

An hourglass-shaped graphic with a globe inside. The top bulb is dark blue, and the bottom bulb is light blue. The globe is centered in the narrow neck of the hourglass. The top bulb has a dark blue cap. The bottom bulb has a light blue cap.

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East Timor Situation Report

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Updated July 9, 2001

Abstract. East Timor faces a continuing threat from Indonesia. The United States faces several policy issues: levels of future aid to East Timor, the U.S. role in assisting an indigenous East Timorese military force, and influencing Indonesian policy toward East Timor.

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East Timor Situation Report

Updated July 9, 2001

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Summary

A United Nations Transitional Authority in East Timor (UNTAET) was established in October 1999 following the entrance of U.N.-sponsored international peacekeepers into East Timor. These measures came in response to Indonesian-instigated violence against East Timorese who had voted overwhelmingly for independence from Indonesia in a referendum of August 30, 1999. UNTAET's mandate is broad. It is to help East Timor recover from the violence through humanitarian aid and reconstruction of facilities that were damaged or destroyed. It is to help East Timor establish a functioning government, which will take over from the United Nations when East Timor formally becomes independent. Independence is estimated for the end of 2001, but recent statements by U.N. officials suggest that it could be postponed. The United Nations also has been involved in Indonesian West Timor in assisting about 240,000 displaced East Timorese who fled or were forcibly transported to West Timor during the violence.

The U.N. operations are financed through assessments on all member nations and voluntary contributions from governments. Current funding levels are to cover the period 2000-2002. The U.S. Agency for International Development provided \$29 million in FY2000 and \$25 million in FY2001 in bilateral assistance. U.S. aid is helping to establish a judicial system, train civil servants, assist local radio and television programming, educate voters, and assist the coffee industry (East Timor's main export). The Bush Administration requested \$10 million for FY2002, but Congress already has indicated that \$25 million may be appropriated.

East Timor faces a continuing threat from Indonesia. East Timorese militia groups, who committed much of the violence in September 1999, regrouped in West Timor after the establishment of UNTAET. They controlled the camps housing displaced East Timorese, preventing many from returning home. In August 2000, militia members murdered U.N. workers in the camps. The militia rearmed with assistance from the Indonesian military, and they infiltrated back into East Timor. The Indonesian military also has resisted attempts to bring to trial military officers and militia leaders responsible for the violence of September 1999.

The United States faces several policy issues: levels of future aid to East Timor, the U.S. role in assisting an indigenous East Timorese military force, and influencing Indonesian policy toward East Timor.

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East Timor Situation Report

Background

On October 19, 1999, Indonesia's parliament voted to confirm the results of the referendum in East Timor of August 30, 1999, which rejected autonomy under Indonesia and favored independence. Following the vote, East Timorese militia groups, backed by the Indonesian military, launched a campaign of violence and destruction aimed at supporters of independence. Hundreds, perhaps thousands of people were killed. Up to 240,000 East Timorese either fled across the border into Indonesian West Timor or were located there forcibly by the militia groups. The international response to the violence led the U.N. Security Council to authorize the dispatch of a peacekeeping force into East Timor to restore order and facilitate the withdrawal of Indonesian forces. Australian-led peacekeepers entered East Timor on September 20, 1999. By the end of October, the Indonesian military had pulled out of East Timor. A United Nations Transitional Authority in East Timor (UNTAET) was established by U.N. Security Council Resolution 1272 on October 25, 1999, to assist in the transition to independence. The UNTAET assumed full administration of East Timor in March 2000.

UNTAET Functions and Staffing

UNTAET's mandate has both a military and civilian component. Its tasks include: providing security and maintaining law and order; establishing a civil administration; developing social services; coordinating the delivery of humanitarian assistance; reconstruction and development assistance; and helping to establish the conditions for sustainable development. As of January 1, 2001, UNTAET had 7,765 military personnel, 1,389 police, and 124 military advisors. There were 888 international civilian personnel and 1,767 local civilian staff. Forty-seven countries, including the United States, provided military, civilian, and police personnel.

