão was convinced that the resistance struggle must be broadened. He contacted the UDT leadership in Lisbon to propose that Falintil should pursue the independence struggle on behalf of all Timorese nationalist groups, not only Fretilin. Fretilin's external delegation and the exiled representatives of UDT agreed to form a coalition. On April 26, 1986, the Conselho Nacional da Resistência Maubere (National Council of Maubere Resistance, CNRM) was formed and Gusmão became its president. CNRM attempted to bring together all East Timorese groups including UDT, the student group, Resistência Nacional dos Estudantes de Timor Leste (National Resistance of the Students of East Timor), Renetil, as well as Fretilin.²³

The creation of CNRM advanced Gusmão's plan to remove the resistance struggle from Fretilin control. The final step was taken on December 7, 1987, the 12th anniversary of the Indonesian invasion, when Gusmão issued an address to the people of East Timor in which he attacked the Central Committee of Fretilin for committing "enormous and excessive political errors." The Central Committee, he said, had been guilty of "political infantilism" and doctrinaire Marxism. Its senseless radicalism "paid no attention to our concrete conditions and limitations. It made us intolerably overbearing and led

21. Damien Kingsbury, "East Timor to 1999," in *Guns and Ballot Boxes, East Timor's Vote for Independence*, ed. Damien Kingsbury (Clayton, Victoria, Australia: Monash University, Asia Institute, 2000), p. 22.

22. Niner, *To Resist Is to Win!* p. 47.

23. Carey, *East Timor at the Crossroads*, pp. 7–8; Kingsbury, "East Timor to 1999," pp. 22–23. UDT rejected membership of the CNRM, suspicious of Fretilin domination. See Dionisio Babo Soares, "Political Developments Leading to the Referendum," in *Out of the Ashes: Destruction and Reconstruction of East Timor*, eds. James J. Fox and Dionisio Babo Soares (Adelaide: Crawford House Publishing, 2000), p. 60.

us to put many compatriots on the same footing as the criminal aggressor. . . .” Falintil, he promised, would not permit the installation of a leftist regime and would be neutral, independent of Fretilin control. Its struggle was on behalf of “the interests of all the citizens and social classes in East Timor”:

I publicly declare my total and wholehearted rejection of those doctrines that promote suppression of democratic freedoms in East Timor; I publicly declare that the Falintil *aswain* [warrior] will not permit the installation of a leftist regime that not only intends to provoke internal disintegration, but also to destabilise the whole area in which East Timor is situated.²⁴

In December 1988, Falintil’s neutrality was formalized through the Reajustamento Estrutural da Resistência (the Reorganization of the Structure of the Resistance). Ten years later, in April 1998, all the nationalist parties, including UDT, met in Portugal and agreed to join the Conselho Nacional da Resistência Timorense (the National Council for Timorese Resistance, CNRT). Gusmão, then in an Indonesian jail, was elected president. Fretilin comprised the largest component in the CNRT but did not regain control of Falintil. Gusmão had achieved his object: from 1987 until independence in 2002, Falintil was permanently separated from Fretilin control.

The rift opened between Gusmão and Fretilin by his decision in December 1987 to leave the party has never been repaired. By 1991, Gusmão observed that his relationship with the Fretilin Central Committee was less tense “but there are political suspicions, which are not created or wished by me.”²⁵ Although Marxism is no longer the issue, the 1987 split continues to divide the president and the Alkatiri government today.

The Transition to Independence

When Gusmão and Alkatiri returned to East Timor, Gusmão from house arrest in Indonesia and Alkatiri from exile in Mozambique, they had been estranged for at least 12 years. Back in Dili, Gusmão said that he was “more Falintil than CNRT”²⁶ and he pointedly appeared before the crowds and the world media in a Falintil uniform. The animosity between Gusmão and the Fretilin secretary-general was public knowledge. Ramos Horta, who attempted to mediate between them, remarked that Gusmão had “a strong resentment and anger towards Fretilin. He saw Fretilin’s campaign in the August 30, 2001, elections as reminiscent of its radicalism of the 1970s.” In

24. Niner, *To Resist Is to Win!* p. 135.

25. *Ibid.*, p. 149.

