

**The Building of Timor-Leste:
International Contributions to a Fragile State**



Written with support from the
Ford Foundation

April 2007

By:

Rebecca E. Engel
Associate Research Scholar

Center for International Conflict Resolution (CICR)
School of International and Public Affairs
Columbia University
And
Senior Adviser, BELUN

Acknowledgements

This paper was made possible with the generous support of the Ford Foundation. I would like to thank Megan Burke for her guidance over the past two years and recognize the invaluable trust and encouragement of Dr. Mariano Aguirre.

This endeavor was realized in great part due to the assistance and insights of a vast number of colleagues both in and outside of Timor-Leste. First and foremost, I would like to offer respect and gratitude to the BELUN team for all they have taught me over the past five years. They, together with our NGO and community-based partners, spread across Timor-Leste's 13 Districts, have helped me to acquire a deep appreciation for the challenges faced by the East Timorese and their continued resilience.

Special gratitude goes to Alao Nicolau Rodrigues Faria for accompanying me over many months on weekend and evening visits in search of divergent political perspectives among key figures in Dili.

I would like to offer special thanks to Andrea Bartoli, Gunnar Stalsett, Edward Rees, Susan Kendall, Shui-Meng Ng, Ana Graça, Georgina Yates, Cal Kennedy and Lars Hunter for their carefully suggested comments and editing of an early draft. Thanks to those who provided their time and insights during the two-year grant period through interviews, and countless conversations around the dinner table. Many thanks to Romaldo Caetano, for the chart of Development Assistance by Sector and to David Crick for his research assistance.

Thanks to IOM, Triangle and Community Housing Ltd. for providing a writing refuge in Dili. Many thanks to Alba Tavares for her patience and support throughout the process.

Sincere thanks to Brian Hanley for his encouragement, strategic thinking and genuine partnership over many years. Finally, deepest appreciation to Luiz Fernando Vieira a guide throughout this process and a constant inspiration.

Table of Contents

I. Executive summary	4
II. Introduction	5
III. Brief Contextual Overview	7
IV. Post-Conflict Challenges to State-Building	11
V. International Responses: Competing or Synergistic Models?	30
a. Mechanisms for Coordination	31
b. Thematic Working Groups	35
c. Common Themes	37
d. Post-Conflict Prevention: A Missing Link	40
e. Implications of the Development Environment	44
VI. Policy Recommendations	46
VII. Follow-on Opportunities for Research and Implementation of Recommendations	66
VIII. Conclusions: Timor-Leste and Beyond	68

Annexes

- A. Working Paper. *Crisis in Timor-Leste: Restoring National Unity through State Institutions, Culture and Civil Society*
- B. Small Grant Donor Reference Guide 2005 (available upon request)

Charts

- A. Project Distribution by Sector

Boxes

- Box 1. State Administration and Civil Society
- Box 2. A Micro-Norwegian Example

I. Executive Summary

Following over six years of international support toward social, political and economic development in post-conflict Timor-Leste (TL), the country has found itself in the throes of a national crisis. This crisis emerged, despite unprecedented international support per capita from contributing governments and international agencies. This paper seeks to explore the contributions made by governments and international agencies, including international financial institutions, United Nations (UN) Agencies and international NGOs, toward the creation of a viable and stable state. Information regarding the models employed by international actors toward the implementation of a shared vision of development will be sought to inform on the direction of development and its anticipated outcome.¹

I suggest that while not primarily responsible for the current crisis, the international community lacks coherence in its development approaches and that the inherent contradictions underpinning development strategies ultimately undermines the potential for positive impact in realizing policy objectives and contributes to the conflict dynamics within the state. Moreover, competition among agencies for influence and funding further reduces possibilities for successful cooperation and exacerbates tensions between government and civil society actors. Awareness of the overall components and organization of development assistance does not exist.

Perhaps the greatest contributing factor to instability has been the lack of transition strategies to support the country's emergence from occupation, and to guide the socio-economic transitions associated with independence. The international community's lack of success in properly assisting the government to address underlying grievances effectively and the structural constraints encompassing development initiatives prevent a coherent and long-term response to challenges associated with state building. Together, these factors contributed to the national crisis by creating an enabling environment for dissent and manipulation of genuine grievances.

Failure in 2006 to prevent the near collapse of the state in Timor-Leste and the inability to provide a sensible approach to the building of the institutions of the state and a vibrant civil society, are poor indications of how the international community will manage in much larger and more complex conflict environments. It is imperative that the international community not only learns the lessons of post-conflict interventions in Timor-Leste but also applies these in ongoing and forthcoming initiatives to prevent the collective failure of the development and peace building industries. Realization of this objective will, in part, require systemic changes within bilateral and multilateral donor institutions.

¹ While difficult to separate the immediate emergency intervention of 1999 from the post-independence interventions between 2002-2006, this paper will concentrate on the latter period and only reference the prior.

II. Introduction

When the Ford Foundation initially commissioned this report the mood in Timor-Leste could have been characterized by cautious optimism. Challenges were thought to have been well understood and efforts to overcome these underway. Timor-Leste was still touted not only as a UN success story but also as a model of international support. International assistance was on the decline by 2005 when the GoTL no longer experienced a budgetary shortfall. Not only was the international community looking at trouble spots elsewhere around the globe, as expected the Government of Timor-Leste also was asserting more forcefully its independence and right to self-management. As resources from the country's petroleum reserves came on-line, steps toward 'independent management' increased. The donor community was therefore receiving mixed messages from the GoTL, as support was still perceived as necessary so long as it was supplied within parameters set out by the sovereign government.

This dichotomy between GoTL requests for support from the international community and the reluctance to work with an international community perceived as often ineffectual and expensive demonstrates some of the difficulties in assessing the international community's overall contributions to stability in Timor-Leste.

International assistance, and technical advice in particular, has often been characterized by its varying quality, and the incoherent constraints imposed by donors that are not conducive to achieving positive results. That said, the GoTL's decision-making can similarly be perceived as influenced by political factors and determined by the leadership based on political expedience irrespective of recommendations from policy advisers and other technical experts.

As such, a more nuanced analysis as to the impact of international assistance is necessary. Sound advice is not always taken and poor advice negatively impacts the perception of all international assistance. This is complicated further by the fact that it is difficult to know who, ultimately, is the final arbiter in identifying good vs. bad technical advice when in fact opinions vary within the international community and among specialists in specific fields.

This paper seeks to disentangle these tensions and to ascertain the overall coherence in strategies on offer by the international community to Timor-Leste, both to its government and civil society actors. Beyond this aim, I will further attempt to elaborate on how these strategies were received and the degree to which these were implemented if at all. Particular emphasis will be placed on the degree to which strategies on offer were not only consistent but also relevant to a post-conflict and culturally specific context.²

It is anticipated that such analysis will serve to inform on the causes of the current crisis as well as to elaborate on how the international community has contributed to or detracted from long-term stability in Timor-Leste. As the international community seeks to engage in nation-building efforts in many post-conflict countries, lessons from Timor-Leste are invaluable for improved policy making and more strategic methodological choices regarding development initiatives on a broader scale.

² This report will not attempt to differentiate between individual actors per se or to evaluate individual consultants. Each agency is different and much depends on the personality of its leadership and the ability to define policy from within the country rather than from headquarters. As such trends will be reviewed as they are relevant to state strengthening efforts in Timor-Leste.

The paper will first provide a brief historical orientation. As many books and articles have been written on the history of Timor-Leste, this section will only touch upon selected themes as may be considered relevant to international interveners.

Following this, I will explore some of the more critical challenges to post-conflict state building. In particular, the challenges to the creation of state institutions and a functioning government will be explored, as will those challenges to a strong civil society. The strategic interventions of international agencies, including the United Nations, non-governmental organizations (NGOs) and international financial institutions will then be reviewed with regard to the available mechanisms for coordination and overarching themes influencing development strategies and responses.

As a result of this information, it is hoped that one will be able to identify first, the degree to which programs and policies responded adequately to the relevant challenges; second, the degree of coordination and cooperation among agencies including policy coherence in terms of overall approach to post-conflict development; third, the impact of these policies on state fragility; fourth, recommendations that can be drawn for both Timor-Leste as it moves through a crisis of state with the continued support of the international community; and, finally, broader lessons for the international actors and institutions engaged in post-conflict state-building and development efforts will be elaborated.

III. Brief Contextual Overview

Timor-Leste is a half-island state, the total area of which is approximately 14,600 km².³ At the last census, the population was estimated at just fewer than one million persons, spanning a mountainous terrain divided into 13 districts.

Portuguese colonial rule of Timor-Leste lasted nearly five hundred years, beginning in the 16th century. Whereas the decolonization process did not technically end from the perspective of the international community until the UN managed Popular Consultation enabled the East Timorese to vote for greater autonomy within Indonesia, in 1999, the Carnation Revolution of 1974 effectively began the Portuguese withdrawal and set the stage for the Indonesian invasion on 7 December 1975. Timor-Leste became the 27th province of Indonesia in July 1976.

With the rejection of special autonomy option in 1999, Timor-Leste began a transition to independence under UN stewardship. After only 2 years of transition, power was handed over from the UN Administrator to the national government on 20 May 2002.

Whereas this paper is primarily concerned with the present and recent past, two main historical factors are noteworthy and inform an analysis of the unique challenges to post-independence Timor-Leste. One factor regards the legacy of colonial and Indonesian rule on the domestic culture, economy and social organization of the country. The other regards the events and impact of the positioning among East Timorese nationals with regard to the decolonization process, including a brief civil war in August 1975.

Legacy of Colonial and Indonesian Rule

Neither the Portuguese nor the Indonesians provided opportunities for East Timorese to attain positions of leadership. Though traditional kings and elders may have been used to fulfill the needs of the foreign powers, they too were constrained within predetermined parameters set by the foreign leaders. In neither system was creativity encouraged and neither provided space to question authority. Education, only broadly available under the Indonesians, was used as a tool to spread Indonesian language and ideals throughout the country. Teaching techniques emphasized repetition and memorization.