Planning the Transition to Independence

The plan for the recovery, reconstruction, and transition to independence for East Timor is divided into three phases. The first was emergency humanitarian assistance to feed and house the population. With the exception of the refugees remaining in West Timor, this phase is nearly over. The second phase, the beginning of power-sharing between UNTAET and the Timorese, began in July 2000. The chief governing body is a Transitional Cabinet chaired by the Secretary General's Special Representative and composed of five East Timorese and four international representatives. A 36-member National Council, composed entirely of East Timorese,

includes representatives from political parties, districts, religious groups, and civil organizations. It currently plays an oversight role and complements the Cabinet in administering the country. The third, phase, which will lead to East Timor's independence, has begun with planning and public education for elections expected to be held in 2001. The first step will be the election of an 88-member Constituent Assembly scheduled for August 30, 2001. Each of the country's 13 districts will elect one representative by majority vote, and the remaining 75 members will be chosen by proportional representation. The Constituent Assembly then will draft a constitution for an independent East Timor. U.N. officials had talked of independence by the end of 2001, but statements in June 2001 suggested that independence might be postponed until an indigenous East Timorese administration is functioning fully.

Refugee Situation

According to the Office of Foreign Disaster Assistance (OFDA), beginning in September 1999 more than 450,000 East Timorese were displaced, including over 200,000 people forced to relocate within East Timor. Many of the latter group have returned to their homes. Currently, some food distribution to these people continues; but U.N. programs have largely moved from relief to reconstruction.

Of the roughly 240,000 displaced East Timorese in Indonesian West Timor since October 1999, over 140,000 have returned to East Timor. According to Indonesian government statistics in March 2001, over 93,000 East Timorese were in refugee camps; but the actual number of displaced East Timorese probably is slightly higher. Unknown numbers of refugees are in other parts of Indonesia. The camps in West Timor vary in size and condition. Some settlements are large with up to 9,000 people; others are small with only a few families. Refugees are concentrated in three main areas: Kupang (capital of West Timor), Kefamananu, and Belu District.

In September 2000, three U.N. humanitarian workers were killed by members of East Timorese militia groups, resulting in the suspension of U.N. humanitarian activities in West Timor. The militia groups have controlled the camps, restricting the return of people to East Timor through threats and intimidation. (See section on Continuing Threats from Indonesia). In March 2001, UNTAET reopened its office in Kupang and began to assess the prospect of resuming aid programs for the refugees. Future returns of refugees likely will be influenced by several factors. One will be the extent of intimidation and violence orchestrated by the militia, and the level of safety for refugee aid workers. The composition East Timorese in West Timor include East Timorese who want to return to East Timor, but it also includes East Timorese who are Indonesian civil servants and members of the Indonesian military. An Indonesian government survey in June 2001 found over 90 percent of the refugees wanted to remain in Indonesia. International observers said the survey was conducted free of intimidation.¹ However, other observers believe that, under different circumstances, a larger percentage of refugees would opt to return to East Timor.

¹ Melbourne Radio Australia broadcast, June 8, 2001.

A likely emerging issue is the status of displaced East Timorese in Indonesia in East Timor's forthcoming elections in preparation for independence. Most of these people legally would be eligible to vote, but it is unlikely that Indonesian authorities and the militia groups would allow the United Nations to conduct elections in the camps in West Timor.

U.S. Humanitarian Assistance

Since the advent of the UNTAET, U.S. assistance to East Timor has included both disaster assistance to the displaced and to the refugees in West Timor as well as reconstruction and development assistance in East Timor. Aid has been provided by the Department of State's Population, Refugee and Migration Bureau; USAID's Office of Foreign Disaster Assistance and Food for Peace; and the Department of Defense. Total U.S. humanitarian assistance for fiscal years 1999 and 2000 was:

For East Timor:

State PRM	\$35.1 million for East/West Timor
USAID OFDA	\$10.6 million
USAID FFP	\$17.7 million in food commodities and support costs
DOD	\$4.46 million

For West Timor:

State PRM	\$35.1 million for East/West Timor
USAID OFDA	\$1.10 million
USAID FFP	\$1.6 million

No humanitarian assistance is being provided for West Timor in FY2001 because the Indonesians have not met the conditions of security and free access required to provide aid.