26. George J. Aditjondro, “Self-Determination under Globalisation: Timor Loro Sa’e’s Transformation from Jakarta’s Colony to a Global Capitalist Outpost,” revision of a paper presented to the conference *Protesting Globalisation: Prospects for Trans-National Solidarity*, Sydney: University of Technology Sydney, December 10–11, 1999), p. 10.

the August campaign for the Constituent Assembly elections, Gusmão ignored Fretilin rallies, attending a rival Democratic Party rally instead. He was publicly critical of the Fretilin leaders' aggressive conduct of the campaign. He publicly rebuked Alkatiri for threatening that on the day after winning the election, Fretilin would "go out, broom in hand, or with other things, to clean our city, to clean our village, to clean our district and sub-district; to show that Fretilin has won . . . and wants to start a new life."²⁷

Sixteen parties contested the August elections. Alkatiri went into the campaign confident his party would win by a landslide, predicting it would attract over 80% of the vote. In the event, Fretilin won 55 of the 88 seats with just 57% of the vote, short of the two-thirds majority required to ratify the Constitution without the support of other parties. While Fretilin did pick up 12 of the 13 seats in the district contests, in the nationally contested seats its share of the vote in some districts was quite poor. Its poorest showing was in Aileu, a Falintil stronghold where Gusmão established himself on his return in 1999.

In the national parliament, Fretilin is opposed by the Partido Democrático (Democratic Party, PD), with seven seats. PD was founded by leaders of the student movement and ran against Fretilin because its supporters believed their opposition to Indonesian rule had been undervalued by the returning leaders of the generation of 1975. Fretilin's major opponent in the parliament from the right is the Partido Social Democrata (Social Democrat Party, PSD), led by Mário Viegas Carrascalão. Mário and his brother João Carrascalão were founders of UDT, the party that Fretilin fought in the civil war in 1975. João Carrascalão was also in the parliament for a time as one of the two representatives of the UDT. Mário Carrascalão and his brothers represent not just an opposition group in parliament but a wealthy family whose business interests as much as their long-standing political ambitions make them rivals for control of the new state.²⁸ Alkatiri's stated commitment to multiparty, pluralist politics will be tested if the Carrascalão clan is able to mobilize significant support in advance of future elections. Fretilin is supported by the Associação Social Democrata Timorense (Social Democratic Timorese Association, ASDT), with six seats. ASDT gives Fretilin the two-third majority it needs under the Constitution to approve revisions to it (Section 95: 3 [j]), or to approve criminal proceedings against the president (Section 79: 3). The way the Constitution sets out the relative power of president and the government is discussed further below.

When he won control of the Assembly, Alkatiri said that his goal was to create a new basis of national unity: "In the past, national cohesion was built

27. *Newsweek*, September 17, 2001; SBS Television *Dateline* program, October 3, 2001.

28. Hill and Saldanha, *East Timor*, p. 31.

upon opposition to the occupant. Today it must be built around the goal of reconciliation and social justice.” He promised a formula of inclusion that was not one of “alliances between political leaders” but the selection of members of the government team according to individual merit and abilities.²⁹ Mário Carrascalão doubted this:

Xanana will make some concessions, but Marô Alkatiri will not be flexible enough, because he is looking like an authoritarian. Xanana knows the real problems of the people. Alkatiri came back after 24 years away: he knows Mozambique.³⁰

The test of Alkatiri’s promise of inclusive democracy was the selection of the Council of Ministers (the Cabinet). Today, 10 of the 14 ministers and secretaries of state are Fretilin, the other four are independents associated with Fretilin.

