

# **Council for Asia Europe Co-operation (CAEC)**

## **Comparing Experiences with State Building in Asia and Europe: The Cases of East Timor, Bosnia and Kosovo**

### **SECURING EAST TIMOR: THE MILITARY AND EXTERNAL RELATIONS**

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#### **Introduction**

For newly-independent state, the task of guaranteeing military and external security constitutes one of crucial challenges in the state-building process. As East Timor is now in the transition towards independence as a sovereign state, the country also faces such crucial challenge. Given the violent historical and political context of East Timor's struggle for independence, the paramount importance of the task is indeed self-evident. The history of East Timor, from Portuguese colonialism to two decades of Indonesia's rule from 1976-1998, has been a history deeply marked by constant anguish, oppression, and violence. As that history was primarily defined and imposed on the East Timorese by external forces, either by 400 years of Portuguese primitive colonialism or 23 years of Indonesian brutal rule, the need to guarantee the country's security as an independent state becomes imperative.

No one would deny that the imperative for assuring East Timor's external security cannot be separated from the question of internal politics and security. However, this paper specifically addresses the challenges facing the East Timorese future government in ensuring its external security. The internal dimension of this issue will only be addressed in the broader context of national security challenges. In that context, the consolidation of internal security through the removal of the potential for violence, the

establishment of a regular defence force, and the challenge of managing democratic civil-military relations, would constitute three important internal tasks. Externally, East Timor's relations with Indonesia and Australia, and its place in the wider Southeast Asia region, would have important bearing on the country's national security.

The discussion is divided into four main sections. The first section analyses the problem of consolidating internal security. It discusses the problem of dismantling remnants of violence, the establishment of East Timor Defence Force (ETDF), and the question of civil-military relations. The second section specifically examines security challenges facing the country, both perceived and actual. The third section explores the problems facing East Timor's external security and the strategy through which the country would ensure its external security, especially within the wider context of its relations with Indonesia and Australia in particular and with the region in general. Finally, the fourth section draws some lessons to be learned from the process of guaranteeing external military security as part of state-building process in East Timor.

### **The Internal Dimension: Security Consolidation and the Military**

The withdrawal of the militia and the TNI from East Timor after the historic vote in favour of independence, and the violence and carnage that proceeded it, has left the country with a challenge of consolidating its internal security.<sup>1</sup> That challenge, however, cannot be separated from an obvious task of guaranteeing its external security. And, the linkage between the need to maintain internal security on the one hand, and the imperative for ensuring external security on the other, lies in the question of dealing with former members of the Armed Forces for the National Liberation of East Timor (Falintil). Internally, the question of re-organising the Falintil is related to problem of dismantling remnants of violence, which includes the question of disarmament and the reintegration of former combatants. More importantly, as a consequence of the decision to establishment of the ETDF in September 2000, East Timor is also faced with the question of ensuring democratic civil-military relations as a means to guarantee the absence of tension in the future. Externally, the establishment of the ETDF is also meant to provide the country with a minimum capability to ensure external security.

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<sup>1</sup> The specific problem of internal security is dealt with separately by James Fox and Dionisio Babo Soares.

*Removing Potentials for Violence:  
Managing the Falintil*

Soon after it took control over the territory, one of important problems faced by the United Nations Transitional Authority in East Timor (UNTAET) was the issue of Falintil's status. The UN Security Council Resolution No. 1272, that mandates the UNTAET with overall responsibility for the administration of East Timor, including the responsibility to restore peace and maintain law and order, did not mention specifically the future status of Falintil. Except assigning military observers to monitor the Falintil in the cantonment area, UNTAET initially did not devise a comprehensive plan on how to deal with this issue. The difficulty and sensitivity of the issue was evident when the attempt by the International Forces in East Timor (Interfet), which acted on the mandate given by the UN Security Council Resolution No. 1264 to disarm "armed groups" including Falintil, was simply unable to do so in the face of Falintil's refusal to disarm.<sup>2</sup> Moreover, UNTAET's reluctance to address the challenge posed by the need to demobilise the Falintil troops was also caused by its hesitation to create a rift with East Timorese leaders.<sup>3</sup>

