

How Australia is screwing East Timor

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Graffiti on wall of Australian embassy in Dili.

The Australian government's refusal to negotiate a fair deal according to international law with East Timor over the oil and gas fields in the Timor Sea is not appreciated by the people of one of the world's poorest nations.

East Timor is calling for the maritime border to be recognised halfway between the two nations, as dictated by international law.

Tomas Freitas, an East Timorese activist and member of the Movement Against the Occupation of the Timor Sea (MKOTT), told the Socialism in the 21st Century conference in Sydney in May that Australians visiting East Timor should consider hiding their nationality — or risk being considered a thief.

He said that while activists drew a distinction between the Australian people and government policies, many ordinary Timorese did not — creating a popular perception that Australia was full of thieves.

At issue is Australia's refusal to negotiate a permanent maritime boundary between the two countries, which East Timor says should be on the median line equal distance from the two countries' coasts.

Australia wants to keep in place arrangements that allow Australian corporations unfettered access to the Timor Sea's oil and gas reserves. These give Australia royalties from oil and gas fields that are closer to East Timor than Australia. They also stop the oil being piped to East Timor, allowing Australia to be the sole beneficiary of value adding.

Protests by MKOTT and other grassroots groups in East Timor peaked with mass demonstrations on March 22. Thousands of people rallied around the country, with more than 10,000 protesting outside the Australian embassy in Dili.

On April 11, the East Timorese government announced it would refer the matter to the United Nations for conciliation under the UN Convention of the Law of the Sea (UNCLOS). This is the first time an issue has been referred to the UN for mediation under the convention.

However, Australia withdrew from UNCLOS in 2002, shortly before East Timor regained independence. This means the results of such conciliation can only be recommendations and are not enforceable.

Australia has long gone to extraordinary lengths to get its hands on East Timor's oil and gas. In August 1975, then Australian ambassador to Indonesia Richard Woolcott argued in a notorious diplomatic cable that Australia should support Indonesia's impending invasion of East Timor. He argued this on the grounds a better deal for the Timor Sea oil could be signed with Indonesia than an independent East Timor.

During the 1975-1999 Indonesian occupation, 200,000 to 300,000 East Timorese, almost a third of the population, were killed. Australia was the leading diplomatic supporter of Indonesia's occupation. It was rewarded with the 1989 Timor Gap Treaty, which opened the Timor Sea to Australian oil and gas companies.

Indonesia was never able to completely crush East Timorese guerrilla forces or the civil society movement for independence. After the overthrow of Indonesia's 33-year-old military dictatorship in 1998, interim President Bacharuddin Jusuf Habibie allowed a referendum on independence in August 1999.

Australian intelligence was well aware that the Indonesian army, and militias it created, were planning a massacre when — as expected — East Timor vote for independence. However, not only did they do nothing, the Australian government — aware of this intelligence — lobbied to ensure the Indonesian military was kept in charge of "security" before and after the UN-supervised vote.

When more than 80% of Timorese voted for independence, the Indonesian military-backed militias began a bloody reign

of terror, killing independence activist and burning down towns.

It was only after three weeks of this widely publicised violence and mass protests in Australia demanding action to end the carnage that a largely Australian force, under the UN banner, was despatched to East Timor.

Many Timorese believe that Australia used the delay to pressure East Timor's leaders to accept the continuation of the Timor Gap Treaty's provisions on oil and gas. When Australian troops finally arrived, Indonesian forces withdrew without firing a shot. By this time, 1400 civilians had been killed and 70% of East Timor's infrastructure had been destroyed.

East Timor remained under UN administration for three years. In 2002, it became formally independent as Asia's poorest nation.

Australia has resorted to a number of dirty tricks in its negotiations with East Timor, starting with its pre-emptive withdrawal from UNCLOS. Development aid for the impoverished and devastated nation was also used as a bargaining chip.

In 2006, Australian troops were again despatched to East Timor, this time to restore order after a collapse of East Timorese state institutions. East Timorese activists accused Canberra of having a covert hand in the political crisis, creating a pretext for intervention.