The antagonism between Gusmão and Alkatiri, evident in the election campaign to the Constituent Assembly, resurfaced in the April 14, 2002, presidential elections. Fretilin encouraged Gusmão to run as a nonpartisan independent. Instead, he chose to accept the nomination of nine smaller parties, effectively accepting the endorsement of the parliamentary opposition. He promised that if elected president, he would continue to pay attention to the democratic process, to help people assimilate the values of democracy.³¹ Translated, this was a promise to provide a counterbalance to Fretilin. Gusmão sees himself, as James Dunn has observed, as “more of a leader of the Timorese political community in general” than party-political, a national leader prepared to provide a counterbalance to Fretilin’s current domination of the parliament.³²

Alkatiri and the Fretilin leadership refused to endorse Gusmão’s campaign for president, instead giving discreet support to his sole opponent, Xavier do Amaral. Alkatiri claimed that because of his opposition to Fretilin, Gusmão could no longer claim to be a national leader, and made it clear he would not vote for Gusmão and would instead cast a blank ballot. In the event, Gusmão was elected president by an overwhelming 82.7% of the vote. In his declaration speech after the election, he promised to act as the elected president “for the whole nation, not only those who voted for me.”³³

29. Speech at the swearing in of the transitional government, Dili, September 20, 2001, <<http://www.etan.org/et2001c/september/16-22/20speech.htm>>.

30. Quoted by Dan Murphy, “East Timor President Faces First Challenge: Parliament,” *Christian Science Monitor*, April 19, 2002.

31. Carol Pineau, “East Timor’s Gusmao Says He’ll Do His Best,” Reuters, March 20, 2002.

32. James Dunn, Australian Broadcasting Corporation (ABC) radio interview (April 12, 2002).

33. He congratulated the people in Aileu for exercising their democratic right by voting not for him but for the rival presidential candidate, Xavier do Amaral: “Declaration of Kay Rala Xanana Gusmão on the announcement of the results of East Timor’s first presidential elections,”

The Constitution, designed by the Fretilin-dominated Constituent Assembly, was loosely based on the current Portuguese constitutional system.³⁴ Promulgated on March 22, 2002, the Constitution located executive power in the prime minister and Cabinet, and not in the presidency, reflecting Fretilin's calculation that Gusmão would win a presidential election.³⁵ During the election, Gusmão jokingly told the international media, "The constitution does not allow me to put my five cents in. As president I will not have many responsibilities but I can express the desperation of the people." Responding to such comments, Arlindo Marçal, the vice-president of the Constituent Assembly, explained, "The constitution provides for a semi-presidential system in which there is a balance between the powers of the organs of sovereignty. We have a different system than the USA or Indonesia. But the East Timorese president will also be powerful, and won't have just a ceremonial function."³⁶

As Dunn has noted, whatever the constitutional limitations, Gusmão's personal authority makes the presidency a force in national politics.³⁷ Indeed, the Constitution provides the president with more than symbolic powers. The president is head of state and "the symbol and guarantor of national independence and unity of the State and of the smooth functioning of the democratic institutions." He is supreme commander of the Defense Force. His five-year term of office coincides with that of the parliament. The president has some apparent powers: to veto any statute (for up to 90 days after its passage in the parliament), to request the Supreme Court to review the constitutionality of government rules, and to submit relevant issues to a referendum. The president can also convene extraordinary sessions of the national parliament and dissolve the parliament in case of a serious institutional crisis preventing the formation of a government or the approval of the State Budget (Section 86: [d] [f]). For its part, a two-thirds majority of the parliament can initiate criminal proceedings before the Supreme Court against a president.

Dili, April 17, 2002, <<http://www.etra.zip.com.au/xgdecpresen.html>>. [Accessed March 14, 2003.]

34. Quoted by the BBC, February 9, 2002, <<http://www.etan.org/et2002a/february/01-09/09etcoos.htm>>. The 1975 Portuguese Constitution was a semi-presidential model with the president "neither a figurehead nor all-powerful." See Maurice Duverger, "A New Political System Model: Semi-presidential Government," in *Parliamentary versus Presidential Government*, ed. Arend Lijphart (Oxford: Oxford University Press, 1992), p. 148. In Portugal, revisions to the Constitution since 1975 have shifted power toward the parliament.

35. See Paulo Gorjão, "The Legacy and Lessons of the United Nations Transitional Administration in East Timor," *Contemporary Southeast Asia* 24:2 (August 2002), p. 322.

