

Timor-Leste: A return to belligerent democracy?

Michael Leach 23 October 2017

In 2015, not long after the formation of the unprecedented national unity government between Timor-Leste's two largest parties, CNRT and Fretilin, senior CNRT Minister Agio Pereira commented on the country's remarkable transition from '[belligerent democracy](#)' to a new era of consensus democracy.

In March 2017, when the two major parties both supported the Fretilin candidate Francisco 'Lu Olo' Guterres for the presidency, it appeared that this informal 'grand coalition' relationship would continue. Yet three months after the July parliamentary elections, Timor-Leste is on the precipice of a return to belligerent democracy.

The July parliamentary elections saw Fretilin win narrowly, with 23 seats to CNRT's 22. In combination with a Fretilin President, this gave it the opening advantage in the formation of government. Xanana Gusmão's CNRT quickly quashed hopes of another national unity government, stating the CNRT would return to opposition.

Significantly, Gusmão also ruled out leading an alliance of smaller parties, stating that CNRT 'will not accept proposals from anyone, nor invite any party to form a coalition because it does not intend to participate in government'. It seemed that the 2015-2017 era of national unity was more dependent on CNRT dominance than had been assumed. Nonetheless, the prospect of a strong opposition was welcome after weak parliamentary oversight of the previous government.

As no party had a majority, Fretilin attempted to form a coalition with the immediate ex-President Taur Matan Ruak's new Popular Liberation Party (PLP), which had 8 seats. The PLP campaigned strongly against the megaproject-led development focus favoured by the previous government (embodied in Gusmão's own Strategic National Development Plan) arguing instead for increased spending on basic development indicators like education, health and agriculture. Negotiations appeared to falter on the choice of president of the national parliament, a position approximating the speaker. PLP also had concerns with Fretilin's determination to include representatives from other parties in the government before a governing parliamentary alliance had been consolidated.

Surprisingly, a new majority coalition then emerged with the Democratic Party, with

whom Fretilin has a fractious history, and the smaller youth-focused party KHUNTO, only for the latter to exit at the last minute before the coalition-signing ceremony. This short-lived coalition survived long enough to see Fretilin's Aniceto Guterres elected president of the parliament.

At this time, with no alternative majority coalition being proposed, President Guterres appointed a minority government of Fretilin and the Democratic Party, controlling 30 seats in the 65-seat parliament. In the Portuguese-derived proportional system this is not uncommon, though it has not previously occurred in Timor-Leste's short constitutional history.

With key leaders stating that no alternative coalition was being proposed, prospects for stability seemed sound enough, at least for the medium term. And if the words of politicians could not be relied upon, there was also the relative implausibility of a CNRT-PLP coalition to consider, in view of well-known conflict between its leaders dating from early 2016, when President Ruak compared Gusmão to 'Suharto', arguing there was [widespread discontent](#) with their development policies, and that 'privileges' had been granted to the Gusmão and Alkatiri families. The ideological distance between the CNRT and PLP platforms (the latter essentially mobilised against the former) seemed another obstacle.

But events rapidly shifted. The formation of various parliamentary committees quickly showed the CNRT, PLP and KHUNTO were able to work together.

Subsequently, these three parties formed the Opposition Alliance with a Parliamentary Majority (AOMP), controlling 35 seats. Last Thursday, these parties passed a motion rejecting the government program. The government now has 30 days to resubmit the program, and will fall if it is rejected a second time. The AOMP states it offers an alternative majority in that event. Some in Dili question the constitutionality of a minority government, though its political sustainability is more likely the real issue. PLP argues that Fretilin's dominance of the three sovereign posts of president, prime minister and president of parliament is unreasonable given it has only 30% of the vote. This position seems persuasive, even if KHUNTO's support facilitated the latter appointment. It may be that a resolution to the current situation involves Fretilin losing one of the three positions.

Having more power than is commonly recognised, the next steps by President Guterres will be critical to a resolution. While East Timorese jurisprudence could take a different tack, precedent from similar semi-presidential regimes in the Lusophone world suggests a wide constitutional discretion – though political realities may limit

his choices. If the government program does not pass, Guterres has three obvious paths. He can seek a solution within the current parliament, inviting the second-largest party to try to form government. This would usher in a period of 'cohabitation' between a CNRT-led government and Fretilin president – this is the path favoured by the AOMP. Alternatively, the President could dissolve parliament and seek fresh elections. This is path favoured by Fretilin, and presently appears to be the more likely outcome. With the major parties at loggerheads, [civil society](#) is concerned that conflicting constitutional interpretations will revive memories of the 2006 crisis, and spread popular fears of instability. They have called for the parties to work together to establish a consensus for political stability.

Another complicating factor is that parliament cannot be dissolved until 22 January, with elections held some 60 days later. In effect, a new government is unlikely to be installed until late April. In the meantime, the Fretilin-Democratic Party executive would act as a caretaker government. As a side note, is it unlikely that such a government could ratify the new maritime boundary treaty with Australia, due to be finalised in November. Though this is a simply a matter of delay, it could set the treaty back by up to six months.

Complicating matters further, the CNRT has sent some mixed signals in recent weeks, with senior party figure Agio Pereira joining the new government in a ministerial role for maritime boundaries. As recently as last week, Gusmão's comments from overseas suggested CNRT intend to [remain in opposition](#), at least for the moment. The subsequent rejection of the government program has sent a different message, as has the line that CNRT considers minority government to be politically unsustainable. Gusmão's extended absence overseas – inevitable during maritime boundary negotiations with Australia, but now less so has as he tours fire-ravaged Portugal – has not helped resolve matters.

For its part, several PLP members also joined the new government in ministerial roles, only to have their party membership suspended. Though its parliamentary team is united, this hints at internal tension within the wider party as it manoeuvres closer to CNRT, whose development policies it attacked throughout the election campaign.

It is difficult to see how a workable solution will involve Fretilin retaining all three sovereign posts. Likewise, it is hard to imagine a 2007-style exclusion of the most-voted party will aid stability, or that a new election will have a calming effect. Many in Dili await Gusmão's return in the hope it will resolve the mounting tensions. It is still possible that his return will see the government program passed, at least for the

short- to mid-term. This scenario – the third path open to Guterres – would see the present government retained but substantially remolded, as Gusmão is known to be unhappy with certain ministerial appointments. This option is rapidly receding in favour of a new election campaign, with a potential return to belligerent democracy. Fretilin is now promising to take the program to the people, to sell its contents directly.

A new election will bring risks for all parties. CNRT and Fretilin effectively promised a continuation of political stability, and are yet to deliver it. The likely increase in the revenue shares from Greater Sunrise and rumours of the discovery of onshore oil and gas deposits makes control of the state a bigger prize than ever.

For the smaller parties, a new election is financially challenging and brings other risks. Having moved close to the CNRT in opposition, the PLP risks alienating some voters drawn to their alternative development vision. For the Democratic Party, similar risks may attend their decision to team up with Fretilin, with whom relations have formerly been testy.

For his part, Xanana Gusmão will likely see his success in maritime boundary negotiations with Australia as a powerful tool for campaigning. Fretilin in turn will have the best part of five months to take its government programs to the people, should it be rejected by parliament a second time.

The return of Gusmão may yet see the government program pass on second reading. Failing that, the prospects for increased partisan conflict, and a return to 'belligerent democracy', are increasing. As Prime Minister, Gusmão helped found an international group of fragile post-conflict states 'moving to the next stage of development' known as the [G7+](#). As positions polarise in Dili, Timor-Leste is at risk of losing the hard-won ground of political stability forged over the last decade.

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