Most difficult to measure is the collective trauma associated with the past and from the neglect and violence endured over generations.⁴ Manifestations of trauma can be seen in peoples' preoccupation with security and the high levels of anxiety demonstrated in everyday interactions. The overtly risky behaviors exhibited by the youth in terms of gambling and fighting are further indications of a lack of hope associated with trauma and depression. Similarly, the great challenges associated with trust building is another common manifestation of trauma, which is exacerbated by high turn over rates of internationals in Timor-Leste, and the short contracts and project offered by international actors.⁵

³ Pedersen, Arneberg ed. *Report on Social and Economic Conditions in East Timor*. CICR, FAFO. 1999.

⁴ In addition to Portuguese and Indonesian rule, the Japanese occupied Timor-Leste during the Second World War. Timor expert, James Dunn, estimates that during this time up to 70,000 Timorese were killed. Hundreds of additional persons were subsequently killed by allied bombings.

⁵ Based on interview with Susan Kendall social worker supporting a national organization, Pradet, the only psycho-social service provider in the country. She has been working in Timor-Leste for over 5 years.

Further exacerbating these factors has been the gradual de-legitimization of traditional structures particularly in the capital. Of course, tradition and culture are never static. Rather, these evolve through the generations almost imperceptibly to those involved and change is indeed the norm over time. In Timor-Leste, however, the normal process of social evolution was heavily influenced by outside actors who manipulated traditional hierarchies.

In discussions with the young educated elite, it has been noted that activists who had participated in the growing Indonesian democracy movement put additional pressure on the traditional hierarchical structures in Timor-Leste. These youth began questioning authority in an unprecedented way ultimately strengthening the resistance to foreign occupation. A consequence of this has been a further erosion of traditional authority and political structures from within as people begin questioning their elders and demanding more from their leadership.

Today, some attribute the violent behavior among the youth to be related to social jealousy. It has been noted that those who were children during Indonesian occupation, are not old enough to remember or understand the sacrifices endured while striving for independence. All they have known is that life has been fraught with challenges, whereas the international community has, it is imagined, great wealth, including access to cars and expensive restaurants. Moreover, the socio-economic gap has increased dramatically among East Timorese themselves and this challenges even further cultural norms regarding equal distribution of resources and represents, to some, a great injustice to be redressed.⁶

The arrival of an extremely large UN mission (particularly in terms relative to the population) in 1999 ushered a new era of employment and other opportunities in the Capital, Dili. While other factors contributed to the demographic shifts within the country as well, the pull of Dili resulted in wide-scale rural to urban migration increasing the population of Dili from 120.5 thousand in 2001 to 153.3 thousand in 2004 (or a 6.2% increase per year.⁷ This influx provided exposure to international norms that had been withheld in large part from the Timorese due to their enforced isolation. These new norms were pervasive, being built into new legal and institutional elements of newly independent country as well as by exposing people to new lifestyle options.

This trend also contributed to the creation of larger and larger socio-economic gaps, as returning members of the Timorese Diaspora and others among the educated elite began drawing high salaries working with embassies, successive UN missions and agencies and international NGOs. Government, with lower salaries than those provided by international organizations, finds it challenging to retain high quality staff and international NGOs in turn have a hard time competing with Embassy and UN rates.⁸

The manipulation of traditional structures during the Portuguese and Indonesian periods combined with exposure to new social norms contributed to a leadership vacuum in society exacerbated by the

⁶ Interview with Carlito Caminha, Journalist.

⁷ 2004 Census figures cited in RDTL paper on “Combating Poverty as a National Cause: Promoting Balanced Development and Poverty Reduction” March 2006.

⁸ UNDP estimates the poverty line in Timor-Leste to be \$0.55 per capita per day and “some 40% of the population...fail to reach a minimum standard of living.” Timor-Leste Human Development Report. 2006.

lack of new institutional mechanisms to respond systematically to conflict, and social grievances more generally.

The government tried to respond to this void by holding suco council elections between 2004-5. These elections were an attempt to revitalize trust in local leaders and to formalize their status by engaging the population in a democratic process of choosing their representatives. In addition to suco (village) and aldeia (sub-village) heads, positions normally filled by men, the councils include 2 women representatives and 2 youth (one male, one female) as well as a traditional elder.

By 2006, however, newly elected suco councils were still, by and large, ill equipped and unable to maintain order within their communities (in some cases these leaders were also instigators of violence). Many of those elected are still waiting to be provided with a job description by the central government. Others are waiting for formal letters of appointment. Still others have yet to meet formally as a complete council because it is too difficult to coordinate within sucos that include a large number of aldeias.

The areas of competence and responsibility of the councils outlined in the Community Law includes activities ranging from promotion of official languages to peace and social harmony. Councils can further conduct activities with regard to public works, education, and food security to name a few of the possibilities outlined in the law. Such functions can be overwhelming for these unpaid quasi-governmental officials, most of who are at any rate unfamiliar with the responsibilities the law ascribes to them.

The combination of overly optimistic responsibilities in the face of scarce resources and the lack of clarity by council members and the community about their roles have led to inaction.⁹ In addition, planned workshops to socialize the law and the role of councils to community members (largely postponed due to the crisis) has a risk of increasing expectation among the people which may lead to frustration and conflict if not realized. Bringing the party apparatus to the village level has also contributed to increased tensions in some communities.

The shifting prominence and importance given to traditional leaders and traditional justice/conflict settlement mechanisms, coupled with the challenges faced by the government and the international community in developing a formal justice system from near zero, has led to a difficult situation where neither system is perceived to function properly. It is only recently that the Ministry of Justice will consider programming designed to strengthen/standardize traditional justice mechanisms. Starting in 2000 until quite recently, such programming was anathema to the government and international actors were told that only work within the formal justice sector was allowed.

By the time of the crisis, trust in traditional justice had broken down in the capital and at the same time understanding and trust in the formal justice system has yet to take root.

⁹ Council members can receive up to \$15/person as a stipend for their efforts and each suco depending on size can access between \$50 and \$80 for administration and other costs incurred. That said, not all council members are aware of the requirements for disbursement and the process to access funding from the Ministry of State Administration through the District Administration is not transparent, not consistently applied throughout the country and there use of funds when received has led to tensions among suco council members who may disagree with a village chief's funding priorities.

Brief Civil War

The East Timorese experienced a brief civil war in August 1975 after Indonesian intelligence officials convinced the Timorese Democratic Union (UDT) that its coalition partner, Fretilin, was planning a coup. UDT preempted this eventuality and attempted to force Fretilin out of the capital. Fretilin inflicted great damage to UDT, many died and others were forced to flee across the border.¹⁰ The short but intense period of violence and political division that was followed by divergences in strategic thinking in response to occupation has left its mark on the country's leaders today.

Many articles have been written both about this period and the internal tensions associated with the resistance era. For the purposes of this paper, it is sufficient to point out that the leadership of Timor-Leste today is by and large comprised of the same actors who struggled to forge a post-colonial strategic direction for the state. These same people in part were exiled and in part struggled from within in either the diplomatic, clandestine or armed fronts. Some initially had been more closely associated with Indonesia, others with Portugal and still others desired complete separation and independence. Most importantly perhaps is that blood was shed not only during the civil war, but also as a result of resolute disagreements on how best to lead the resistance. Consensus regarding what model the Timorese nation should follow was not reached.

During the initial UN administration period of UNTAET, international actors engaged nearly exclusively with a core group of elite national actors. Little attention was paid to the historically charged relationships mentioned above and the often-disparate views as to the proper direction for the newly independent nation.

This would have most profound implications with regard to the security sector whereby the Falintil High Command, would be left alone to determine which former Falintil members would be selected for service in the national military established in 2001.¹¹ By 2006, these differences were coming to the fore and converging with the challenges of nation building.

¹⁰ Interview, Foreign Affairs Consultant James Dunn

¹¹ Rees, Edward. *The UN's failure to integrate Falintil veterans may cause East Timor to fail*. 2 September 2003. <http://www.onlineopinion.com.au/view.asp?article=666>

IV. Post-Conflict Challenges to State-building

Challenges of Independence

Timor-Leste emerged from the violence of 1999 and following a 2-year UN-led transition became independent on 20 May 2002. The mandate of the United Nations Transitional Administration in East Timor (UNTAET) included provisions for capacity building in preparation for self-government and for the establishment of conditions for sustainable development and effective administration including the development of civil and social services. It is widely recognized that the foundation in place at the time of independence was extremely fragile and incomplete, both in terms of the capacity of the civil service and human resources generally as well as with regard to each of the structural pillars of the state.^{12,13}

One fundamental factor that contributed to this state of affairs was the inherent difficulty faced by an international administration body established in an era where principles of democratic participation and ownership of decision-making are paramount. According to agreed international norms, it is not possible to rule by decree. This applies particularly to settings with little or no experience with democratic systems. UNTAET was mandated to lead by example. At the same time, it was established to create the foundations of a state that could be handed over to a democratically elected government. This led to an inherent contradiction in that a non-democratic body was deciding the structure and elements of a future democratic government.

Consultation was deemed necessary even if only limited to a few key national elites. As such there existed a need to find a delicate balance between taking key decisions to enable the state to function, with the need to allow the incoming Government to take and own those difficult and seminal decisions. This was especially relevant given that UNTAET was only mandated to exist for 2 years.

The short mandate of UNTAET and the complexity of issues to be addressed may have led to the postponement of important decisions so that the new government would be allowed to assert itself. While not privy to the internal discussions at the time, it seems plausible to postulate that government in waiting was also keen to act independently on important issues.

In this regard, policies such as those related to land and property were deemed too politically sensitive or indeed too complicated for a transitional administration and best left for the incoming national leadership. As a result, at the time of independence, many decisions were deferred and others were changed after the hand-over from UNTAET. Some of these changes were likely not anticipated by UNTAET.