36. Press release, Constituent Assembly East Timor, February 15, 2002, <<http://www.tip.net.au/~wildwood/02febca.htm>>. [Accessed March 14, 2003.]

37. ABC radio interview (April 12, 2002).

Within weeks of independence, the president formally castigated the government. In an address to the nation, Gusmão condemned members of parliament as “enormously irresponsible” for failing to attend sessions regularly and lacking dedication. He said, “We should give it, in the first place, six months—enough time for all of us to know whether our government is or is not doing something to benefit our country.”³⁸ He noted that in two recent sessions, members of parliament (MPs) had not attained a quorum to approve legislation. He warned MPs that if they did not mend their ways, “[T]hey will create the legitimate impression that parliament needs better-qualified people, more capable of responding to political demands.” He also attacked the Fretilin-drafted Constitution for providing inadequate protection for a free media. The speech, putting the government on notice so early in its term, demonstrated that Gusmão did not intend to be simply a ceremonial head of state. Alkatiri refused to respond in kind to the criticisms, putting the attack down to Gusmão’s style: “He likes to administer shock therapy, to wake people up, but we don’t need a wake-up call. I don’t see it as a declaration of war. He did say people should give us more time, after all. Let him talk.”³⁹

Gusmão can appeal to a strong popular expectation that government must be democratic and clean, as well as effective.⁴⁰ Fretilin, for its part, will find it difficult to live with the commitment to inclusive and democratic multiparty politics. In the first place, as the government of a new state, Fretilin’s leadership is determined to establish its right to authoritatively make and enforce the rules. This involves a struggle for state policy to prevail over opposition and autonomous social organizations. In the second place, Fretilin denies the legitimacy of its parliamentary opponents on the right, whom Fretilin regards as collaborators and landlords. Outside the parliament, the party is challenged by an extremist breakaway group, the Conselho Popular pela Defesa da República Democrática de Timor Leste (Popular Council for the Defense of the Democratic Republic of East Timor, CPD-RDTL) and disaffected Falintil veterans. CPD-RDTL was established in 1999 and identifies itself with the original independent republic proclaimed on November 28, 1975. It claims to be the “real” Fretilin. It staged a rival independence rally on November 28, 2002, that attracted 3,000 supporters, humiliating the prime minister at the official ceremony where only some 300 people attended. Provoked by such opposition, the temptation will be for Fretilin to repeat the

38. Jill Jolliffe, “Gusmao Puts MPs on Notice to Improve,” *Sydney Morning Herald*, June 14, 2002.

39. Quoted in *ibid.*

40. See, for instance, the findings of “*Timor Loro Sa’e Is Our Nation*”: A Report on Focus Group Discussions in East Timor (Washington, D.C.: National Democratic Institute for International Affairs, March 2001), p. 2. <<http://www.ndi.org>>. [Accessed March 16, 2003.]

history of other post-revolution liberation movements and attempt to install a de facto one-party system.

The Army and the Police

The government must look to its security agencies to support its authority. There are early signs that this support may not be forthcoming. By late 2001, the United Nations Transitional Administration was aware that the division between followers of Gusmão and the Alkatiri government was widening and a potentially dangerous power struggle was under way. The new national army was caught up in this struggle.

Falintil presents a major problem for the Alkatiri government. The preamble in the Constitution celebrates the “historical struggle carried out by the glorious forces for national liberation” and, understandably, many Falintil veterans now feel they have earned a privileged place in independent East Timor. Their reintegration into civilian life, however, is difficult. Falintil veterans were provided some financial support by the International Organization for Migration (IOM) through its Falintil Reinsertion Assistance Program (FRAP), funded by the World Bank and the United States Agency for International Development (USAID), but this support ended in December 2001.⁴¹