Economic Reconstruction

While many observers praise the work done by UNTAET, all are careful to state that much remains to be done. Destruction in East Timor was extensive. Seventy percent of housing stock, public buildings, and utilities were destroyed. Eighty percent of schools were destroyed. Virtually all medical facilities stopped functioning. Most of the civil service and the professional class have left East Timor, and the ability to fill these jobs with East Timorese is hampered by low levels of education and the lack of a common language (Bahasa Indonesian, Portuguese, and the local language, Tetun, are commonly used.)

Economic reconstruction in East Timor includes both the physical rebuilding of schools, homes, medical facilities, commercial and public buildings, and the training of a work force capable of running the country. Though some elementary school teachers were East Timorese, most junior high, high school, and college teachers were

Indonesians. East Timor has to train or recruit virtually all its medical personnel. As of early December 2000, the country had hired nearly 6,000 civil servants, including over 4,700 teachers. Most core government functions are operational, but the number of Timorese staff varies from area to area. Senior staff positions have been the most difficult to fill. Many of those hired must be trained in their jobs. Training of staff is taking longer than anticipated. According to a World Bank report prepared for the December 2000 Brussels meeting, the country is beginning to develop a police force and a police academy. Four courts have been established and staffed.

Economic activity is beginning though at a low level. Most commerce and trade is stimulated by U.N. and expatriate expenditures. Little long term investment has been made. Agriculture is recovering in some areas. Coffee exports will be a key to East Timor's economic future. Oil drilling in the Timor Gap waters between Timor and Australia could be a significant source of revenue if large deposits of oil and/or natural should be discovered. Australia and East Timor have negotiated under U.N. auspices a division of the revenues from oil and gas in the Timor Gap. The agreement of July 2001 gives East Timor 90 percent of future oil and gas revenues from a joint development area, estimated at over \$4 billion over 20 years.

Reconstruction of physical plants has been slow, especially of schools. Roads are being rebuilt on schedule, but power plants are being rebuilt more slowly. According to the U.S. Agency for International Development, East Timor is not yet halfway through the planned reconstruction program and far from attaining sustainable economic growth.

Financing the Timor Operations

Financing of the international activities in East Timor is done in two ways. The peacekeeping, U.N. administrative, and international police personnel are financed by an assessment of all U.N. members. The agreed level of funding for the period July 2000 through June 2001 is \$563 million. UNTAET's other functions (reconstruction, establishment of a civil service and police, training judges, and establishing media outlets) are funded by voluntary contributions to several funds which were established at a donor conference on December 17, 1999. At the conference, donor governments pledged over \$520 million to rebuild East Timor during 2000-2002. All of these funds are provided as grants rather than loans. The next donors' meeting will be in June 2001.

The funds included in the December 1999 meeting were:

- The Consolidated Fund for Timor: The fund administered by UNTAET pays for reconstruction and development programs. Pledges to the fund total more than \$32 million for the 2000-2002 period.
- The Trust Fund for East Timor: This fund is administered by the World Bank and the Asian Development Bank. It has received pledges of over \$167.4 million for the 2000-2002 period.

- **Interagency Appeal for East Timor Crisis:** Contributions through the combined appeal of the U.N. Office for the Coordination of Humanitarian Affairs (UNOCHA) are given directly to the international agencies by donors. These agencies are providing a response to the humanitarian emergency in both East and West Timor and also reconstruction and development assistance in East Timor. They include the U.N. Commissioner for Refugees, UNICEF, the Food and Agriculture Organization, U.N. Development Program and other U.N. agencies. The 1999 multi-year UNOCHA appeal for \$179.6 million so far has received \$125.6 in contributions.

At the donors' conference in December 2000, the East Timor National Council presented an estimated 2000-2001 fiscal year budget of expenditures from the Consolidated Fund for East Timor and the Trust Fund for East Timor of \$123.9 million. The Consolidated Fund for Timor would provide \$52 to \$56 million of this amount. Bilateral donations would total \$95.7 million. Revenues raised in East Timor through taxes and other sources would add an estimated \$25 million.

U.S. Bilateral Aid

The USAID Office of Transition Initiative (OTI) has focused on community-based initiatives, the media, and civil society. This included helping to establish and supply the judicial system, training civil servants, increasing local radio and television programming, reintegrating former soldiers, and programs to provide short term employment.