The lack of familiarity of civil servants at all levels, including ministers and Department Directors with laws and regulations also led to serious challenges in implementation. The problem persists today and is exemplified by complex procurement procedures and other budgetary arrangements within the government. Civil servants are both not empowered to make decisions and fear making incorrect decisions because of faulty analysis.

¹² Security Council Resolution 1272.

¹³ Pillars of State include: Presidency, Government, Parliament and Judiciary

Whereas it is beyond the scope of this paper to review in detail the strengths and challenges of the UNTAET period, the highly ambitious time frame for transitioning to independence and the fact that certain key steps were skipped in favor of expedience, were contributing factors to the fragility of the newly formed state and its institutions.¹⁴ The Timorese seemed to realize early on the need for a long-term, deliberate and methodical approach to state building. There were requests made by some in the leadership for the interim administration to last up to ten years.

Unfortunately, the requests were denied despite the need for ongoing UN mission support. Whereas member-states continue to act with caution when it comes to supporting UN missions around the world, it would have been inconceivable to agree to a ten-year mission. That said, the UN is still supporting an on-going mission presence in Timor-Leste. To date, there have been at least 6 missions, including a return of military forces to secure the capital.¹⁵

Rather than anticipate the needs for conflict prevention in a post-conflict fragile state and prepare adequately for a planned transition, resources spent have been far less effective. These have focused more on putting out fires than on prevention and sustainable development. By May 2002, Timor-Leste had already in place certain conditions that would foreshadow the eventual crisis of 2006.

Within society-at-large, a different transformation emerged because of independence. Individuals were able to move around and associate freely, even at night. People experimented with the boundaries of accepted social behavior in this new environment testing old norms and legal conventions. This took place at the same time as efforts toward the creation of a rule of law-based society were underway.

International community efforts to support the establishment of the rule of law and democratic norms were superficial and ineffective. The complexities of securing understanding and behavior changes were underestimated. Unfortunately, civic education workshops failed to address these new experiences and did not explore adequately issues related to citizen responsibility within a democracy.

Among the most significant issues already apparent in 2002 that continue to challenge the government and international actors are the approach to governance; tension between the desire for a legalistic and procedural approach to social organization that is new to the local political and social culture; perceived and real dearth of opportunities; and lack of mechanisms for regularizing land tenure and resolving land and property disputes. These issues exist within a context of overwhelmingly high expectations from independence and within a society that had insufficient opportunity to address the individual and collective trauma of past violence.

Approach to Governance

In 2001, a national consultation was undertaken leading to the development of the National Development Plan (NDP) that set out the ambitious vision of the people of Timor-Leste as imagined achievable by 2020. The NDP would prove to be a foundational document and all policies and programs would theoretically serve to promote the realization of these national aspirations.

¹⁴ For example, the decision to transform the Constituent Assembly, elected to write the national constitution, into a Parliament without a further election may have added to misunderstandings about the role of a Parliament and its relation to its constituency.

¹⁵ Six missions include: UNMET, UNTAET, UNMISSET (2), UNOTIL, UNMIT

By 2002 there was concern that disenchantment and lack of tangible improvements in living standards would be a root cause of potential conflict, particularly in rural areas. Between 1999-2002, the Timorese populace had by and large continued to display patience, still content with new freedoms and psychological security. As economic hardships would intensify and as the new government did not continue the Indonesian system of a large civil service and other economic programs, such as subsidies for agricultural production, there was fear that such optimism would turn to frustration.

The tension that exists between a desire on the one hand to develop and use new transparent systems and the distance between these and understood procedures put in place by the Indonesians posed another challenge. With the withdrawal of Indonesia, went not only many of the experienced bureaucrats and other service providers but also the institutions and processes affiliated with each government ministry and department. The mandate of UNTAET and the overwhelming job of many international actors were to create nearly from scratch these institutions and processes and build the capacity of those responsible for running the civil service. With limited capacity to inform the population on new developments, the gulf in understanding continued to widen between government and the citizenry.

Throughout the occupation, 83% of the first Constitutional Government's ministers had been living in exile, primarily in Lusophone countries. This experience, particularly with regard to the central role of the state in all decision-making, inevitably shaped their approach to leadership. The Government exercised high degrees of centralization and decisions were often taken without consultation with relevant stakeholders.

These traits were also common in the hierarchical Indonesian system whereby fear of making a wrong decision often stifles decision-making altogether. The difficulties posed by this tendency were exacerbated by an administrative culture that balks at decision-making. Civil servants were, and continue to be fearful of assuming responsibilities which have been delegated.

Despite the efforts to build new institutions, which take time and cannot be expected to be fully functional overnight, the tendency toward extreme centralization resulted in near paralysis at times as only ministers were empowered to make decisions. When decisions were made, these were often not transparent and mechanisms for implementation either neglected or poorly understood. For example, the government may determine that one must register as a foundation or association by a certain date, but may not ever determine the process required or inform those charged with implementing it, leaving people in a deadlock of non-compliance.

Following riots in December 2002, the government commenced a new Open Governance initiative whereby the Prime Minister and a group of his colleagues from various ministries and other institutions of the state, including the military, would travel out to meet with the people directly. This was a much needed and welcomed policy shift at the time and many were optimistic that this would reflect the beginnings of a new era in the fragile state. It was thought that the government had come to understand that consultation and communication were critical to government success as access to information was sorely lacking in the districts.

Unfortunately, Open Governance fell short of its objectives. Many felt the government to be condescending in its presentation of state priorities and lacking interest in listening to the needs of

the population. Others found that whereas issues could be raised during brief question and answer sessions, responses were limited to those of reinforcing existing policy, disregarding concerns raised. No mechanisms for follow-up were created to ensure outstanding questions were answered, recommendations duly considered and new information provided about potential changes in policy. As a result, community meetings were one-off events rather than genuine two-directional engagements.

The characteristics demonstrated during the Open Governance dialogues could be seen as behavioral trends more generally. Information flows out of the capital and into the rural communities in the districts were virtually non-existent in terms of written or oral information on government policies, programs, and directives/laws. Information as to the role and contribution of internationals was similarly lacking. High illiteracy rates coupled with limited education further hindered the ability of the citizenry to engage productively with its government. This left many unaware as to the challenges and progress of the state post-independence adding to a sense of disenfranchisement and limited the ability for active lobbying efforts. Technical challenges in setting up community radio further hindered information flows to districts.

Political considerations could also be perceived as having high priority in decision-making and statements made by the Prime Minister in 2005 regarding the aim of the ruling party to lead for the next 50 years were disconcerting to some. For a variety of reasons, some of which have been mentioned, the confusion between party and state remains an obstacle to the proper functioning of the state.

Such statements reflected what was to become a much more significant problem in 2006, that of the muddling between what is “state” and what is “party” when a particular party happens to lead by majority. The structuring of the local elections and the decision that traditional leaders must assume a party affiliation was also an attempt to solidify the majority power base down to the lowest levels. Discussions with numerous communities during extensive field visits indicate that this decision was seen to contribute to increased tensions in communities throughout the country.

Politics and the Crisis

One of the key challenges to stability, arise from complicated relationships that exist throughout the recent history of the small state. The ‘village-like’ dynamics where there is no anonymity creates a complex network of relationships and connections that apply to common villagers and the elite alike. Today’s leaders are comprised of a small group of individuals who have played various roles during the end of the Portuguese era, the brief civil war and throughout the resistance period leading to independence. The leaders share a long history, have grown up together and have witnessed each other’s strategies and actions over the years.

Animosities and antagonisms from these various periods have been provided by many as explanations for the political crisis that led to the civil unrest of April/May 2006. The interaction at the village level in Dili seems to an extent a victim of this same phenomenon, where past actions of distant relatives are relevant to the current context.

In the late 1960s and 1970s changes in the geopolitical landscape at large and in the region would shape the political ideologies and worldview of many young East Timorese. The divergences among

the various Timorese factions, which became aligned to those of the wider world, would have direct consequences to the country, as these alliances were often miscalculated.

The impact of the Indonesian invasion and the exile of many young leaders would intensify the differences between those who remained to experience the occupation and those who fled. Subsequent maneuverings to distinguish between the armed resistance from the political (Fretilin) during the 1980s intensified the divide between Fretilin and Xanana Gusmao. By independence the connection between party and the state would remain an area of contention.¹⁶

Even in 2002, at the height of the independence-era honeymoon, a veteran of the resistance mused that he was happy to have had sons because he needed them to be ready to fight when the day came in which fighting would again be necessary.¹⁷ For some Timorese, the crisis of 2006 did not come as a surprise. It was perceived as a likely turn of events given the on-going struggle for power and control of the direction of state building. [See Annex A for additional information on the political crisis.]

The fear of renewed struggle was in part driven by perceptions of impropriety with regard to government tendering processes, the lack of attention to the rural population in terms of service delivery and economic development and by concerns about the distance generally speaking between the ruling elite and the veterans of the resistance. The veterans, who had been the nation's heroes, often felt disrespected in the post-Indonesian era and certain political actors sought to use their grievances for personal gain.¹⁸

Also relevant to the general environment contributing to the crisis was the consistent inability of the government to disburse its budget. Government disbursement of the national budget, always low, has consistently decreased since 2002 and by the first quarter of FY2006, was near only 7% of anticipated levels.¹⁹

The Economy and International Assistance

Despite the known challenges, there has been remarkable progress over the past five years toward the building of the foundations of a state, its institutions and its capacity to function despite the destruction of 70% of its capital stock in the violence of 1999 and the need for the Pillars of the State to be designed and institutionalized from very basic beginnings.²⁰

Over the past five years we have seen an increase in the number of children attending school (from 59.1% in 1999 to 66% in 2004), an increase in literacy rates (from 40.6% in 1999 to 50.1% in 2004), lower rates of child and under 5 mortality, a Council of Ministers that creates laws and Government offices mostly staffed and working to implement new regulations.²¹ It is also evident that civil

¹⁶ The International Crisis Group Report on *Resolving Timor-Leste's Crisis*. Asia report No. 120, 10 October 2006 is a good reference on the crisis and its causes.