In September 2000, the East Timor Transitional Cabinet made a critical decision to adopt the recommendations presented as “Option Three” by an independent study team from the Centre for Defence Studies, King’s College, London. The option was to establish over three years the East Timor Defense Force (ETDF, or its Portuguese acronym, FDTL) as a light-infantry force of 1,500 regulars and 1,500 reservists. The first battalion, formed in 2001, before independence, was composed entirely of 650 Falintil veterans. The U.N. Transitional Administration agreed that the Falintil High Command would control the selection process for the first battalion. The High Command ensured that the officer corps of the FDTL was selected from those Falintil commanders loyal to Gusmão and to Falintil commander, and now commander of the FDTL, Brigadier-General Taur Matan Ruak. The senior commanders and most of the Falintil recruits in the first battalion were drawn from the area collectively referred to as “Firaku” in the eastern districts (with around 30% of the population). The Firaku of the eastern districts were most strongly identified with the independence movement, maintaining the armed struggle against Indonesian forces. James Fox has remarked that “Battalion I of the ETDF is preponderantly a Firaku force and this has quietly been noted as such by East Timorese in western districts [collectively known as

41. United Nations Transitional Administration in East Timor (UNTAET), “Transition of Falintil into East Timor Defence Force,” Fact Sheet, Dili, February 1, 2001.

'Kaladi']'.⁴² The Kaladi make up some 50% of the population. The Firaku-Kaladi ethnic divide is a potential fault-line in East Timorese politics.⁴³ The core of the new defense force is identified, then, not only with the president and commander-in-chief, rather than the government, but with one ethnic collectivity rather than another. This has provoked protests and allegations of political favoritism in the new force.

From its inception, it was clear that the FDTL was not to be a neutral professional force under civilian control. At a speech marking the simultaneous demobilization of Falintil and the establishment of the FDTL, Brigadier-General Ruak reminded the government that the recruitment for the first FDTL contingent exclusively from within Falintil ranks guaranteed "the continuity of the spirit of Falintil, the legacy of its history, its symbolism and its bond with the People of East Timor. . . . I affirm once again: there will be no destabilising campaign that will annul the institution that is Falintil and its identity. . . ."⁴⁴

The political character of the army has grave implications for the Alkatiri government. The first battalion was established before the independent government was in place and able to influence the character of the new force. Now formally designated the Falintil-FDTL (F-FDTL), the army is effectively controlled by Gusmão loyalists, officers selected as senior commanders in what one Western security analyst called "a political demobilization" through which "Xanana's friends got in and his enemies were left out. It's a politicized military. They are very much Xanana's boys."⁴⁵ Once he had assumed command, Ruak was able to limit recruitment to the second battalion to 18- to 21-year-olds with a high school education. This effectively excluded from the national army those Falintil veterans who had not been recruited into the first battalion and whose loyalty to Ruak and Gusmão was questionable. The young recruits in the second battalion are reportedly loyal to their commander-in-chief and to their supreme commander. Whether they are loyal to the government is untested.

42. James J. Fox, "Recent Security Developments in East Timor," Australian Member Committee of the Council for Security Cooperation in Asia Pacific (AUS-CSCAP), *Newsletter*, no. 12 (November 2001), p. 7.

43. Anthony L. Smith, "East Timor" (2001). Self-Determination Conflict Profile, a project associated with Foreign Policy in Focus (U.S.A.). The author was a Fellow of the Institute of Southeast Asian Studies, Singapore, <http://www.selfdetermine.org/conflicts/timor_body.html>. [Accessed March 16, 2003.]

44. Speech on the occasion of the transitional ceremony from Falintil to the Defence Force of East Timor, Aileu, February 1, 2001, <<http://www.etan.org/et2001a/february/01-03/01taur.htm>>. [Accessed March 16, 2003.]

45. Mark Dodd, "East Timor's New Govt Faces a Challenge from Rebels," *Far Eastern Economic Review*, July 4, 2002.

The Falintil core of the defense forces represents the culmination of the policy Gusmão launched in 1987: the separation of the armed forces from Fretilin control. It is the context that has changed: the Falintil core has been transformed into the national army of an independent state. The survival of the government of that state may depend upon the ability to assert its authority over armed forces loyal to its political rival, the president. Within the F-FDTL, there are reported difficulties with discipline and training. Falintil veterans have no tradition of professionalism under civilian control. Some soldiers are said to appear only to collect their pay packets. The ASPI report's assessment is that the F-FDTL "has limited capabilities and no clear role in meeting East Timor's current security problems."⁴⁶