During FY2000, USAID Focused on judicial training programs and the recovery of several rural coffee cooperatives, which have been part of the USAID country program since 1990 but were damaged in 1999. In FY2001, the bilateral aid program is focusing on voter education and coffee cooperatives. These cooperatives have three local health clinics, which U.S.A.I.D. expects to expand to six over the next few years. USAID expects to continue working in East Timor through FY2003, but it acknowledges that the country will need assistance long after that.

FY2000 U.S. Reconstruction Aid:

USAID/OTI	\$10.0 million
U.S. contribution to UNTAET Trust Fund	\$4.0 million
U.S. contribution to World Bank, Trust Fund	\$0.5 million
USAID bilateral aid	\$10.5 million
USAID P.L. 480 food aid	\$4.3 million
Total USAID	\$29.3 million
 Department of State/Refugee fund	 \$6.0 million for civilian police

FY2001 U.S. Reconstruction Aid:

USAID/OTI	\$11.1 million
U.S. contribution to UNTAET Trust Fund	\$4.5 million
USAID bilateral aid	\$9.4 million
Total USAID	\$25.0 million

In addition, the Department of Defense is providing a small amount to train the East Timorese defense force. The Bush Administration requested \$10 million for bilateral assistance for FY2002. Early discussions with Congress indicate that the appropriations will likely be \$25 million as in previous years.

Continuing Threats from Indonesia

With the withdrawal of the Indonesian military (TNI) from East Timor in October 1999, the East Timorese militia groups also withdrew across the border into West Timor. There they regrouped. Australian and New Zealand military intelligence reportedly believe the hard core strength of the militia groups is no more than several hundred; but they also have a broader base of followers of 1,000-2,000.² After their withdrawal, the militia used their control over the East Timorese refugee camps in West Timor to recruit new members. They also reorganized and rearmed reportedly with direct aid from elements within the TNI, including the elite Special Forces (Kopassus). By mid-2000, the militia groups were armed with standard TNI automatic weapons and grenades and TNI combat clothing.³

After the murder of U.N. workers by militia members in September 2000, President Wahid ordered the TNI to send more troops to West Timor “to help control the situation.” The TNI responded with the dispatch of three army battalions totaling 800 troops. Nevertheless, Wahid’s order appears to have had no appreciable impact on militia activities. The TNI has not used force against the militia groups.

As the militia groups revived in West Timor, they began to infiltrate members back into East Timor. Their aim appears to be to re-establish a presence and be able to challenge East Timor’s civil authorities when the UNTAET ends and East Timor becomes independent. A spokesman for the U.N. peacekeeping force stated in September 2000 that ten well-armed militia groups, of 5 to 30 men each, had infiltrated. At least one group had reached the central region of East Timor. Several clashes occurred with Australian, New Zealand, and Nepalese peacekeepers patrolling

² Dodd, Mark. Violence Escalates in W. Timor. *Christian Science Monitor*, September 7, 2000. P. 6. Mydans, Seth. Timorese Refugees Tell of Terror Out of Sight of Foreign Monitors. *New York Times*, October 10, 2000. P. A1.

³ Chandrasekaran, Rajiv. Indonesian Militia Target U.N. Forces in East Timor. *Washington Post*, August 12, 2000. McBeth, John and Vatrikiotis, Michael. Jakarta’s Shame. *Far Eastern Economic Review*, September 21, 2000. P. 16-21.

the border with West Timor.⁴ Australian Foreign Minister Alexander Downer and U.S. Ambassador to Indonesia, Robert Gelbard, accused the TNI of supporting the militia buildup and infiltrations. Gelbard warned that “by abetting the militias [the Indonesian government] is on the verge of allowing a guerrilla war to be waged in East Timor.”⁵ Statements by militia leaders also suggested that they hope that control of refugees and the threat of armed infiltration would give them negotiating leverage with the future East Timor government to bargain for an amnesty for the crimes committed in 1999.

