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Bishop lands amid growing drama in Timor-Leste

Tension between revolutionary leader Xanana Gusmão and current PM Taur Matan Ruak are at an all time high.

MICHAEL SAINSBURY JUL 31, 2018



Xanana Gusmão

Foreign minister Julie Bishop has chosen a particularly delicate time to make her overdue visit to Timor-Leste, the first by any minister from the Coalition governments of Tony Abbott or Malcolm Turnbull.

Her 36 hour stop over, en route to Malaysia and Singapore, comes less than a week after Xanana Gusmão, Timor-Leste's revolutionary hero and former president and prime minister, sensationally walked away from two key cabinet posts. He will not be joining the government of Prime Minister Taur Matan Ruak, despite leading three-party coalition the Change for Progress Alliance (AMP) to a convincing victory in the May 10 parliamentary election.

Gusmão's nominations as Minister for State and adviser to the Prime Minister, as well as Minister for Strategic Planning and Investment, had been approved by President Francisco "Lú Olo" Guterres. Gusmão backed Guterres in the 2017 presidential election, despite him being a member of the opposition Fretillin party.

This backing has proven to be a dramatic political miscalculation by Gusmão, still the singular kingmaker in the island nation of just 1.3 million people. Guterres declined to approve 11 of the original 41 cabinet nominees last month, due mainly to corruption allegations. Instead, Guterres sent the names to legal and corruption authorities for investigation.

In response, Gusmão refused to be inducted into the government, along with Alfredo Pires the approved nominee as Minister of Petroleum and Resources. The AMP withdrew two nominees who are currently before the courts, sending an explanatory letter demanding Guterres induct the remaining nominees, plus two new names to replace those pulled from the list, into cabinet. So far, he has not.

As Matan Ruak and Guterres continued talks to reach a compromise on the nominees, Gusmão stepped up his campaign against Guterres, further annoyed by the president's decision to not immediately endorse a parliamentary vote to pull an additional US\$140 million from the Petroleum Fund that provides the country with the majority of its income. The government claimed this was to top-up depleted budget funds to pay public servants, including members of the military

The president has 30 days to consider whether to approve the vote or send the matter to the courts as critics, especially from Fretilin, claim the move is unconstitutional. Gusmão then fired off a strongly worded public letter to Guterres and announced he would not join the government.

Yet it appears he will remain head of the negotiations with the conglomerate of energy and power companies that owns the undersea Greater Sunrise gas reserves, worth an estimated \$50 billion. This area is now controlled by Timor-Leste under the maritime border with Australia agreed to in March 2018. Australia had been forced to renegotiate after a United Nations court tore up a 2006 treaty inked by the Howard government after revelations that Australian intelligence had bugged Timor-Leste's cabinet in 2004.

Bishop, amid mouthing platitudes about a new relationship, continued to deny Australia had bullied its tiny neighbour into treaty, and refused to answer questions about the recently revealed charges against bugging whistle-blower Witness K and his lawyer, Bernard Collaery.

Only a month ago, Timor-Leste appeared set for a period of stable government following a nine month stasis where former Prime Minister Mari Alkatiri's minority government failed to pass one piece of legislation, including a budget. Sources close to the government have said there is now infighting with the coalition, rampant nepotism and too many people with little to no political experience.

In this increasingly febrile environment, Gusmão continuing to pull strings risks further problems for an impoverished country continue to rise.