Demobilized Falintil fighters who were not recruited into the F-FDTL are a destabilizing element. Organized into separate veterans' associations, they constitute a challenge to state control. Gusmão is the leader of the largest Falintil veterans' organization, the Association of Veterans of the Resistance (AVR), founded in July 2001. The AVR encompasses ex-Falintil and also civilian militants who worked underground in the CNRT during the Indonesian administration (the Clandestino organizations). The AVR claims over 18,000 members. A second veteran's group, the Falintil Veterans Foundation, with General Ruak and his deputy, Colonel Lere Anan Timor, on its board, is also identified with the Gusmão faction. Opposed to the Gusmão loyalists is the Falintil force led by Cornélio Gama (whose resistance code name was L-7 or "Elle Sette," also known as Elli Foho Boot) of Laga, Baucau. The Fretilin minister of internal administration, Rogério Lobato, is associated with this group. Gama broke with Gusmão's Falintil in 1985 and commanded an independent armed movement in the hinterland of Baucau. In February 2000, he took his men out of the Falintil cantonment in Aileu and re-established his power base in Baucau. Gama was angered by his exclusion from the new national army and its dominance by "Xanana's boys." General Ruak deployed the F-FDTL first battalion to the Baucau area after the proclamation of independence, presumably to check Gama's influence there.⁴⁷

Hugh White, director of ASPI and a former deputy of the Australian Defence Department, has identified internal security as East Timor's most urgent priority. White warns that East Timor may "extend up with organized groups of Fretilin veteran fighters outside the East Timor Defence [Force] in opposition to those who are inside the East Timor Defence Force. . . . The

46. ASPI, *New Neighbours, New Challenge*, and evidence from an informant in the international peacekeeping force, June 30, 2002.

47. Dodd, "A Challenge from Rebels." In one incident, a U.N. Peacekeeping Force (PKF) Military Police unit managed to persuade three truckloads of armed FDTL soldiers to turn back and not attack rival elements in Baucau.

East Timor Defence Force could go the way of the PNG Defence and end up being a strategic liability, rather than a strategic asset. . . .”⁴⁸

The Timor-Leste Police Service (TLPS) is the second critical security agency in the new state. There are presently some 1,300 East Timorese police officers deployed in the 13 districts. ASPI describes the police force as “poorly trained, [with] almost no equipment, and . . . severely under-funded.” The report concludes that East Timor’s security institutions are not equal to the task of ensuring that the state will be viable. The international aid effort should focus on East Timor’s urgent security problems as a priority.⁴⁹

There are indications that the TLPS and Falintil-FDTL are emerging as rival agencies. There have been a number of violent clashes between police and Falintil-FDTL personnel. On November 8, 2002, Defense force recruits attacked traffic police in the Dili market, seriously injuring two of them. Police Commissioner Paulo Martins and F-FDTL Commander Ruak both rushed to the market to help restore calm. Five recruits and an army captain were later arrested.⁵⁰ While such incidents may be provoked by local rivalries, there have been allegations that Minister Lobato has attempted to politicize the TLPS.⁵¹ As a counterweight to Falintil-FDTL, Lobato has cultivated the support of rival Falintil factions. He moved to appoint Cornélio Gama as his department’s security adviser in July 2002, aligning Gama’s veterans’ organization with the Fretilin government and, by implication, as a counterbalance to President Gusmão’s Falintil loyalists.⁵² Lobato, at the same time, was maneuvering to win over Gama’s veterans to strengthen his own faction within Fretilin against Alkatiri and Alkatiri’s close allies, the party president, Francisco Guterres, and Justice Minister (now newly appointed Minister of State) Ana Pesoa.⁵³

The police commissioner, Paulo Fátima Martins, was a serving police officer under the Indonesians. His civilian superior is the minister for internal

48. Interviewed on ABC radio, Lateline program, May 20, 2002.

49. ASPI, *New Neighbours, New Challenge*.

50. “Police-Military Rivalry in Timor,” *Far Eastern Economic Review*, December 5, 2002, p. 12.