Falintil's attitude was indeed understandable. As a group that formed the core of armed struggle against 23 years of brutal Indonesian rule, it is not surprising that the Falintil expects its role in the struggle for independence to be recognised and its status as a *de facto* army respected. For that reason, the Falintil clearly felt that it should continue to have a role in the future. However, immediately after the Popular Consultation, the Falintil soon felt that its presence was being marginalised, its status demeaned, and its needs in the cantonment area neglected.<sup>4</sup> As acknowledged by UN Secretary-General Koffi Anan in his report to the Security Council in July 2000, "difficult living condition, lack of supplies and lack of clarity about their current and future role have recently led to concerns over discipline and morale."<sup>5</sup>

Such condition clearly brought about some implications for security. Uncertainty in their status and poor living condition in the cantonment area forced many Falintil members to move outside the cantonment area. For

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<sup>2</sup> *Independent Study on Security Force Options for East Timor*, The Centre for Defence Studies, King's College, London, paragraph no. 12.

<sup>3</sup> Patrick Candio and Roland Bleiker, "Peacebuilding in East Timor," *The Pacific Review*, vol. 14 no. 1 (2001), p. 70.

<sup>4</sup> Prior to the Popular Consultation, under the 5 May 1999 Agreement, Falintil accepted the cantonment of its troops. After the arrival of Interfet, it agreed to move to a single cantonment area in the Aileu district.

<sup>5</sup> Report of the Secretary-General on the United Nations Transitional Administration in East Timor (for the period 27 January to 26 July 2000), 26 July 2000, p. 8.

example, it was estimated that around 700 Falintil members were “on leave”, either to rejoin their family or work outside the cantonment area. However, some of their activities, such as taking part in politically sensitive issues as land and property, screening refugees, and offering protection in the markets of Bacau, Laga, and Dili, raised concerns among UNTAET officials.<sup>6</sup> By June 2000, Concerns over the breakdown of discipline among the ranks of Falintil were increasingly voiced by UNTAET officials. Indeed, the characterisation of the Falintil on 23 June 2000 as “almost in a state of revolt” by CNRT president and Falintil supreme commander Xanana Gusmao showed the magnitude of the problem.

Such developments clearly brought about a number of security implications. First, several incidents of violence involving members of Falintil had become source of security concerns. After an incident involving two Falintil members in Dili, for example, around 60 members of Falintil left the cantonment to seek revenge.<sup>7</sup> Second, dissatisfaction with UNTAET’s in its dealings with Falintil, distrust over the capacity of the Peace Keeping Force (PKF) to undertake its duty, and internal divisions within its leadership, began to grow.<sup>8</sup> There was worry at that time that if this development continued, the relationship between members of the group and the UNTAET in general, and the PKF in particular, would be seriously affected. Third, there were incidents also where the small number of militia returning to East Timor have been subject to intimidation. Even more worrying were reports that some Falintil members also intimidated local communities. This would certainly increase the possibility of violence in the society.<sup>9</sup>

The situation posed a dilemma for UNTAET. On the one hand, due to the limitation of its mandate, the UNTAET was constrained by legal restriction to quickly address this issue. The Security Council Resolution 1272 does not explicitly authorise the UN to form a defence force in East Timor. In that context, the UNTAET was cautious not to be seen as conferring legal status on Falintil. The poor living condition within the cantonment area, for example, was believed to have been partly caused by the inability of UNTAET and other international organisations “to find a mechanism for the delivery of essential supplies that are consistent with mandates barring them from assisting armed groups.”<sup>10</sup> On the other hand, the situation continued to worsen and began to cause alarm. For example, there was an increase in the number of incidents involving Falintil’s members. The potential for

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<sup>6</sup> *Independent Study on Security Force*, paragraph 24.

<sup>7</sup> *East Timor Defence Force: The Price of Security*, Indonesia-Policy Archives: CDPM-East Timor, taken from <http://www.indopubs/tarchives/0258.html>.

<sup>8</sup> *Ibid.*, paragraph 40.

<sup>9</sup> Edmund Tee, “It’s a Difficult Birth of A New Nation,” *Straits Times*, 13 February 2000.

<sup>10</sup> *Independent Study on Security Force*, paragraph. 19.

violence associated with the presence of Falintil members outside the cantonment area became greater.