The peacekeeping force of 8,000 has had about 2,200 troops, mainly Australians and New Zealanders, deployed along the nearly 150 mile border between East and West Timor. The remainder are located in the central and eastern regions of East Timor. The Australians and New Zealanders adopted more aggressive patrolling in the summer of 2000, resulting in increased armed clashes with the infiltrators. There were complaints in the summer of 2000 that the over 1,000 man Portuguese force in the central sector was not patrolling aggressively to locate infiltrators that had reached that area.⁶ Aggressive patrolling appears to be necessary, given the apparent militia strategy to establish base areas and wait until the United Nations, including the peacekeepers, depart. Some U.N. officers believe the peacekeepers need more mobile equipment, including helicopters, to deal with the infiltration.

A continued existence of large numbers of forcibly held East Timorese and a continued base of operations for the militia groups in West Timor likely would result in a tense and possibly hostile relationship between East Timor and Indonesia after East Timor becomes independent. The Indonesian government has not indicated its diplomatic stance toward East Timor following independence—whether Indonesia will establish diplomatic relations with East Timor and whether it will support East Timor’s admittance into international organizations. Another uncertain factor is the attitude of Indonesian Vice President Megawati Sukarnoputri, especially since she likely will assume defacto control of the government or assume the Presidency itself in the summer of 2001 as a result of impeachment proceedings currently underway against President Wahid. Megawati has refused to meet East Timorese leaders when they have visited Jakarta, and she is reported to believe that the Indonesian government never should have allowed the August 1999 referendum on independence in East Timor.

Attempts to Prosecute TNI and Militia Members

As international observers saw firsthand the killings and destruction in East Timor caused by the TNI-backed East Timorese militia in September 1999, demands

⁴ Lintner, Bertil. The Fight in East Timor. *Far Eastern Economic Review*, September 21, 2000. P. 20-21.

⁵ Chandrasekaran, Rajiv. Returning Militia’s Threaten Peace in East Timor. *Washington Post*, August 22, 2000. P. 1. East Timor: UN Identifies Indonesian Militiamen Involved in Raids. *Sydney Morning Herald* (internet version), July 27, 2000.

⁶ Lintner, The Fight for East Timor, p. 21.

arose for prosecution of militia leaders and Indonesian military officers involved in instigating the violence. U.N. officials, including Secretary General Kofi Annan, asserted that the U.N. Security Council could establish an international tribunal to try instigators of the violence. Such talk died down in early 2000 in response to the steps the Indonesian government appeared to take toward judicial proceedings. A government commission of inquiry reported that the TNI was involved in “crimes against humanity” in East Timor. It recommended that 33 people be investigated for possible prosecution, including TNI commanders in East Timor and militia leaders. The name among the 33 that drew the most attention was General Wiranto, the TNI’s commander-in-chief at the time of the violence. President Wahid reacted by firing Wiranto from a cabinet-level position. Attorney General Marzuki Darusman set up an investigating team in response to the commission’s finding.⁷

At this juncture, the momentum of investigations slowed down as the military leadership increased resistance to prosecutions. In September 2000, the Attorney General’s team named 19 individuals for possible prosecution, each person in connection with at least one of five atrocities. Three others were subsequently named, bringing the total to 22. Three TNI commanders in East Timor are among the 22, but not Wiranto. Also missing is Eurico Guterres, head of the large Aitarak militia, who was on the inquiry commission’s list of 33. As of April 2001, there have been no prosecutions. April 2001 also marked the end of a 310 day legal period for the Attorney General to initiate prosecutions, leaving his legal authority in question.⁸ The Indonesian government barred any United Nations investigation on Indonesian soil of the killing of the U.N. workers. It also rejected a U.N. request to extradite Eurico Guterres to East Timor.

Less than a week after the naming of the 19, East Timorese militia members murdered the three U.N. refugee aid workers in Atambua, West Timor. This culminated two months of escalating militia violence and intimidation against U.N. refugee aid workers. Armed Indonesian soldiers and police witnessed the murders and took no action.⁹ The U.N. Security Council passed a resolution on September 8, 2000, calling on Indonesia to disarm and disband the militia groups and allow people in the refugee camps to return to East Timor. The TNI ordered militia members to turn in their weapons; but there was little enforcement of the order.¹⁰

⁷ Murphy, Dan. E. Timor Inquiry Taints Top Brass. *Christian Science Monitor*, February 2, 2000. P. 6. Lloyd, Richard. How Jakarta’s Generals Planned the Campaign of Terror in East Timor. *London Independent* (internet version), February 5, 2000. The commission of inquiry reviewed hundreds of documents found in Dili, East Timor’s capital, detailing the TNI’s instigation of the militia violence.