51. At a press conference after the Baucau riot, Commissioner Peter Miller was asked about allegations that Lobato had “weakened police authority.” Miller replied that Lobato may have received “wrong information” and that “this is a new country and a new ministry. . . . There will be mistakes,” “Police and Rights Officials Address Baucau Violence,” Judicial System Monitoring Program News, December 2, 2002, <http://www.jsmp.minihub.org/News/03_12_02.htm>. [Accessed March 16, 2003.]

52. Gama was given use of a government car but he didn’t take up the offer. By March 2003, he was warning of “a possible new civil war.” See Chris McCall, “Timor Fighter Turns His Venom on Its Leaders,” *South China Morning Post*, March 6, 2003.

53. Chris McCall, “Bright Hopes, Bitter Reality: East Timor after Independence,” *ibid.*, March 13, 2003.

administration. Martins works alongside the United Nations Police (UNPOL) commissioner, Peter Miller, representing the United Nations Mission of Support in East Timor (UNMISSET). Martins has a reputation for professionalism. He is said to have stood up to Lobato to counter attempts to politicize police recruitment. In September, Lobato drew up a list of some 500 resistance veterans (presumably from his and Gama's veterans association) for recruitment to the National Police. He publicly called for former guerrillas to be appointed rather than police officers who had served under the former Indonesian administration.⁵⁴ Martins defended the recruitment policy based on qualifications and education.

Attacks against the police became a major national security issue in late November 2002. On November 25, a mob including angry unemployed veterans attacked the Baucau police headquarters. They were protesting their exclusion from recruitment into the police service. The building was ransacked and several vehicles were damaged. One protester was killed and several others were wounded. Lobato's dealings with disaffected veterans provoked Gusmão to demand his removal from office. In his independence anniversary speech on November 28, Gusmão went much further in his public attack against Fretilin than he had in June. After again berating parliamentarians, "many of whom are constantly absent," he ridiculed Fretilin and its manipulation of "independence" to care for its cadres. He underlined the growing security problem:

November 28th 2002, is celebrated, with a feeling of grief because of the problems in Uatu-Lari, the problems in Dili, the problems in Ualili and Baucau, the problems in Same and Ainaro, the problems in Ermera and Liquiça and the problems in Suai and Maliana. Unfortunately, it seems that by creating problems, one can rise to become a Minister, and these same people, after becoming Ministers, only know how to increase existing problems. . . . I seize this opportunity to demand of the Government to dismiss the Minister for Internal Administration, Mr. Rogério Lobato, on the grounds of incompetence and neglect.

The Parliament Speaker, Francisco Guterres, denounced this demand as dictatorial, and Alkatiri announced that his rejection of the demand was "absolute."⁵⁵

54. Jill Jolliffe, "Gusmao Lashes Out at Politicians," *Age* (Melbourne), November 29, 2002; *Suara Timor Lorosa'e* (Voice of East Timor), September 23, 2002; LUSA (Lusa Agência de Notícias de Portugal/Lusa Portuguese News Agency), *Notícia* (news item), no. 4378838, November 25, 2002.

55. "Speech by H. E. President of the Republic Kay Rala Xanana Gusmão at the Official Ceremonies Commemorating 28th November," Dili, November 28, 2002, <http://etan.org/et2002c/november/24-30/28xgspech.htm>; Jolliffe, "Gusmao Lashes Out"; "Dili Riots May Have Been 'Planned Attack' Says UN Mission Chief," LUSA, *Notícia*, no. 4419940, December 6,