¹⁷ Words from a veteran who had served in the Portuguese military and subsequently fought both for Falintil and for the clandestine front before being elected to Parliament during independence.

¹⁸ Rees, Edward. *The UN's failure to integrate Falintil veterans may cause East Timor to fail*. 2 September 2003.

<http://www.onlineopinion.com.au/view.asp?article=666>

¹⁹ Interview with international economic adviser.

²⁰ IMF Country Report No. 07/86 *Selected Issues and Statistical Analysis* <http://www.imf.org/external/pubs/ft/scr/2007/cr0786.pdf>

²¹ UNDP Human Development Report 2006.

servants are more engaged in their tasks, and participate more actively with their international counterparts in policy discussions.

Despite progress, poverty is on the rise and up to 88% of the population relies on subsistence agriculture. It is estimated that 2/3 of the population do not have access to safe drinking water and life expectancy is decreasing despite advances against child mortality. In addition, 40% of the population lives below the poverty line at \$0.55 per capita/day. Whereas 14,000 young persons enter the job market each year, it is estimated that the youth unemployment rate exceeds 23%. In 2004, only 13% of total workers were considered paid employees. In addition, only 5% of households have access to electricity and, outside of the capital, power is available for a few hours a day.²²

The civil unrest beginning in April 2006 led to severe political instability and the displacement of over ten percent of the country's population. This has had a profound negative impact on these indices of development. For several months immediately following the outbreak of violence in May 2006, local buses stopped traveling to Dili as people were too afraid to risk the violence. As such, small farmers were unable to sell their produce. Consumer prices soared in 2006 by 6% according to IMF calculations.²³ As there are still no comparable markets in the Districts, nearly all trade and exchange still occurs in Dili. Many are still dependent on Dili's cash economy and livelihoods have suffered because of the crisis.²⁴

At the same time, violence in the capital caused up to 70,000 to flee to the Districts in search of safety. The increase in the district-based population has put pressure on local food stocks, exacerbating an already difficult and cyclical lean season. Late arrival of seasonal rains will further increase food insecurity over the coming months. The exact toll on the local economy of these and other pressures linked to the crisis are still uncalculated. It is thought they are highly significant.

The social and economic conditions in Timor-Leste are such despite a large UN and other international agency presence and despite high levels of both bilateral and multilateral donor support. Over the 5 fiscal years between 2001/2 and 2005/6 the GoTL approximates that \$1.9 billion US dollars were spent in support of the building of Timor-Leste, or an average of \$209 per capita per year (excluding FY 05/06). Other estimates have international assistance at over \$3 billion US.

All estimates regarding annual overseas development assistance (ODA) are just that, rough estimates. There is no mechanism to accurately capture all ODA assistance, in-cash and in-kind, provided to the country. This is the case in part because there is no agency, aside from the government's National Directorate for Planning and External Assistance Coordination (NDPEAC), mandated to track external assistance in all its myriad manifestations. The NDPEAC faces a daunting task in its efforts to seek compliance with its requests for donor information.

Many donors are not forthcoming about the sums committed and disbursed, particularly with regard to salary and other costs attributable to technical assistance provided by foreign nationals. When

²² Combination: IMF Country Report No. 07/86 *Selected Issues and Statistical Analysis*
<http://www.imf.org/external/pubs/ft/scr/2007/cr0786.pdf> and UNDP Timor-Leste Human Development Report 2006.

²³ IMF Country Report No. 07/79 February 07. <http://www.imf.org/external/pubs/ft/scr/2007/cr0779.pdf>

²⁴ Outside of Dili many still rely on bartering systems as money is scarce.

asked, for example, certain agencies refuse to provide transparent information in regard to the total amount of available funding for small grants.

In other cases, donors and/or organizations do not think to report their activities to the government, particularly those initiatives targeting civil society organizations.²⁵ The government may not be aware of all international actors working in the country and so may not make requests of those who, otherwise, would be pleased to supply information. While a process for the registration of NGOs is being developed, the process has been slow and it remains to be seen to what extent information gathered will be shared with the Ministry of Planning and Finance.

Commitments with regard to the initial Trust Fund for East Timor (TFET) have been made public (\$177.89 million contributed by the Bank and 11 donor countries) and this fund has been nearly disbursed in full.²⁶ The combined sources budget figures have also been tracked, albeit with some caveats. The Registry of External Assistance (REA) managed by NDPEAC does not include money disbursed through international NGOs from non-government or multilateral sources. As such, privately secured resources, be they from foundations or individual contributors are unknown.²⁷

Moreover, when reviewing the REA, it appears that based on some known examples of resources expended on development initiatives, figures are at times incomplete and at others duplicative. This is the case, for example, when an implementing agency reports on programming activities that are funded by bilateral donors. At times, the donor itself may report on these same funds. As a result, the registered \$1.9 billion in foreign assistance to Timor-Leste, remains a very rough and low estimate of overall assistance.

Financial Resources and Impact

Over 2,300 projects have been captured in a National Database of Community Development Projects since 2002. The National Database includes information supplied by donors, international and national NGOs and other development actors in Timor-Leste. Projects reported seem to correlate strongly with government spending priorities. [See Chart A: Project Distribution by Sector.]

Despite numerous attempts, the database does not capture the complete picture of development assistance to Timor-Leste in part because development actors are reluctant to provide data.²⁸ The data available is informative, however, as it provides a sound indication of how resources have been allocated.

²⁵ In the days of the transitional administration through the first years of independence, offices and reporting procedures were just being created. As such, if you wanted to report information on activities to a government representative, it may have been difficult to find the correct person to whom to report. Transparent and easily accessible public information has never existed and there is a significant burden on those trying to comply with policies even today.

²⁶ <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/EASTASIAPACIFICEXT/TIMORLESTEEXTN/0,,contentMDK:20174826~pagePK:1497618~piPK:217854~theSitePK:294022,00.html#tfet>

²⁷ Many charity based NGOs, including Oxfam and CRS, for example, can access core funding from individual contributions made through its regional and other offices.

²⁸ The reluctance is likely a combination of time-constraints and suspicion about how their project information will be used. When developing the database in 2002 it was made clear by many international NGOs that they would not be willing to make their figures on funding available to the public. Consultations regarding database design were remarkable in part because there was near consensus on the utility of such a tool for coordination. Still many do not provide data upon request.

The education sector ranked first for overall number of projects implemented between 2002 and the present. Education was followed by health sector projects as the second most numerous. This is especially interesting because the Ministry of Health requested health sector international NGOs to leave Timor-Leste after independence and has only gradually brought them back in one-by-one according to specific bi-lateral agreements. When compared with spending estimates, the service sector, which includes health and education, secures 34.1%, more than any other sector.

Whereas much of the spending is likely tied to infrastructure, building of schools and clinics, the record regarding impact is not as clear. Literacy rates are reportedly up from only 40.6% in 1999 to 50.1% in 2004. This is coupled with more children attending school. Regarding health indicators, life expectancy seemed to rise between 1996 and 2001 but was on the decline again in 2004. The same is reported with regard to rates of infant mortality. That said, child mortality and under 5 mortality (per 1000 live births) are both positively on the decline.

On par with health sector, agriculture projects reported in the database comprise 12.6% of the total supported works by NGOs, donors and UN Agencies. When fisheries, environment and natural resources and private sector development projects are added, it becomes 17.3% of total projects reported. On the contrary, only 9.7% of government spending is attributed to these sectors combined. Given that 88% of the population is estimated to depend on subsistence agriculture, it seems that resources are not adequately addressing the needs in these areas.

Increased access to information is one of the critical elements required to enhance people's perception of security in Timor-Leste. Only 5 media projects were reported and spending in communications is reportedly only averages 0.3% of donor contributions, or \$2.6 million between FY 02/03 and 04/05.²⁹

These conclusions are based on available data sets. It would be worthwhile to invest additional time and resources into the support of NDPEAC and their capacity to better track incoming funding and to broaden the scope of their respondents to include international NGOs. It seems that part of the challenge for the government in this regard has been its overarching concern with numbers as a means to identifying tax collection opportunities rather than focusing on impact. There is a perception among many in the international community that the government is concerned about high foreign salaries and has not successfully translated this preoccupation into better monitoring of consultants and foreign development actors to ensure Timor-Leste is receiving a high quality of service.

It is also perhaps too soon to really quantify impact of international assistance to Timor-Leste. There is reason to believe that it will take a generation or two to pass before we can fully comprehend how the international community has contributed to the building of a stable nation. This is especially relevant given high levels of international support to capacity development and institutional strengthening priorities of the international community. Both require time and patience and cannot be rushed. Unfortunately, these efforts are often hastily implemented with high turnover rates and little coherence, as will be explored later.

²⁹ RDTL, *Combating Poverty as a National Cause: Promoting Balanced Development and Poverty Reduction*. March 2006.

Access to Opportunities

One of the greatest factors contributing to the violence facing Timor-Leste today involves the perceived lack of access to opportunities. Many complain that the lack of connections to or patronage from prominent families/party members results in a lack of employment and other opportunities for income. This grievance is repeated when conducting interviews in communities across Dili. In the districts, so few opportunities exist at all beyond subsistence agriculture that there is a perception that the government may not be concerned about the welfare of the citizens in these areas.

While there is no evidence supporting these assertions and no formal research has been conducted on the degree of corruption and nepotism in the country, the perception is nonetheless relevant as people adapt their behavior to rumor and perception. Research and interviews indicate that the perception of corruption and nepotism has enabled the easy mobilization/manipulation of young men in particular to join in violence and anti-government demonstrations in the capital early in the crisis.