⁸ Chandrasekaran, Rajiv. Timor Trials Seen Compromised. *Washington Post*, April 11, 2001. P. A16.

⁹ Mydans, Seth. West Timor Killings Seem to Mirror East Timor Rampage in ‘99. *New York Times*, September 8, 2000.

¹⁰ Militia Halt Their Weapons Transfers. *Washington Times*, September 26, 2000. P. A15. Mydans, Seth. Timorese Refugees Tell of Terror Out of Sight of Foreign Monitors. *New York Times*, October 10, 2000. P. A1.

Police arrested Eurico Guterres in February 2001 on the charge of obstructing efforts to disarm the militia. In April 2001, he was sentenced to six months imprisonment; the period following his arrest in February was deducted from the sentence. Six militia members were arrested in connection with the killings, and three confessed. Prosecutors originally planned to charge the six with manslaughter but decided in March 2001 to reduce the charges to participating in "mob violence." They received sentences of 10 to 20 months imprisonment.

U.S. Policy Issues

The Bush Administration and Congress face several issues as East Timor prepares for independence amidst an unsettled relationship with Indonesia. One context of this is statements from United Nations officials that a U.N. presence, including peacekeepers, should remain in East Timor after independence. Sergio Vieira de Mello, the UNTAET Administrator, has stated that peacekeepers and experts in finance and other fields should remain until 2003.

One issue will be future levels of U.S. economic aid. The Bush Administration, as of April 2001, has not yet submitted a recommended aid program to Congress although it reportedly favors a program of \$10 million. A second issue will be the U.S. role in creating and assisting an indigenous East Timorese defense capability, especially if a threat from Indonesia continues after independence. Australia is playing the lead role in establishing an East Timorese defense force, including funding of the construction of a training facilities for East Timorese military personnel. In July 2001, the first group of 250 soldiers graduated from an Australian-assisted military training center. Australian government and military officials have initiated consultations with the Bush Administration over a supportive U.S. input in training and arming an East Timorese defense force.

A study prepared in mid-2000, with contributions from the Australian and New Zealand militaries, concluded that East Timor should have a military force of 1,500 personnel, backed by 1,500 paramilitary personnel, after independence.¹¹ This reportedly is the goal of the Australian-directed program. Some observers believe that East Timor will require a much larger force if a military threat from Indonesia continues after independence.

Influencing Indonesian policy toward East Timor likely will continue to be a major challenge for U.S. policy. As indicated by the earlier discussion of the situation in West Timor and attempts to prosecute TNI personnel, the United States so far has been frustrated. U.S. officials, especially Ambassador Robert Gelbard, criticized the Indonesian government and the TNI for the TNI's continued support of the East Timorese militia groups. U.N. Ambassador Richard Holbrooke warned that Indonesia would face an international war crimes tribunal if it did not put on trial military leaders responsible for the violence in East Timor. Similar messages in 2000 came from Secretary of Defense William Cohen and Admiral Denis Blair, Commander-in-Chief

¹¹ New Zealand to Help Train East Timor Defense Force. *Christchurch the Press* (internet version), October 5, 2000.

of U.S. Pacific Forces.¹² Cohen warned in Jakarta that a continued Indonesian failure to disarm the militia groups “could jeopardize continued economic assistance to Indonesia.” Indonesia, he said, “faces a momentous decision,” and that “this is something that must be addressed in the immediate future.”¹³

The Clinton Administration suspended U.S. military contacts with and arms sales to the TNI in September 1999 because of the violence in East Timor. It resumed limited contacts in the summer of 2000, but it suspended them again after the murders of the U.N. workers in West Timor. However, at the same time, the Administration lifted the ban on the sale of parts for C-130 military transport aircraft, which is the key means by which the TNI moves troops across the vast Indonesian archipelago.