The December 4 Riots in Dili

The Baucau riot was a prelude to a large counterdemonstration by CPD-RDTL supporters on Independence Day, November 28, in Dili. The climax of two weeks of violence came on December 4, when some 500 students attacked the Dili National Police Headquarters, angered by the arrest of a student on gang-related charges. President Gusmão, when he attempted to calm the demonstrators, was pelted with stones and had to retreat under guard into the police headquarters. Shots were fired and the protest moved on to the parliament building where there was more gunfire and the building was damaged. In the course of the day, two protesters were killed, others seriously injured after police fired into the crowd. Dili's An Mur Mosque was attacked. Prime Minister Alkatiri's house and other houses belonging to his brothers were destroyed. A foreign-owned supermarket and hotel were burned and other shops were looted. Instigators were observed directing the crowd to attack certain targets and supplying them with gasoline for arson. The parliament building was attacked and damaged. According to a joint statement by the Civil Society Organizations in Timor Lorosa'e group, the violence was systematic and manifestly political, notably directed against Alkatiri and his family. The statement claims that agents aroused the crowd, attacking the prime minister and directing the violence against political targets. The rioters were provided with gasoline for arson and with transport. Some rioters were heard shouting "Oust Alkatiri!" "Paulo [Martins] resign!" "Rogério [Lobato] stay!"⁵⁶ An Australian journalist who covered the riots claimed that "there is substantial evidence that powerful Fretilin officials from within the Interior Ministry were involved in trucking in protesters from rural areas and then inciting the rioters once the violence began."⁵⁷

The rioting marked the end of the brief period when the new state could draw on the euphoria of independence to sustain its legitimacy. The Alkatiri government is now blamed for poverty and unemployment (and for providing prize positions for its friends). Alkatiri has a respectable personal reputation but his government is beginning to attract accusations of "Corruption, Collusion, and Nepotism" (familarly known as CCN, an ironic reference to the Indonesian acronym *KKN* for *Korupsi, Kolusi dan Nepotisme*, the accusation made against the Suharto regime). Some observers detect a mood of resentment against the country's new political élite, particularly the returned exiles

2002; "PM Alkatiri Rejects President's Demand He Sack Interior Minister," *LUSA, Notícia*, no. 4402579, December 2, 2002.

56. "Never Sacrifice People for Political Ambition," Joint Statement of Civil Society Organizations in Timor Lorosa'e, Dili, December 7, 2002, <<http://www.etan.org/et2002c/december/01-07/07civsoc.htm>>. [Accessed March 16, 2003.]

57. Mark Baker, "East Timor at Flashpoint as Disillusionment Sets In," *Sydney Morning Herald*, December 14, 2002.

and their determination to impose a Portuguese-style culture on the government and administration of the new state.⁵⁸

Conclusion

In assessing the potential for trouble for the new state of Timor-Leste, the temptation is to highlight the risks and dangers rather than the less-dramatic positive factors. This sort of analysis runs the danger of accumulating negative evidence until a worst-case scenario appears inevitable. Mindful of this caution, it does appear, nevertheless, that the political divisions examined in this paper are real and will need to be addressed if the leadership of the new state is to establish order, effective government, and multiparty democracy. The fault line established by a semi-presidential system complicates the already formidable task of establishing an effective and at the same time democratic system of governance. A presidential system probably would have been a more coherent system for a new state lacking an established set of governing institutions. That the Fretilin leadership rejected a presidential model reflected not only their familiarity with the Portuguese mixed model but almost certainly their recognition of the risk that Gusmão would capture the presidency and leave Fretilin excluded from power.

Deep antagonisms at the highest level of the national leadership seem to be encouraging a polarization of political alliances that could threaten the new state's viability. The disturbing events of November-December 2002 appear to confirm a pessimistic prognosis for the new state. If Timor-Leste is to overcome these challenges, the relationship between Prime Minister Alkatiri and President Gusmão over the coming months will be critical. Will they put aside their long-standing differences in the interests of national stability, or will the president use the gathering unrest to increase his pressure on the Fretilin government in the hope of replacing it? The prime minister, for his part, will need to discipline his cabinet and, in particular, his minister for internal administration as a necessary condition for his government to regain control of the security situation. In terms of both democratic development and disciplined governance, the central issue between the two leaders remains the position that Fretilin should occupy in the new state: as an equal member of a competitive multiparty democracy or as the party with an exclusive historic right to govern. The resolution of this issue is at the center of Timorese politics now, as it was in 1975.

58. Tim Dodd, "Wealth Divide behind Timor Violence," *Australian Financial Review*, December 6, 2002.