Legal Procedure in Context

In Timor-Leste there is a significant gulf between formal law and tradition. By far, the most readily used and accessible means for accessing justice is through traditional processes. With slight modifications depending upon geography and custom, traditional justice systems exist and are in use in all 13 districts. Essentially, respected elders are charged with bringing disputants together, identifying the issues and the perspectives of the parties involved, and formulating a decision as to levels of compensation or other punitive damages to be meted out.

At the same time, there is an unspoken agreement that certain cases cannot be resolved through traditional mechanisms. There is a common understanding that serious crimes, including murder, can only be resolved through a formal process using the courts. This is challenging on several levels. On the one hand, access to formal justice is difficult. There is a perception that one needs financial resources in order to access the system. There are also only four courts in the country, making access difficult from more remote areas. The legal process is not well understood, and this leads to misunderstandings and confusion.

Significantly, formal justice is considerably slower to reach a conclusion than is traditional justice. This has an impact in part because traditional societies are dependent on the functioning of certain relationships within communities. Disruptions to these systems can cause a great strain on families. Cases where victims become responsible for providing food to the families of perpetrators while in jail or where breadwinners are removed from the family to serve time in prison add great pressure on those dependent on the incarcerated. Such tensions create significant dilemmas resulting from the impact of formal justice on communities and require further exploration.

This is not to suggest that offenders should have impunity. Rather, it adds to the complexities of the establishment of an effective and equitable justice system and may explain why so few cases are taken to court.

Regarding impunity, victims of serious crimes in Timor-Leste have rarely seen the perpetrators taken to account for their actions. The East Timorese have endured crimes perpetrated by the Japanese

and Indonesian militaries and have suffered from occupation and colonialism. In 1999, East Timorese militias wreaked havoc on the population. That justice for the victims has been absent, has contributed not only to societal trauma but also to a sense of impunity that is palpable in Timor-Leste today.

The violence associated with the crisis has multiple underlying causes. With the breakdown of traditional processes in the city and a formal justice system bogged down by backlogged cases, little capacity for police investigation, and witnesses afraid to provide testimony, many young men are indifferent to the law. These young men seem to believe they can settle any score without risk of accountability.

Land and Property

As mentioned earlier, decisions regarding land and property were mostly deferred during the transition period to an independent government. The failure to regularize the status of housing and land rights and the inconsistent implementation of those policies that do exist have provided the fuel for a significant portion of the violence that has been witnessed during the crisis. This is, particularly true in cases where there is a strong sense of entitlement to compensation from either the state or private actors.

Abandoned houses previously occupied by Indonesian nationals and/or Indonesian government/military officials were subsequently occupied by Timorese seeking economic and other opportunities in the capital. Rural migrants who had arrived in Dili in 1999 occupied many of these dwellings. This was complicated by multiple claims on many houses as ownership changed for various reasons between pre-Portuguese, Portuguese and Indonesian times. Documentation of ownership was mostly destroyed during the 1999 violence and resentment of new inhabitants gradually increased over time. The complexities and impact of land and property issues on community dynamics cannot be underestimated.

In the districts, land and property disputes are also rife and many date back to before the Portuguese era and the Indonesian invasion. Tensions exist in communities where the Indonesian strategy of forcing populations to move away from remote rural areas created new population hubs located close to main roadways. Forced movement of persons brought communities together under duress and created new conflict dynamics including those related to pressures on land and water usage. Whereas previously many of these disputes were put aside in the common struggle for independence, today, people are ready to revisit historical disputes.

Now that communities are also choosing to move back to ancestral lands they may find themselves faced with new occupants on those lands. In addition, these communities are moving farther away from existing services including health care, educational facilities and clean water. These services may never have existed in those areas but new expectations are such that demands for services exist while government capacity to respond is limited at best.

While the government has been working to produce a national plan for service provision to rural areas, it is not yet complete. The lack of a strategic plan has until recently resulted in ad hoc provision of services in rural areas. The government realizes fully that it will be unable to provide services in many areas. Maintenance support to a significant portion of projects completed will also strain existing government capacity.

Language Policy

By the time of independence in 2002, the language policy had been determined with broad support from the leadership across the various parties. The two official languages of Timor-Leste are Portuguese and Tetum. Despite the association of Portuguese with colonial rule, it was also a language that represented Timor's unique identity as distinct from the rest of Indonesia and remained a language in use by many within the resistance and its leadership in particular. It is also a much more developed language than native Timorese languages and so deemed more appropriate for expressing nuances in formal legal documents including the constitution and subsequent official documentation. It is estimated in the 2004 census that 18.6% of the population, particularly the older generation, speaks and/or reads and writes Portuguese.³⁰

Tetum, on the other hand, is spoken/read/written by at least 90% of the population and its usage has expanded significantly in the aftermath of independence. Historically an oral language, Tetum is increasingly being modified and expanded to meet new demands. It has often been supplemented by Indonesian, Portuguese and now, English words to fill gaps where these exist.

In addition to these 2 official languages, the constitution also provides for Bahasa Indonesia and English to be used as working languages. This recognizes that no one language is spoken and understood by all in the country. The large population of foreign advisers and humanitarian assistance providers who commonly operate in English justifies this choice as a working language. The government also maintains that the use of English will improve the country's business climate. Similarly, Bahasa Indonesia is written or spoken by 52% of East Timorese, and is easier to write for many than is Tetum. Many legal documents are still commonly available in Bahasa Indonesia as well.³¹

Unfortunately, in practice there is often a tension regarding language and some government officials and others have emphasized Portuguese to the exclusion of the remaining constitutionally allowable languages. Some younger college graduates who studied in Indonesia and/or other countries outside of Timor-Leste, including Australia, feel excluded from senior government posts despite their other qualifications because of their lack of Portuguese language skills. This younger generation may not be as tied to the Portuguese identity as those from their parents' and grandparents' generation.

The impact of the language policy is most disputed with regard to its implementation in the education sector. There is an ongoing debate among educators as to the implications of teaching in a language that is not fluently spoken by teachers. A related concern of some is that children who learn a language in school that their parents are unable to speak can create difficulties within families and hinder already limited parental engagement with their children's education. Parents in the districts also complain that their children are being taught incorrect Portuguese and fear this will place them at a disadvantage later in life. Many argue that the policy that primary educators must teach in Portuguese adds an excessive burden on an already overstretched education sector.

³⁰ These figures and those for Tetum speakers/readers/writers found in 2004 census figures based on persons over 6-years old based on a population of 741,530.

³¹ A decision was made under UNTAET that Indonesian law would be applicable in Timor-Leste except for where these did not conform to international human rights standards; where old laws were superseded by UN laws or new ones passed by an independent government of Timor-Leste.

The language policy creates problems within the Parliament as well because most members are not fully comfortable working in Portuguese. Laws, which are by nature nuanced and complicated, are drafted in Portuguese. Portuguese-speaking advisors working on behalf of members of the Council of Ministers are predominantly responsible for drafting new laws. Because laws do not emerge from intra-parliamentary policy discussions, the contents are largely new to those voting MPs. Moreover, translation services are inadequate and lead to discussions on little understood documents. Ultimately, votes are taken without full comprehension of the law's contents.

The interest of the government to ensure that the legal system operates in Portuguese creates practical challenges for those working to strengthen the sector. In addition to limited understanding about the legal system generally, judges, lawyers and defendants are not commonly fluent in Portuguese. Translation is burdensome and can result in miscommunication.

International actors contribute to national cleavages regarding language as some excessively promote Portuguese while others continue to question the government's position regarding its adoption as an official language.

At the CNRT national congress in August 2000, there was concern that the language issue could result in a violent outbreak led by the youth. Violence was avoided but remains a point of contention that when linked to other sentiments of exclusion can add to the volatility in the country.

Civil Society

Civil society actors played a significant role on the road to independence from Indonesia. Between 1975-1999, 34 non-governmental organizations existed and associations of women and youth formed throughout the country to facilitate communication and provide support to the Falintil and the clandestine movement.³² The majority of associations were formed around two central themes: physical survival and political resistance. The former category included agriculture-based NGOs and associations whereas the latter included martial arts groups, church groups, youth associations, and other movements associated with clandestine operations and human rights advocacy.

By 2002, most of those organizations and associations that had formed as a means toward political resistance had achieved their vision and realized the overarching objective of independence. After a brief and a euphoric moment, these groups that had worked together so effectively were faced with an existential crisis: what to do post-independence and how to orient their identity in the new context?

At the critical moment wherein civil society organizations most needed time for reflection, they also faced a humanitarian crisis. The violent departure of the Indonesians and the pro-autonomy militias resulted in massive displacement, destruction of houses in nearly four fifths of all sucos (villages) and loss of economic assets including livestock and agriculture inputs.³³ At the same time, international donors, UN agencies and international NGOs were all streaming in to provide the logistical, technical, financial and organizational support to respond to the needs in all sectors. Many

³² Holloway, Richard, ed. *Aspects of Democracy on Timor-Leste: NGOs Advocating for Social Change*. Catholic Relief Services. 2004.

³³ *East Timor Policy Challenges for a New Nation*. World Bank. East Asia and Pacific Region. 2002.

of these international actors sought out local implementing partners and the number of local NGOs by 2003 exceeded 300.³⁴

Despite the incredible work done by civil society actors throughout the country, as a whole, civil society in Timor-Leste can be characterized in part by its lack of coherence, and by inter-organizational competition. There is no common understanding or consensus among civil society actors about the definition of civil society, the distinction between civil society and NGOs in the Timor context and how civil society can best engage with governmental and other actors toward realizing its objectives. In fact, there are few mechanisms through which civil society can strategically identify priorities and advocate for change. The role of civil society in the process of nation-building vis-à-vis that of government remains unclear to all actors. Both look at each other with suspicion.

Today, the clandestine tradition has left its mark on civil society organizations and political parties alike. Many continue to use language such as '*militantes*' to describe members. Other common phraseology includes, '*luta continua*' or the fight continues to describe needs for advocacy or increased efforts toward creating a better future. Access to information and membership are earned as trust is built, few organizations seek out broad-based membership, as the need to build trust results in one-by-one recruitment.