As the problem grew and began to pose security challenge, UNTAET had no choice but to address this issue in a more constructive way. In March 2000, it was agreed that a “Falintil Study Group” was formed to discuss the future of Falintil. In July, UNTAET agreed to allocate US\$ 100,000 from the Consolidated Budget of East Timor to provide food for two months to the Falintil personnel and their dependants.<sup>11</sup> A more significant measure to address the problem of Falintil was taken in June 2000 when a group of researchers from London-based King’s College was asked to conduct a study to consider security and defense needs of East Timor. In September 2000, based on the result of the study by King’s College, the East Timor Transitional Cabinet decided that, in order to meet its security and defense interests after the departure of both UNTAET and the PKF from East Timor, the country would establish the East Timor Defence Force (ETDF).

*The Establishment of ETDF:  
Rationale, Process, and Progress*

The decision to establish the ETDF in fact constituted a significant change in East Timor’s attitude towards defense. Initially, there was no plan to establish such a national defence force for East Timor. Both Xanana Gusmao and his deputy, Jose Ramos Horta, had on more than one occasion talked about not establishing a military. The CNRT had previously stated that it was committed to a gendarmerie based on the “Costa Rica” model instead of a regular national defence force.<sup>12</sup> It was likely also that such position was influenced by Indonesia’s bitter experience of military interference in civic affairs.<sup>13</sup> However, that position changed with the destruction of East Timor by pro-Indonesia militias in September 1999. In early November, Vice-Commander of Falintil Taur Matan Ruak made it clear that some Falintil members wanted to be “trained for integration into a security force.”<sup>14</sup>

While accepting the temporary role of the UNTAET and the PKF in assuring East Timor security, Falintil leaders were legitimately concerned about the future security of the country after the departure UNTAET and PKF. Ruak, for example, stated that “one day they [PKF] will leave, and we must be prepared to keep the peace.”<sup>15</sup> The need to create the ETDF was

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<sup>11</sup> Report of the Secretary-General, 26 July 2000, p. 8.

<sup>12</sup> *Independent Study on Security Force*, paragraph. 37.

<sup>13</sup> Anthony Smith, “East Timor: Status Quo Ante Bellum,” *Panorama*, No. 2 (2000), p. 21.

<sup>14</sup> *Independent Study on Security Force*, paragraph 38.

<sup>15</sup> *Asiaweek*, 17 March 2000.

strengthened by the occurrence of several incidents at the border and the penetration of militias to East Timor territory in mid-2000. For example, on 24 July, a group of militias managed to cross into East Timor, undetected by both the Indonesian military and the PKF, and led to the killing of a New Zealand peacekeeper, Pte. Manning. The incident was seen as a reminder that the situation at the border would continue to be a flashpoint for the foreseeable future.

Based on such rationale, the UNTAET began to undertake preparatory measures towards the establishment of ETDF. In line with the recommendation put forward in the study by King's College, it planned that the force would consist of a light infantry force of 1,500 regular soldiers with a phased approach to reach that number over three years, and 1,500 reservists, with former Falintil members represent the core of the force. In November 2000, UNTAET met in Dili with the representatives of a number of interested Governments to discuss how the new force might best be set up.<sup>16</sup> In the meeting, Portugal and Australia committed themselves to play a leading role in the provision of initial training of the future East Timor Defence Force. It was also planned that some 500 to 800 recruits were to be trained in January 2001, so that by the time of independence East Timor would have a battalion-strong force in place.<sup>17</sup>

A regulation On The Establishment of a Defence Force for East Timor was passed by UNTAET on 31 January 2001. Through the regulation, the ETDF sets itself to be a modest force with two main missions: to defend East Timor, its people and territories; and to provide assistance to the civilian community at the request of the civilian authorities during natural disasters and other emergencies.<sup>18</sup> In carrying out that mission, the ETDF is charged with the tasks of stopping militia incursions and deterring aggressors.<sup>19</sup> In this regards, the ETDF makes it clear that its military strategy would essentially be defensive, and that the ETDF should be capable of defeating small scale incursion by hostile groups and of delaying a larger force until external assistance arrives.<sup>20</sup>

With the decision to establish the ETDF, the Falintil was officially dissolved on 1 February 2001 and Brigadier-General Taur Matan Ruak is appointed as Commander-in-Chief. All activities related to the development

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<sup>16</sup> Report of the Secretary-General on the United Nations Transitional Administration in East Timor (for the period 27 July to 16 January 2001), 16 January 2001, p. 4.

<sup>17</sup> Ibid.

<sup>18</sup> See, UNTEAT's regulation On The Establishment of a Defence Force for East Timor, Sec. 2, Article 2.2.

<sup>19</sup> UNTAET Fact Sheet.