Congress enacted restrictions on U.S. assistance to the TNI after the September 1999 violence in the form of the “Leahy amendment” to foreign operations appropriations legislation. The Leahy amendment bars money for Foreign Military Financing (FMS) program credits for Indonesian purchases of U.S. military equipment, and it prohibits money for Indonesian participation in the U.S. International Military Education Training (IMET) program. Money is barred until the President certifies that Indonesia has undertaken six measures related to East Timor involving judicial accounting for TNI and militia members who committed human rights abuses, allowing East Timorese displaced persons in West Timor to return home, and preventing militia incursions into East Timor. As of April 2001, it appears that Indonesia has not met any of these conditions.

A major congressional initiative is Title X of H.R. 1646, the Foreign Relations Authorization bill, which authorizes State Department programs for fiscal years 2002 and 2003. The bill has passed the House of Representatives; action is pending in the Senate. Entitled “East Timor Transition to Independence Act of 2001,” the detailed Title X is divided into sense of Congress provisions, instructions to the Bush Administration, reporting requirements levied on the Bush Administration, and a specific amount of aid money earmarked for FY2002. The thrust of Title X is the defining of U.S. policy toward East Timor when the current United Nations administration ends and East Timor becomes independent. The sense of Congress provisions lay out a range of initiatives for the United States to take: economic aid, diplomatic relations, support for East Timor’s participation in international organizations, and security assistance. One sense of Congress provision deals with the issue of accountability of Indonesian military leaders for the violence in East Timor in 1999; it calls for U.S. support of United Nations efforts including “the possible establishment of an international tribunal for East Timor.” Instructions to the Bush Administration call for U.S. support for aid to East Timor from international financial institutions, the establishment of Peace Corps programs in East Timor, and the initiation of U.S. trade and investment promotion programs for East Timor (General System of Preferences, Overseas Private Investment Corporation, and

¹² Priest, Dana. The Proconsuls: Tension and Teamwork in Indonesia. *Washington Post*, September 30, 2000. P. A1. Ehrlich, Richard S. Indonesia’s Security Efforts Off Target, U.S. Envoy Says. *Washington Times*, August 29, 2000. P. A1.

¹³ Sims, Calvin. Cohen Warns Indonesians to Disband Timor Militias. *New York Times*, September 18, 2000. P. A10.

Export-Import Bank programs). Reporting requirements relate to Administration plans for the establishment of a U.S. "diplomatic mission" in East Timor upon independence and plans for security assistance programs for East Timor, especially the provision of excess defense articles and East Timorese participation in the U.S. International Military Education Training program (IMET). Title X authorizes \$25 million for economic and democratic development in FY2002.

The intent of congressional supporters of this bill may be to lay the foundation for an active, supportive U.S. policy toward East Timor once it gains independence. There appears to be an implied message to the Bush Administration that the Administration should not neglect East Timor in the future because of policy priorities aimed at influencing the volatile situation in Indonesia. The earmark of \$25 million in aid for FY2001 may symbolize this intent, given that the Bush Administration reportedly favored only \$10 million. If this is congressional intent, it would continue the pattern of the 1990s in which Congress restricted U.S. relations with the Indonesian military in order to compel the first Bush Administration and the Clinton Administration to give more priority to Indonesian human rights abuses in East Timor in overall U.S. policy toward Indonesia.

The ability of U.S. policy to influence Indonesian behavior appears to be limited by several factors. The first is the resistance of the TNI and the failure of the Wahid government to exert authority over the TNI in West Timor. Within the United Nations, China and possibly Russia could be expected to oppose any action by the Security Council to create an international tribunal to bring Indonesian military leaders to trial for East Timor atrocities. U.S. priorities regarding Indonesia are strained and diffused by the mounting violence and strife throughout the country (separatist insurgencies, ethnic and religious strife, urban bombings), the possible impeachment of President Wahid, economic deterioration, and legal and physical dangers facing U.S. companies in Indonesia. U.S. strategy, therefore, gives only limited priority to the Timor situation amidst these other issues. Indonesia's mounting problems create a dilemma for the United States in any consideration of expanding Timor-related sanctions against Indonesia, along the lines of Secretary Cohen's warning; for economic sanctions could accelerate destabilization of Indonesia which, in the view of many observers, could lead to its disintegration.