The largest association that exists to bring together members of civil society is the NGO Forum (FONGTIL). In Timor-Leste, the term "NGO" does not imply any non-governmental organization. Associations and groups formed around religious, political, private sector, academic, veteran, youth, student, and other sectors are not included in the FONGTIL mandate, as these are not considered to be NGOs by the Forum.

Civil society has further had a rocky relationship with the state, which often equates NGOs with civil society. The government tends to associate NGOs with political opposition. As they are not elected, their mandate is questioned, as is their ability to represent the interests of the people. The difficult relationship is illustrated by the fact that between 2002-2006, the consecutive FONGTIL representatives found it difficult to schedule a meeting with the Prime Minister and other ministerial level officials. [See Box 1]

In the first years of independence, the government sent a message that it knows the needs of the country, has a plan, and needs time for proper implementation. The government did not consider it a priority to be consultative with organizations it perceives to lack the technical capacity to engage constructively. On the contrary, department heads and others working in the local and regional government offices often express gratitude and appreciation for the work of NGOs.

Despite the tendency not to engage civil society, a High Level Mechanism was established in 2003, around the same time that Open Governance was being implemented. "The mechanism [was] intended to encourage and facilitate the participation of all Timorese stakeholders in the implementation, monitoring and adjustment of the [National Development] Plan and other development activities in Timor-Leste."³⁵ The first stakeholder meeting, it was hoped, would

³⁴ Current figures list only 82 registrants of the NGO Forum reflecting the volatility within the civil society sector and its dependence on external donor funding. Between 2000 and 2006 not only was there a decline in funds available but donors also became more demanding with regard to their funding criteria. Financial and project management accountability is gradually becoming more important to secure funding.

³⁵ Workshop Report. Stakeholders Workshop on the High Level Mechanism. 22 August 2003.

contribute to the design, leadership, mandate, and operating procedures associated with the Mechanism. An international consultant was brought in to facilitate the process.

In reality, the meeting was donor driven and participants were primarily Dili-based NGO representatives. Insufficient attention was paid to the pre-meeting consultation and the facilitator was unable to achieve buy-in from the participants.

Because there has been little order within the national civil society, there is no complete list of associations and organizations working in the country. Many people attended the HLM workshop but significant voices were not represented including youth and veterans among others. Of course, one could also argue that participation in such a meeting does not mean that its contents would be passed on to the rest of the members of an individual's organization. It is unlikely, for example, that those representing church-based organizations informed the madres and priests throughout the country of the outcome of discussions. The HLM never materialized into any formal structure and since then, when consultation is required, invitations are sent to those more prominent Dili-base NGOs.

On June 5th 2005, the former Prime Minister convened international NGOs for the first time under the premise that that would be the beginning of a more consultative process. Perhaps, it was thought this would be the beginning to international NGO involvement in sector working groups (discussed later). No follow-up meetings were ever scheduled.

In 2006, the former Prime Minister announced to donor partners an interest in working with civil society actors together to confront the ills of poverty throughout the country. Subsequently, on behalf of the President, FONGTIL together with BELUN, a new intermediate service organization (ISO), convened an Open Space National Dialogue for national NGOs in April 2006. Over 2 days, the President recognized the work of NGOs toward the development of the country. He encouraged NGOs to discuss their activities and priorities, to identify gaps in service delivery throughout the country and to organize themselves in such a way as to become an even stronger partner with the government. It was suggested that Government resources could be made available to NGOs to implement programs in line with national priorities. Unfortunately, some interpreted this call to cooperate as a subtle attempt to exert government control over the NGO sector.

Prime Minister Ramos-Horta has indicated high levels of interest in the establishment of a Civil Society Council that is inclusive of the disparate voices from across the country, particularly those more disenfranchised groups including youth. Preliminary discussions with BELUN and its partner CICR have been underway with regard to devising a mechanism for such a Council. The challenges associated with this are enormous and there are significant lessons to be learned from experience that could enhance the likelihood for success.

One immediate benefit of such a Council would be the strengthening of existing networks in Timor-Leste. As such, FONGTIL could be supported to reinforce its mandate as an umbrella for NGOs and would have a platform from which to voice concerns within the NGO community throughout the country. The Council could further serve to strengthen other networks including those for women, veterans, youth, political parties, private sector associations and others who are normally excluded from dialogue and policy discussions. The Council would provide an opportunity to connect civil society actors in the districts to those in the capital and provide a venue from which

priorities could be set and engagement with international agencies, donors and government would be possible.

The international NGO community and other agencies that sub-contract NGOs have had a very profound impact on national NGOs in Timor-Leste. Donor interests drive international NGO and UN agency programming. Donor interests similarly guide funds made available to NGOs directly. Just as there is little room for dialogue and consultation with regard to what a donor is willing to fund, so too, international organizations are not very flexible with regard to deliverables they are seeking to realize through project activities.

International NGOs like to implement projects through national organizations in part because there is a sentiment that this will increase local ownership and will provide skill-building opportunities to young organizations. This also enables many of these organizations to be Dili based and available to work on fundraising and networking efforts while others are responsible for project implementation in the field. Unlike agencies which do direct implementation, many international organizations and donor institutions can rely on occasional field visits and other discussions with implementing partners for monitoring and evaluation purposes.

The impact of this relational structure is that national organizations work as contractors for international organizations and have little control over decision-making and programming choices more generally. As these organizations are also dependent on the international organizations and donors for funds, they may be pulled in many directions in order to survive, without consideration for their original mandate. Genuine interaction is limited and power imbalance is high in these circumstances.

This dynamic mirrors the relationship between government and civil society. Government believes that it is responsible for developing a national plan to develop the country. As such, all other actors, national and international, must work within that plan. Rather than engage and develop the plan together, the government prefers to provide ad hoc authority to actors, both national and international, to assume responsibility for certain parts of its plan.

With regard to NGO sustainability, funding for NGOs is often provided by embassy and development agency small grants mechanisms. By 2006 many organizations were faltering, unable to survive in this environment. Most organizations' survival demands a certain level of remuneration which donors often will not pay. While donors by and large refuse to pay for contractors, or support for-profit enterprises, NGOs operate under extremely unsustainable arrangements.

Also, donors may use the same funding mechanisms to pay for both government and civil society programs, thereby increasing a sense of competition among them. Now, national organizations are also beginning to compete with much larger and more experienced international NGOs for critical funding. That this competition exists is an indication perhaps of the successful capacity strengthening efforts of international actors. Ability to access these funds and to gain the trust of an international donor is necessary for sustainability. Many donors still prefer the reduced risk of working with a known international agency.

Access to information

Timor-Leste thrives on rumors. Much of what development actors know in the country is learned over dinner or drinks in Dili rather than through media and other official sources. Similarly, information flows among national actors relies more on word-of-mouth than on all other sources of information combined. Between 2004 and 2007 only 5 media and public information related projects were reported in the National Database of Community Development Projects out of over 2,300 project entries and it is reportedly the most under-funded sector after housing/urban development and external relations.

Exacerbated by limited printed information, low literacy levels and poor and expensive communications infrastructure, rumors provide the foundation for information dissemination in the country. Lack of information further reduces individual capacity for informed decision-making. Panic spreads quickly through rumors, especially given an already anxious population concerned about survival. There is no government agency responsible for making news available across the country.

Difficulty in understanding government constraints and progress toward nation-building is related to community isolation and increases frustration at perceived lack of progress toward development. As the process of de-centralization is moving at a snails pace, all information must be sought at the national level. This increases also a sense of disenfranchisement and feeds into a lack of a unity and common purpose rather than what could otherwise result from information being used as a tool for national identity and purpose.

It is also easier to incite violence when genuine information is lacking. During the riots in 2002 rumors were spread that the president had been shot. In 2006-7 on numerous occasions rumors were spreading in the districts that Dili had been “burned to the ground” and that the “war” was moving out of the capital and into the districts. None of the information proved true and it was only by word-of-mouth efforts that fears were dispelled and misinformation corrected.

Overview of Challenges

Though a small island state, Timor-Leste entered its first years of independence with considerable challenges in all sectors. Key among them, a predominantly young and illiterate population dependent on subsistence agriculture and having suffered from years of violent conflict. The new government faced a need to build institutions, draft new laws and develop a culture in line with these new norms. The time frame for addressing these structural and complicated issues was extremely short. The current political crisis and the violence of 2006/7 indicate that the government and the international community were unable to make sufficient progress in addressing the needs of the populace prior to substantial protest.

Civil society actors sought to contribute to post-conflict development and struggled to engage effectively with the state. Parallels can be found in the way both government ministries and civil society organizations work in Timor-Leste. Both tend to be highly centralized in terms of decision-making. The absence of Directors can often lead to paralysis as others are unwilling to take decisions. Both tend to use communication on a need-to-know basis and do not value broad participation in decision-making and leadership. While women have advanced to high level positions in both civil society organizations and serve as ministers and members of parliament, the society is

still predominantly patriarchal. Regardless of position, many women are expected to contribute disproportionately in the preparation of food, beverages and cleaning associated with office functions.

The international community, both in-country and abroad, remained actively engaged during the 2002-2006 period in supporting the government and civil society to develop strategies to address the development needs of the country. At times working in partnership with government and at times with civil society actors, international agencies spent over \$2 billion US dollars between 2000 and 2006, the highest per capita expenditure on in a post-conflict humanitarian intervention.

Despite this support, a national crisis befell the country in April 2006 that continues through the present. The following sections will review the scope for coordination within the international community and the degree to which international norms responded to the aforementioned challenges associated with state building.

Box 1: State Administration and Civil Society

In 2005, the Ministry of State Administration proposed a Sector Investment Program (SIP) for Local Government and Civil Society. In its plan, the question of the relationship between government and civil society was raised. While recognizing the need to engage civil society and acknowledging the benefits arising from Government-civil society cooperation, the government lamented the fact that organizations are able to mobilize resources from bilateral donors who also provide resources to the state.

