

Bullied Relations: Australia, East Timor and Natural Resources

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“The Commission instead opted for the easiest way out, which is a shame as in my perception it reveals a lack of impartiality on your behalf!” – Chief East Timorese negotiator, [Xanana Gusmão](#), Feb 28, 2018

In the scheme of things, Australia has deputised as regional bully for imperial powers since it became an outpost of the British empire. Neighbouring states have been ridiculed, mocked and derided as sub-human and incapable. The term “failed state” is still used in Canberra’s circles of presupposing power over desperate basket cases. Little wonder that China smells a wounded reputation.

It is in that spirit that signing of an agreement between Australia and East Timor to demarcate maritime borders took place. Officially, there were smiles, even a sense of back slapping. The [March 7 press release](#) from Foreign Minister Julie Bishop conveys the moment of false elevation:

“The treaty is a historic agreement that opens a new chapter in our bilateral relationship. It establishes permanent maritime boundaries between our countries and provides for the joint development and management of the Great Sunrise gas fields.”

The story behind the rubbing and flesh pressing was more questioning. The countries had, after all, reached this point after allegations of espionage threatened to scupper talks. Those allegations pertained to efforts on the part of the Australian Secret Intelligence Service [to spy on East Timorese delegates](#) during negotiations of the 2006 CMATS (Certain Maritime Arrangements in the Timor Sea). Where the division of revenue is concerned – in that case, the Greater Sunrise gas field in the Timor Sea – the spooks will follow.

The central points of historic contention between the states remain traditional: natural resources and how best to harness them. Neither could quite agree on who should have access to oil and gas reserves in the Timor Sea. The political imbroglio had its genesis in the 1989 Timor Gap Treaty signed between Australia and Indonesia when President Suharto’s kleptocracy, not to mention brutal suppression of East Timor, were deemed acceptable matters of realpolitik.

The subsequent liberation of East Timor left the fledgling state in a parlous, near-death state. Indonesia and Australia continued to share the resources of the Timor Gap in gluttonous merriment till the signing of the Timor Sea Treaty. The document had one glaring flaw: the lack of a determined permanent maritime border. CMATS, which East Timor duly tore up, permitted an equal division of revenue, but similarly postponed the discussion of a maritime border.

Central to the Timor-Leste strategy was a determination to do it by the international law book. East Timor argued for a maritime border lying half way between it and Australia; Australia, that it follow its continental shelf. The Permanent Court of Arbitration, and Conciliation Commissioners, were duly engaged in applying the UN Convention on the Law of the Sea. Australia subsequently [celebrated the outcome](#) as “the first ever conciliation under [UNCLOS].”

While students of international law cheered the result, the political dimension proved uglier. East Timor’s chief negotiator and all-round resistance figure Xanana Gusmão lashed Australia and the Commissioners [in a letter](#) to the Conciliation Commission.

The Commission, he argued, were ignorant on East Timorese matters. The “chosen technical expert does not have appropriate experience or understanding from working in Timor-Leste or similar developing country contexts.” Their assessments on “potential benefits to the Timor-Leste population” were “shockingly superficial,” a point that only advantaged Australia.

Gusmão also had another gripe: Australian negotiators had seemingly been gotten to by the extractive industry heavies, Woodside Petroleum and Conoco Philips. “Civil society could potentially perceive this as a ‘form’ of collusion between the Government of Australia and Darwin LNG Partners and/or the Sunrise J.”

That the officials of Timor-Leste should harbour obstinate suspicions is not only understandable but sagacious. To deal with a repressive, sanguinary Indonesian military was painful enough. But then came international knowledge about the brutal regime operating in East Timor, knowledge that came precariously close to active complicity. Fraternal talk tends to be counterfeit in the market of geopolitics.

The 2,500 page [“Commission for Reception, Truth and Reconciliation in East Timor,”](#) transmitted by Gusmão, then East Timorese president, to the national

parliament in November 2005 referenced hundreds of illuminating formerly classified US and British documents. These showed [tacit approval](#) by both the US and UK for the invasion of East Timor in 1975 and the status quo till 1999, during which some 100,000 Timorese died.

There were even open instances of Indonesian officials showing interest, as a National Security Council [memorandum](#) to US Secretary of State Henry Kissinger states, “in knowing the American attitude regarding Portuguese Timor (and, by implication, our reaction to a possible Indonesian takeover).” They were not disappointed.

As late as 2014, the Australian government would go to considerable lengths to prevent the release of files pertaining to Canberra’s knowledge of Indonesian troop deployments during the occupation. Of particular sensitivity were operations conducted in late 1981 and early 1982 which ended in predictable massacre. In a decision by the Administrative Appeals Tribunal agreeing with the government, President Justice [Duncan Kerr](#) claimed with Kafkaesque absurdity that he had to “express conclusions which I am unable to explain.”

What the justice did reveal was a tantalising titbit on the regional bullying East Timor has been subjected to at the hands of murderous and occasionally complicit powers. Evidence submitted to the Department of Foreign Affairs and Trade revealed a certain insistence on the part of US authorities in 2013 wanting “the Australian government to continue to restrict access to... four documents” with “ongoing sensitivities.”

East Timor remains a state on a drip. It is impoverished. Despite all this, the Australian preference remains determined and exploitative. The issue on where the oil and gas will be processed continues as a niggling sore point. Canberra prefers that piping take place through Darwin, with an 80 percent revenue sweetener to East Timor.

That will hardly pass muster for Dili, which sees value in having the processing facility in East Timor, where a “[petroleum hub](#)” is being developed. To that end, it is even willing to surrender a revenue cut to Australia. Power machinations, and Australia’s petroleum lobby, may well yet undo these arrangements. The regional bully remains renascent.