<sup>20</sup> *Force Development Plan for the East Timor Defence Force*, Annex A, Office of Defence Force Development (ODFD), p. 14.

of the Defence Force are coordinated by the Office of Defence Force Development (ODFD) within ETTA. However, for the duration of UNTAET's mandate, the Transitional Administrator will have command and control of the defence force. Until the ETDF is in a position to safeguard the country's security, the UN-PKF remains responsible for the defence and security of East Timor until independence. The preparation process progressed according to the plan. For example, the recruitment and selection process for the first 600-member battalion of the new ETDF, composed entirely of Falintil, was completed on 28 January, and 250 of these recruits completed their basic training at Aileu in June.<sup>21</sup> On 7 July, new permanent barracks for ETDF were opened at Metinaro. On 21 July, the first 247 cadets graduated from their basic training, and the advanced training is under way. By mid-2002, it is expected that the first battalion of 408 soldiers would be ready for operational deployment.<sup>22</sup>

### *The Question of Civil-Military Relations*

As East Timor intends to become a democratic country, the establishment of a military force clearly raises the question of how civilian control of the military is assured. It should be noted in this regard that for any country emerging from an armed struggle for independence, those who were involved in the struggle would want to see their special role be recognised. As mentioned earlier, many Falintil commanders and members argued that there should be a role for the armed forces in building East Timor. Therefore, given the fact that the ETDF is composed of former Falintil guerrilla fighters, who played instrumental role in resisting Indonesia's rule and paving the way for independence, the question of civil-military relations in East Timor becomes more relevance.

Interestingly, this issue has not become a major concern for UNTAET, East Timorese leaders, and elements of East Timorese civil society. An UNTAET official, for example, maintained that "civil-military relations is not an issue here, but the real concerns should be on the civilian police role in ensuring internal stability."<sup>23</sup> She believes that being a "very discipline" force, the ETDF would be very strict on its defence function and the need for the military to stay away from politics.<sup>24</sup> Elements of civil society, while maintaining that there is a need to raise this issue, were also of the view that civil-military is not yet an issue for East Timor.<sup>25</sup>

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<sup>21</sup> UNTAET Fact Sheet.

<sup>22</sup> See, Progress Report of the Secretary-General on the United Nations Transitional Administration in East Timor, 24 July 2001.

<sup>23</sup> Nicola Dahrendorf, Security Adviser to SRSG UNTAET/ETTA, interview, 23 July 2001.

<sup>24</sup> Ibid.

<sup>25</sup> Arsenio Beno, NGO-Forum, interview, 21 July 2001.

Such optimism, however, is not unfounded. With UNTAET as the primary arbiter of state-building in East Timor, this issue was surely addressed. When UNTAET passed the amendments to UNTAET Regulation 2001/1 on The Establishment of A Defence Force for East Timor in June 2001, several changes were made regarding civil-military relations. First, the amendments included new provisions prohibiting members of ETDF to become “members of a political party, organisation, or association or participate in any activities of a political party, organisation or association.” It also prohibits ETDF members from publicly making any opinion of a political nature.<sup>26</sup> Such legal provision is also expected to be included in the future Constitution of East Timor. In that context, the prospect for democratic civil-military relations in East Timor is indeed very encouraging.

### **The External Dimension: Threat Perceptions and Security Challenges**

The birth of East Timor as a nation is closely related to hostile external environment. More than two decades of Indonesia’s brutal rule, and the tremendous damage inflicted by pro-Indonesia militias after the Popular Consultation in September 1999, clearly serve as a reminder to many in East Timor of their vulnerable position. Within such circumstance, it is inevitable that the external dimension of state security would become a major concern. Like in many other states, East Timor’s perceptions of sources of threat are also characterised by the concerns over traditional and non-traditional threats. More unique to East Timor situation, there is also a problem of ensuring the security of Oucusse enclave in Indonesia’s territory of West Timor.

#### *Traditional and Non-Traditional Sources of External Threats*

The first major component of East Timor threat perceptions is certainly the pro-Indonesia militias. Even though there has been a marked decrease in militia activities since December 2000, the concern over the threat posed by militia remains strong. It is still strongly believed that the militia will continue to pose serious challenge to East Timor stability and security. Moreover, it has been maintained that “there is a concern that some militia elements have adopted a strategy of lying low until independence in the belief that the international military presence will be removed from East Timor”<sup>27</sup> Such high level of suspicion towards the militia is based on three observations by the UN. First, the militia is believed to have the ability to

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<sup>26</sup> See, UNTAET Regulation 2001/9, Section 21, 29 June 2001.