Also, the government is concerned that NGOs do not always share their programs and plans with line-ministry representatives. This may cause duplication of effort and raises expectations of communities who may seek government help post-project implementation. It also adds budgetary stresses on the national budget for maintenance and other oversight efforts.

There are no formal and institutional mechanisms available to ensure transparent communication and effective coordination between the Government and civil society. The coordination between them varies considerably by sector.

The priorities set out in this SIP were limited to preparatory exercises to create a foundation for decentralization and partnership. Legislation for local government would be prioritized, suco councils would be elected, capacity development commenced for national and local government actors and policy would be developed regarding how best to engage with civil society actors. Finally, a pilot of a Local Development Project would be implemented in targeted areas.

The only concrete area in which services would actually be delivered in this plan was with regard to the roll-out of a pilot decentralization model through a local development fund (attached to the LDP mentioned above).

The approach of the government in this sector has been considered and thoughtful of long-term needs. They acknowledge the need for appropriate strategies for effective decentralization. Limited capacity of local government to effectively absorb funds from Central Government, coupled with capacity limitations of district based actors and the need for oversight mechanisms not yet created at the national level, is relevant to planning and implementation processes.

Despite government propensity for caution, the plan included almost no concrete actions with regard to civil society support. More immediate and proactive provisions are necessary in the short and mid-term toward providing tangible services in the districts. Failing to do so has in hindsight contributed to the frustrations leading to violence in 2006.

Box 2: A Micro-Norwegian Example

The Government of Norway has offered an example for Timorese nationals searching for ways to balance independence with foreign assistance. When oil reserves were discovered in Norway, foreign experts were brought in to manage all aspects of the sector. This was a pragmatic approach given the lack of internal expertise in the field. At the same time, safeguards were created to ensure that Norwegians would be placed at all levels throughout the process and so would, over time, learn from experience and ultimately, take over management of the reserves themselves.*

The Norwegians have further taken a long-term approach to their support of the petroleum sector in Timor-Leste enabling sufficient planning and ability to address challenges strategically over time rather than respond only to challenges as they arise.

A challenge will be to decide how much money to spend in the short and medium-term while protecting the future economy of the country given that known reserves will not likely last far into the future.

It is also important to note that Norway has a very different culture and historical context from Timor-Leste and so one should be cautious about making such parallels.

** Information based on discussion with the Norwegian Permanent Representative to the United Nations in New York City, May 2003.*

V. International Responses: Competing or Synergistic Models?

To better understand the degree to which there is intentionality in the creation and application of internationally agreed models in programming priorities in Timor-Leste, one must explore the available avenues for strategic coordination and the degree to which these are used to achieve buy-in toward a particular direction to which international assistance should be oriented.

An overview of the range of coordination mechanisms reviewed in this section illustrate that despite a plethora of meeting opportunities, there is no real avenue through which to agree programming priorities or to present alternative programs to those being suggested by individual actors within the development community. Whereas some actors meet regularly to provide updates on project implementation for example, others never meet at all and often remain unaware of the range of actors working within the same sector. Those that do meet exchange information on a superficial level without serious engagement regarding objectives and impact.

Although coordination meetings are not used to identify priorities or toward the advancement of coherent development objectives, over time selected themes, or norms, have become commonplace for nearly all development actors. Of course, the jargon used by many may be the same, common understandings about the meaning of these norms requires further time and standardization across agencies and institutions. This section seeks to explore the unique applications of such norms by targeted agencies and institutions. It is anticipated that such an overview, while limited, will provide insights into the overall impact of the international community's interventions in Timor-Leste.

On a macro level, I would argue as a result of in-field experience and subsequent research that there are no agreed upon models of international best practice that can be applied across-the-board or that can be standardized for use in nation building. Institutions hire consultants and advisers without inculcating a philosophical approach to state-building or development. These factors are similarly not considered during interview processes and within a given institution, several development models may be employed at any one time. How pivotal the impact depends on the position of the individual consultant/adviser and the ability for others to change the approach later. That said, successful programs cannot be imported from one country to another without significant adjustments being made to accommodate for history, culture and context. In reality, models selected are not vetted outside of the presenting institution.

The Community Empowerment Project (CEP) designed and implemented by the World Bank before being handed over to the government, is a good example of how a project touted for its success in Indonesia and elsewhere was not appropriate in many ways in Timor-Leste, despite attempts at "Timorization" of the project prior to implementation.³⁶ Other programs similarly reflect an individual or institutional approach to selected issues without engagement or agreement from a broader cross-section of international actors. This can be seen through policies informing size of government, for example, and the choice of economic model, as suggested by one institution, without input or alternatives from others. A question remains as to the degree to which the donor community can be assumed to buy into programming strategies if significant questions or alternatives are not raised.

³⁶ CEP's primary objective was to accelerate decentralization and empower decision-makers at the sub-village level. In reality, it was a vehicle for quickly disbursing cash in remote areas in an attempt to buy time and patience as a result of the vast destruction in the wake of the Indonesian withdrawal and the complete collapse of the economy.

Mechanisms for coordination:

Timor-Leste Development Partners Meetings

Between May 2002 and December 2005 the development partners of Timor-Leste and the government met twice a year to review progress on development priorities, government and donor spending per sector and areas of priorities for the following six months. On these occasions, 2 national and one international NGO observers were invited to attend and one statement allowed from each.

These Timor-Leste Development Partners Meetings (TLDPMs) did provide an opportunity for reflection on the progress or lack thereof in particular sectors. These did not however, provide an environment in which overall economic strategy could be discussed, the value of importing rice versus protecting local markets for rice, for example, or decisions regarding the size of the civil service or the cost-benefits of advancing certain program objectives over others. In advance of TLDPMs, bilateral meetings between the government and donors would be scheduled as a means to finalizing agreements on what funding commitments could be made behind closed doors and with out broader consultation.

Sector Investment Program Working Groups

One significant effort toward coordination was the creation of the Sector Investment Programs (SIPs) that would outline each line-ministry's programming agenda and desired objectives. From the matrices prepared, each ministry would identify government priorities that could be further elaborated on in annual action plans. Donors would be requested to provide support where gaps in the government budget existed. This, it was suggested, would facilitate transparent communication as each ministry would outline its sectoral objectives and priorities while ensuring donors respond to actual government needs rather than their own special interests. In theory the process would also greatly contribute to government planning and the implementation of the National Development Plan, a document which emphasizes vision over implementation.

To advance SIP planning, working groups were to be formed to facilitate donor—government communication and to prevent duplication by determining which donor would support which priority not covered by the national budget. It was imagined that selected international NGO representatives would join the appropriate working groups according to their ongoing programming. The process would provide space for each actor to collectively support one coherent government agenda project area by project area.

Whereas the planning process to develop the SIPs began in 2003, working groups were established in December 2005 and convened their first meetings in early 2006. Few working groups are reported to have met more than once.³⁷ Program priorities outlined in the SIPs were identified and drafted primarily by consultants and in some cases supported by an INGO representative requested by a minister to intervene in light of an ongoing programmatic relationship. Ultimately, the Council of Ministers did sign off on the documents but there was strong sentiment both in and out of

³⁷ GoTL: Combating Poverty as National Cause. March 2006. P. 42

Government that ministers remained distant from these programs and did not see them as the core elements of their mandate and work plan.

Moreover, few regarded the added transparency and opportunity for coordination as advantageous. According to some involved in the process, for the government, it was much easier to address budgetary gaps bilaterally without having to openly discuss complementarities. This was especially the case given that decisions were made at the highest possible levels and working-group meetings were not perceived as an appropriate venue for such decision-making. For donors, similarly, each has an agenda and key areas of interest. Persons involved in the process have commented that it was evident that bilateral donors preferred to negotiate directly with the government rather than engage in public coordination discussions to determine project support and funding levels.

By the 2006 development partners meeting, all decisions had been made behind closed doors bilaterally, leaving no need for working group meetings to discuss program sharing and prevention of duplication. Civil society actors and international NGO representatives have been completely absent from this process.

UN Country Team Meetings

Bimonthly UN Country Team (UNCT) meetings are a lost opportunity to engage the combination of agency and mission heads on areas of strategy, lessons learned and overarching development goals. Rather, it has been noted by certain participating institutions that UNCT meetings are often hastily prepared, without clear agenda setting in advance. Time-constraints on both conveners and participants are a factor in the poor management of these meetings. Moreover, substantive discussions on policy are not deemed feasible as this would require certain openness to critique across agencies which would be unprecedented.

The newly established Integrated Mission in East Timor (UNMIT) on the contrary, has within its mandate a need to ensure complementarity and coordination among and between all agencies, the government and non-governmental actors. Unfortunately, over 6-months into the mission only a few meetings have been held with the government on planning and priorities within program areas and non-governmental actors have only been engaged on an ad hoc basis. Given the limited time-frame for the mission it is unclear at this stage how it will be able to contribute significantly to strategic planning and action.

The Compact

One tool at the mission's disposal is the creation of the Compact. This process seeks to highlight 12 priority areas on which government, UN, donors, NGOs, and multilaterals can agree to work to overcome the crisis. Unfortunately, this process has been slowed by lack of time and dedicated UN staff to coordinate all efforts. There are also divergent understandings as to the purpose and scope of the Compact by different development partners.

Government actors are limited in their capacity to engage with the Compact due to pre-election campaign distractions. Virtually all decision-making by the government has stopped in light of the fact that a newly elected government may immediately overturn them.

There is also a tendency within the UN system to treat documents as confidential thereby increasing perceptions that there is no transparency or genuine interest in coordination with non-governmental organizations. In past experience, when the UN does seek to consult civil society actors, the level and speed of conversations inhibit genuine conversations.