Throughout protracted negotiations over the Timor Sea dispute, representatives of Australian and multinational fossil fuel companies such as Woodside Petroleum and ConocoPhillips have been part of the Australian negotiating teams.

Two interim agreements have been signed. A 2002 agreement gave East Timor 90% of royalties from the Bayu-Undan gas field. However, Bayu-Undan is closer to East Timor than Australia and the agreement allows the gas to be piped to Darwin. Australia has claimed exclusive rights to tax gas from the pipeline.

In 2006 another agreement, the Treaty on Certain Maritime Arrangements in the Timor Sea (CMATS), was signed that split revenues from the Greater Sunrise oil field 50-50. However, development has been delayed over the dispute between East Timor and Australia over which country the oil should be piped to.

In the current dispute referred to the UN for mediation, Australia is arguing that the CMATS Treaty settles the issue and deferred the issue of a permanent maritime boundary for 50 years. East Timor is arguing that the CMATS Treaty allowed either party to withdraw from the treaty if agreement on the exploitation of Greater Sunrise had not been reached by February 2013.

East Timor's case has been bolstered by the 2013 revelation that during negotiations for the 2006 treaty, the Australian Security and Intelligence Service (ASIS) was illegally bugging the East Timorese government. Australia used the information obtained for its benefit in the negotiations.

Australia renovated East Timorese government offices in 2004 as part of its aid program. Listening devices were installed during the renovations.

The Australian government's response to the spying revelations was to send domestic intelligence agency ASIO to raid the offices of the Canberra lawyer who had been acting for the East Timorese. The ASIS whistleblower also had their home raided, and was hit with criminal charges.

The whistleblower, known as Witness K, had their passport seized, preventing them from travelling to The Hague, where they were planning to testify against Australia in the International Court of Justice (ICJ). To this day, Witness K remains under investigation and denied their passport.

The ICJ condemned Australia's actions.

Since 1975, Australia's exploitative policies towards East Timor have been bipartisan. But on April 12, shadow foreign minister Tanya Plibersek told ABC radio that, unlike the current government, a Labor government would abide by the UN's recommendation in the case brought by East Timor under UNCLOS.

Plibersek said: "At the same time as we're saying that China and other nations that have claims in the South China Sea should submit themselves to arbitration and should abide by the outcome of that arbitration, particularly under the UN Convention on the Law of the Sea, it's a bit rich if we're not prepared to do it ourselves."

East Timor remains desperately poor. During the UN administration a two-tier economy emerged. At the same time as East Timorese suffered an unemployment rate of 70% in urban areas, foreign employees of the UN and international NGOs were paid Western wages.

Prices reflected the spending power of these expatriates. Neoliberal development policies pushed by Australia have maintained this two-tier economy.

This year, the country's poverty has been exacerbated by an unprecedented drought, probably caused by climate change. A May 27 Red Cross report said: "Almost 50 percent of households across the country are expected to experience varying levels of food insecurity."

A June 20 media release by Plan International said: "With the third highest rate of child malnutrition in the world, 70% of the population reliant on rain fed agriculture, and more than 4 months until the next rainy season, the drought is cause for alarm.

"The drought has led to water and food shortages across the country, causing crop failure, reduced family income and the death of 70,000 livestock. Families are missing meals, children's education is being disrupted, and every day girls and women are walking long distances to collect water, with some from dirty sources."

Australian governments express pride in Australia's generosity in providing aid to its impoverished neighbour. But this aid goes to the military or to neoliberal development projects that benefit Australian companies more than the East Timorese people. Such aid is also outweighed by the wealth Australia has stolen.

Civil society organisation La'o Hamutuk estimates that Australia has illegally obtained \$US5 billion since 1999 from oil and gas revenues that rightfully belongs to East Timor. Offset against Australian aid, this means East Timor has given Australia at least \$US3 billion.

These figures, of course, do not include oil and gas revenues that went to Australia during the Indonesian occupation.

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