<sup>27</sup> See, Progress Report of the Secretary-General on the United Nations Transitional Administration in East Timor, 24 July 2001, p. 9.

operate and train unhindered in some areas. Second, illegal cross-border trade and movement by members of militia continue to take place, providing them with contacts and intelligence.<sup>28</sup> Third, it is believed that the militia still retains easy access to weaponry, including hand grenades, semi-automatic and fully automatic small arms.<sup>29</sup>

Even though the possibility is small, there is also perception among East Timorese leaders that Indonesia, especially the military, would continue to be a potential source of threat. However, few envisage that such a threat is in the form of Indonesia's desire to re-occupy East Timor through invasion.<sup>30</sup> It has been mentioned, for example, that in the context of growing separatist movements in Aceh and Irian Jaya (Papua), Indonesia's military might be tempted to destabilise East Timor for internal political purposes. In that context, "destablizing East Timor has and could still be a future strategy to demonstrate that breaking away from Indonesia involves great human and material cost."<sup>31</sup> It has been suggested also that "local Indonesian Army and militia leaders have a vested interest in continuing to control the border, particularly given the potential benefits from illicit trade between West and East Timor."<sup>32</sup>

Despite the current concerns over the militia and Indonesia, the major challenge to East Timor security in the future is largely posed by a number of non-traditional security threats. The most difficult challenge, first of all, would stem from East Timor's territorial water. UNTAET's Sergio de Mello, for example, identifies refugees from conflict-torn areas in Indonesia such as Moluccas, the use of East Timor as transit for human trafficking, and organised crimes as possible security threats that might affect the stability of East Timor in the future.<sup>33</sup> In that context, it has been acknowledged that "East Timor's maritime approaches cannot be sealed. The length and diversity of the coastline allow for a variety of threats ranging from illegal activities, to covert incursion, to over invasion. Incursion by sea whether overt or covert will be difficult to deter, to detect or to respond against."<sup>34</sup>

### *The Problem of Oucusse Enclave*

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<sup>28</sup> See, Interim Report of the Secretary-General on the United Nations Transitional Administration in East Timor, 2 May 2001, p. 4.

<sup>29</sup> See, Progress Report of the Secretary-General on the United Nations Transitional Administration in East Timor, p. 9.

<sup>30</sup> "Ready to Fight," *The Economist*, 16 June 2001, p. 36.

<sup>31</sup> Candio and Bleiker, "Peacebuilding in East Timor," p. 81.

<sup>32</sup> Ibid.

<sup>33</sup> Interview, 19 July 2001.

<sup>34</sup> *Force Development Plan*, p. 12.

In addition to traditional and non-traditional security challenges, East Timor faces a unique security challenge with regard to the Oucusse enclave within Indonesia's West Timor territory. The enclave opens onto the coast of the island of Timor and is encircled by border it shares with Indonesia. In addition to the reality that the enclave is difficult to defend, "being surrounded by Indonesian territory in West Timor makes Oe-cussi's transport and communication links with Dili and other regions of East Timor all the more difficult."<sup>35</sup> Such isolation clearly raises security concern among the people in the enclave. Unfortunately, until today, no agreement has been reached between Indonesia and the UNTAET on this issue. In that context, this issue should receive a special attention from both Indonesia and the UNTAET. A special arrangement, acceptable and mutually beneficial to both parties, should be found for the enclave.

### **Foreign Relations and External Security**

East Timor's external security and defense needs are at the moment guaranteed by the UNTAET and the PKF. In the long run, however, security challenges facing East Timor as discussed above are clearly beyond the capacity of ETDF to deal with. It clearly needs sustained international support. As de Mello put it, "arguably East Timor's greater security for the future, as well as its biggest asset, is the support it receives in the international community at large"<sup>36</sup> It is therefore imperative for East Timor to ensure that foreign policy and diplomacy would serve as the first line of defense. Indeed, "as a small country, East Timor's external security and development will always rely on effective diplomatic relations in the region and more broadly."<sup>37</sup> In that context, many believe that the security of East Timor will depend on two requirements. First, the external security of East Timor can be assured through a special relationship with Australia on the one hand, and a good neighbourhood relations with Indonesia on the other. Second, East Timor's security will also be best served through its integration to the wider Southeast Asia region.

