1. (C) SUMMARY: Although the Fretilin Party candidate won the most votes in the first round of East Timor's April 9 presidential election, it appears the party has lost considerable support and will be hard-pressed to increase its vote totals for the second round, according to the desk officer at the Department of Foreign Affairs and Trade (DFAT). On April 18, the National Election Commission announced the provisional national results, which gave Fretilin candidate Francisco "Lu'olo" Gutierrez 27.89 percent of the votes, compared to 21.81 for Jose Ramos-Horta (reef.). Despite the numbers, this first-round result makes Ramos-Horta victory in the presidential election more likely, the desk officer said, and points to a Xanana Gusmao for Fretilin, she said. Although its candidate won the first round, it would not pick up much more support, given that the other parties are all anti-Fretilin and will not support its candidate in the May 9 second round of voting. While the opposition parties are claiming fraud and threatening to boycott the second round, DFAT believes they will support Ramos-Horta in order to insure a Fretilin defeat. END SUMMARY

2. (C) Lynda Worthaisong (protect), Director of DFAT's East Timor Section, predicted April 20 that the campaign for the second round would be hard-fought but there was no expectation of violence. The results so far were bad news for Fretilin, she said. Although its candidate won the first round, it would not pick up much more support, given that the other parties were anti-Fretilin. The opposition parties were currently complaining about the election results and threatening a boycott of the second round, but they were likely to support Ramos-Horta, since it was in their interest to see Fretilin defeated.

3. (C) This first round also indicated that Fretilin would not do any better in the June parliamentary elections, Worthaisong explained. Corrupt and bullying, Fretilin was seen as representing the old East Timor. It had mishandled the violence last year and had little in common with the younger generation. Its candidate Lu'olo was an unknown, unimpressive politician who was essentially a proxy for Party leader Mari Akitari.

4. (C) This had been a good election for Opposition Democrat Party candidate Fernando "Lasama" de Araujo, Worthaisong noted. He had finished third with 19.18 percent of the votes, compared to 21.81 for Jose Ramos-Horta. While the opposition parties were all anti-Fretilin and would not support its candidate, the desk officer said, and points to a Xanana Gusmao for Fretilin, she said. Although its candidate won the first round, it would not pick up much more support, given that the other parties are all anti-Fretilin and will not support its candidate in the May 9 second round of voting. While the opposition parties are claiming fraud and threatening to boycott the second round, DFAT believes they will support Ramos-Horta in order to insure a Fretilin defeat. END SUMMARY
votes. Mildly-left, pro-justice idealists, the Democrats represented the younger generation in East Timor and were a credible alternative as a governing party. Renegade military officer Alfredo Reinado, who has considerable support in the countryside, was a Democrat supporter. Worthaisong thought the Democrats would do well in the parliamentary elections and hoped to see them as part of a governing coalition with Gusmao.

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4. (C) Overall Worthaisong remarked, Australia was impressed with how the voting had gone, given that this was East Timor's first attempt at managing its own election. The final results for the first round would be announced April 23.