#### *Australia's Security Guarantee and Good Relations With Indonesia*

For years to come, East Timor will continue to depend on the international assistance and support for its survival. As MacIntyre has argued, "without international support the new state will very probably fail

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<sup>35</sup> Arsenio Bano, "A Peace Zone: An Option for the Future of the Timor Enclave," manuscript, p. 2.

<sup>36</sup> Sergio Viera de Mello, "Presentation to the National Council, 28 June 2001, p. 19.

<sup>37</sup> UNTAET and The World Bank, Background Paper for Donors' Meeting on East Timor, Canberra, June 14-15, 2001, p. 17

at its two most fundamental and intertwined tasks: providing stability and security, and facilitating economic growth and development.”<sup>38</sup> Australia stands prominently in fulfilling East Timor’s need for such support. The leading role of Australia in pushing for Indonesia’s change of mind on East Timor issue, and later in responding to the East Timor crisis in September 1999, clearly demonstrated that East Timor occupies a special place in Australia’s domestic and foreign policy. On its part, many East Timorese have looked towards Australia for help, a place of refuge, and protection. It has been acknowledged also that for East Timor “Australia matters greatly too, because in addition to aid, it is the country most likely to come quickly to East Timor’s assistance in the event of a serious external threat.”<sup>39</sup> In that context, the Australia-East Timor relationship “is bound to remain a complex one, highly charged with emotion on both sides.”<sup>40</sup>

As East Timor is now moving toward independence, the question of external security guarantee will become a matter of national significance for the country. In this regard, the nature of relationship with Australia will clearly dominates foreign policy agenda. Several ideas and suggestions have already been made on this issue. For example, there might be a suggestion that East Timor should enter a security or defence arrangement of some form with Australia.<sup>41</sup> It has been suggested also that a “free association” with Australia might be the best alternative.<sup>42</sup> Others, such as MacIntyre, argued that a formal security or defence arrangement with Australia is a bad idea and potentially harmful primarily because East Timor already enjoys a *de facto* Australian security umbrella. More importantly, a formal defence arrangement with Australia would increase the likelihood of difficult relations with Indonesia.<sup>43</sup>

Whatever the nature of that relationship might be, it is extremely important for East Timorese leadership to take into account Indonesia’s view on this matter. It can be argued that Indonesia, for domestic political reasons, does not wish to see East Timor, having freed itself from Indonesia’s control, to become an Australian dependency. Such a possibility would heighten the Indonesian suspicion that Australia, if the opportunity arises, might also want to encourage and support Papua’s independence in order to expand its influence in West Pacific. Even though Australia might not have any

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<sup>38</sup> Andrew MacIntyre, “An International Strategy for the New East Timor,” in James J. Fox and Dionisio Babo Soares, eds., *Out of the Ashes: Destruction and Reconstruction of East Timor* (Adelaide: Crawford House Publishing, 2000), p. 240.

<sup>39</sup> *Ibid.*, p. 236.

<sup>40</sup> Jamie Mackie, “Indonesia, Timor Loro Sae and Australia: The Future of a Triangular Relationship,” *The Indonesian Quarterly*, vol. 28, no. 2 (Second Quarter, 2000), p. 179.

<sup>41</sup> MacIntyre, “An International Strategy,” p. 240.

<sup>42</sup> Smith, “East Timor: Status Quo Ante Bellum,” p. 24.

<sup>43</sup> MacIntyre, “An International Strategy,” p. 241.

intention to realise such agenda, the perception remains in some quarters in Jakarta that Canberra's role in helping the birth of independent East Timor was part of its grand design to dominate Indonesia's eastern flank. Therefore, it is important for East Timor to evolve into a truly independent state in its own right. And, that would require a good and workable relationship with Indonesia.

The importance of Indonesia for East Timor, both in politico-strategic and economic terms, is self-evident and beyond doubt. It has been acknowledged, for example, that "as a micro-state in the midst of Indonesia's massive and volatile archipelago, East Timor will have to establish a workable relationship with Jakarta."<sup>44</sup> More importantly, "a hostile, resentful Indonesia would make it extremely difficult for East Timor to prosper..."<sup>45</sup> In that context, while acknowledging the East Timorese bitter memory of Indonesia's brutal rule, the country leadership has begun to undertake measures that underline the strategic importance of having good relationship with Indonesia. For its part, Indonesia has also recognised the importance of fostering good relations with its former province. However, it is recognised also that "both must work hard at building a benign and mutually favourable long-term relationship."<sup>46</sup>

#### *The Imperative of Regional Cooperation*

Beyond Australia and Indonesia, East Timor's external security can also be best served through its integration into the existing networks of regional cooperation, both in Southeast Asia and in the wider Asia-Pacific, including the Southwest Pacific region. Within Southeast Asia region, the Association of Southeast Asian Nations (ASEAN) could serve as a venue "to cement East Timor's credentials with the region as an entity independent from Indonesia"<sup>47</sup> and, at the same time, to demonstrate its willingness to work with Indonesia within the larger regional framework. Within the wider Asia-Pacific region, the Asia Pacific Economic Cooperation (APEC) and the ASEAN Regional Forum (ARF) would provide an opportunity for East Timor to engage in both multilateral economic and security cooperation respectively. Meanwhile, East Timor may also find itself welcome in the South Pacific Forum (SPF).

However, East Timor is yet to resolve the question of regional affinity, especially in the context of formal membership. As a country located

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<sup>44</sup> Candio and Bleiker, "Peacebuilding in East Timor," p. 81.

<sup>45</sup> Alan Dupont, "The Strategic Implications of an Independent East Timor," in Fox and Soares, eds., *Out of the Ashes*, p. 199.

<sup>46</sup> S. Wiryono, "Australia-Indonesia Bilateral Relations: Some Factors and Observation," paper delivered at Indonesia-Australia Bilateral Conference, Jakarta, 22-23 March 2001, p.11.

<sup>47</sup> MacIntyre, "An International Strategy," p. 243.

between Southeast Asia and South Pacific, East Timor certainly sees the benefit of having relationship with both regions. There is indication that East Timor, if possible, would like to join both ASEAN and SPF. Xanana Gusmao, for example, has stated that an independent East Timor “will focus upon regional friendliness, with applications for membership with ASEAN....and the South Pacific Forum.”<sup>48</sup> However, as far as its membership in regional organisation is concerned, many doubts whether such dual membership would be acceptable to ASEAN. On this issue, it is not clear yet whether East Timor leadership would finally opt for membership in ASEAN or the SPF. Indeed, for East Timor, this issue would become an area where careful consideration is clearly needed.

### **Conclusion: Lesson Learned**

East Timor presents an interesting case study for the process of peace-building through state-building. This paper has addressed that process in terms of the country’s efforts to guarantee its external security, both through the establishment of a regular defence force (the ETDF) and through the management of foreign relations and diplomacy. It argues that while the establishment of the ETDF might provide the country with a minimum capability to ensure its external military security, the nature of external threats facing East Timor compels the country to rely on foreign relations and diplomacy as the first line of defence. Within that context, the paper has also addressed issues related to the creation of ETDF and the importance of good bilateral relations with Australia and Indonesia on the one hand, and its integration into regional cooperation on the other.

On the question of the establishment of ETDF, it is clear that the reintegration of former guerrilla fighters into a regular defence force proved to be an effective solution to the problem of removing potential violence in East Timor. The smoothness by which the task is performed under the supervision of the UNTAET has been made possible by three factors. First, as the mandate to state-building is conferred to the UNTAET by the UN, it has a relatively free hand in laying down all necessary legal basis and blue print for the establishment and development of ETDF. Second, as the number of Falintil members was small, the questions of demobilisation and reintegration of former combatants did not present a difficult problem for UNTAET. These questions were effectively overcome by making the Falintil as the core of ETDF. Third, as the establishment of ETDF was based on clear legal provisions, the prospect for East Timor to establish democratic civil-military relations is bright indeed.

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<sup>48</sup> Quoted in Smith, “East Timor,” p. 25.

As the birth of East Timor as an independent state was marked by severe security problems, security challenges the country would face in the future are indeed tremendous. In this regards, it is clear that the ability of East Timor to respond to such challenges, both in traditional and non-traditional senses, would be constrained by the limited capacity of the ETDF. Therefore, as a micro-state such as East Timor, the external security of the country will be best served through the utilisation of foreign relations and diplomacy. On this front, Australia's *de facto* security umbrella, good relations with Indonesia, and the country's integration into a web of regional cooperation, would provide a maximum guarantee for East Timor external and military security.