This is related to the fact that concepts are much more familiar to UN representatives who chair such discussions than their civil society colleagues who are often hearing information on a given topic for the first time. Meetings often start with presentations of documents in English about which comments are requested before there is full comprehension of the context and contents of the documentation. This contributes to the perception that civil society provide little added value to the process. Yet, by the time civil society representatives are convened, underlying assumptions cannot be changed and time is not allocated for adequate comprehension of the issues. Such processes reflect false participation and are frequently repeated.

Consolidated Support Program Missions

Among the various opportunities agencies have to communicate, the bi-annual missions to review the Consolidated Support Program (CSP) may be the most significant from a policy perspective. During this process, technical experts meet with a range of actors working in any given sector. Based on discussions of the challenges and opportunities in each sector, issue papers are drafted and form the basis of larger discussions among the government, donors and agencies working in the sector. At the end of each CSP mission, each Ministry agrees to a list of milestones and a time frame in which these can be achieved.

As a result, modifications can be made to ongoing programming based on lessons learned and unanticipated challenges. It is important to note that the Alkatiri government requested the international community to continue the CSP process even when proceeds from the oil reserves covered the budgetary shortfall and made donor contributions to the annual budget superfluous. Donors agreed to support the budget through a \$10 million fund in order to continue providing these coordination, monitoring and oversight processes.

It is unclear how the technical consultants identify key actors during this process and the degree to which national actors outside government ministries participate appears nearly non-existent. Among organizations consulted, few even were aware that these missions have been taking place over the past few years. According to one person closely involved in the process, the purpose of the meetings is for the government to ascertain what is achievable in the country within a given time. As such, they have no need for broad consultation as others must then fit programs into government determined plans.

One could argue that rather than make decisions about priorities in isolation, this could actually provide a good opportunity for government and civil society collaboration. There is a need for increased trust between government and civil society. Often civil society actors have insights from across the country that could be useful if taken into consideration during prioritization and planning processes. The ultimate gains from actively seeking out complementarities could potentially outweigh the increased efficiency of closed planning processes.

There have been some divergences between the World Bank and UN on approach to development. Many of these differences seem to align around process. Some World Bank officials would prefer to

see more government interaction with the UNCT and attempts to engage more regularly with government when discussing policy. All these institutions depend on individual (and often short-term) consultants in targeted areas and it does not seem that in either case, great efforts are taken to ensure that all consultants are collaborating. Often, these come and go over short intervals and do not have a chance to engage more broadly with other sectoral experts.

International NGO Network

The international NGO Network met monthly during the first couple of years post-independence. At some stage, these meetings became less frequent and turn out greatly depended on the agenda and advance invitations being sent out. Communication among international NGOs was increasingly hampered by a lack of a managed and up-to-date contact directory. By and large, these meetings were a means for providing introductions of attendees and for the provision of brief background information about the work of participating organizations.

Presentations and discussions were used to inform on new government laws and regulations where relevant to the NGO community, from registration requirements, tax policy, customs, labor laws etc. On occasion, working groups would form to research and prepare recommendations on issues of relevance to, for example, hiring practices, wage setting, and security.

Similar to the constraints of other development actors, substantive discussions are complicated and updates and announcements of upcoming events are often a substitute for deliberation over strategies for sustainable development or methodological choices. Most international NGO projects are determined in part by the potential to mobilize available funding. No macro-overview of priorities informs a project's likely success at resource mobilization.

In addition to financial considerations, some organizations will pursue conversations with key ministers in an effort to seek agreement on proposed activities. Coordination meetings with other organizations and agencies are often a means to avoid unnecessary competition for resources and prevent duplication of effort.³⁸ As each organization has a unique mandate and limited capacity to work in all areas of the country, the result is that there is an ad hoc assortment of projects scattered across the country. The vast majority of these projects is located in bigger district centers and implemented along main roads leaving vast areas of the country untouched.

Whereas some organizations conduct formal and informal surveys in order to identify sectoral and geographic areas of priority before launching projects, it has been exceptionally challenging for many reasons to agree on national development strategies, to divide responsibilities and commence work in a systematic way. This is complicated further by the grey area that exists between government and non-governmental mandates.

Many NGOs are supporting the Government to realize programming objectives in service related sectors. Significant examples include NGO support to the water supply and sanitation, education, and health sectors to name a few. The methodologies employed by NGOs are significantly different

³⁸ International NGOs are not monolithic and there are vast differences in practice among them. Some have long-term commitments to Timor-Leste, seek to learn from experience, are thoughtful about best-practice and how this can apply in the country. Others fly in, seek opportunities to mobilize resources and do on-off projects without any thought about methodology, impact or coordination with other on-going efforts. Unfortunately, in both cases, funding often drives programming choices and most consultative and participatory processes are truncated as a result of short time-frames and poor capacity development techniques.

than methodologies applied by government ministries when carrying out works in these sectors. Divergence in approach can lead to confusion, can have an impact on the national NGO sector who are often sub-contracted out to implement the projects and on expectations throughout the country post-project implementation.

Thematic Working Groups:

UN Theme Groups

UN theme groups could be used as an opportunity to address strategic direction in a given sector. Ideas stemming from theme group discussions could be further brought to the attention of the Country Team. It has been noted that time pressures prohibit members from dedicating adequate energy to these hindering their success.

Sustainable Livelihoods Network

Thematic working groups organized by international NGOs also exist. The Sustainable Livelihoods Network, convened by Oxfam Hong Kong, is one of the longest running and most functional of all thematic working groups primarily due to strong and consistent leadership. This group provides valuable information to participants regarding results of agriculture research and training opportunities. It is then necessary for participants to take individual initiative to follow-up on relevant opportunities or sectoral expertise that may be available as a result of an agency's work. In addition to this network, the Ministry for Agriculture, Forestry and Fisheries has also recently begun convening organizations working in the sector.

Capacity Building Network

Other groups such as the Capacity Building Network lost momentum as high turnover and limited opportunities for discussion emerged given the time it always took just for introductions. In its place, the Small Grant Donor Network (SGDN) was one attempt to learn from the experience of other networks. [See Annex B.]

Small Grant Donor Network

The SGDN formed as a venue for reflection and discussion on the impact and policies of small grant donors. Rather than use time for introductions of regular members, once participants provided information as to what their funding priorities were, including areas of operation and mechanisms for disbursement, participants could avoid further introductions unless there was a change in policy or new programs to report. Newcomers were encouraged to read the minutes from previous months as a means of background information.

Issues on the agenda between 2003-2006 included: coordination, how to prevent duplication of projects funded by different donors, how to ascertain degrees of representation in community projects, best practice in use of donor funding to avoid conflict, impact of history and culture on attitudes and spending behavior of recipient civil society organizations, and different models employed by different donors along a spectrum from one-tranche check to grantee based on proposals received in Dili to closely assisted prioritization through Participatory Rural Appraisal

(PRA) techniques followed by monitoring and evaluation of projects by program staff living within a given community. In between these extremes, some donors preferred to take one or more visits before deciding on beneficiaries and some visited as well for monitoring and evaluation (M&E) purposes. In a few rare cases, organizations may accompany partners as they progress over a several year programming period.

There was an attempt to create tools and norms for the international donor community, and international NGOs who function as donors through their programming models, including the *Small Grant Donor Reference Guide*. [See Annex B.] For some time, this was the only venue for reflection on cross-sectoral impact based on a common attribute: provision of funding to local organizations.

Over time, unfortunately, SGD N meetings began to address issues of concern more to INGO participants, possibly because attendance and consistency of INGO meetings had been on the decline. Due to heavy meeting schedules during the crisis, the SGD N met only once between April 2006 and April 2007.

International Advisers

There are many highly competent international advisers working in Timor-Leste. Many remain in the country long enough to speak the language, learn about its history and culture and have a personal interest in seeing Timor-Leste achieve economic, social and political success. It is impossible to quantify the degree to which advisers have the best interest of the country at heart and, of course, there are those who contribute less overall.³⁹ There is a need for an improved evaluation process to ensure that those advisers who remain in the country are contributing positively.

There is also a systemic flaw in that there are no mechanisms in place to ensure cooperation and consultation between advisers. To date, advisers have no formal coordination opportunities, there is no orientation provided to inform on the country's strategic direction in the area in which advisers are assigned. Advisers working within the same sector but funded by a variety of multilateral and bilateral sources, do not meet unless personal initiative is taken.

This has led to confusion as multiple people work on the same issue and often without information regarding the long-term interests of the state. Advisers have been known to work at cross-purposes and there is limited scope for receiving feedback on proposed strategies and draft documents. Often as one adviser leaves, his/her replacement furnishes counterparts with different systems and new training modules rather than building on past efforts. In other instances, an adviser may single-handedly determine the development policy in a given sector making it difficult to change over time.

According to one World Bank consultant/adviser working in the agriculture sector, in 1999, two WB advisers wrote the policy paper determining that the Ministry of Agriculture would be small, conduct pilot research studies and not support extension services. They determined that the private sector would drive developments in that sector rather than the government. Within this context, it has taken 6 years of strategic negotiation for the minister to increase his budget and improve service

³⁹ Some working as advisers have noted that advice provided may not always be in line with international standards in a given field. This may happen, for example, when an adviser attempts to design a policy at the request of a Minister, even if that policy may have negative consequences. In such cases, a Minister may request a contract extension for such an adviser, despite the problematic advice being supplied.

delivery in the sector despite the fact that over 80% of the population are economically dependent on agriculture and despite serious challenges regarding food security. The “model” thus supplied by the advisers became a cornerstone of policy-making without any engagement from other actors and now, within the same institution who hired the original consultants, new consultants are striving to adapt those ill-conceived strategies to meet the real challenges and needs of the population.⁴⁰

Further limiting success of capacity development efforts and strengthening of both civil society organizations and government institutions are consultants’ short mandates and poor understanding of the local context. High turnover has a significant impact on ability to build trust with counterparts and limits effective planning. This results in inconsistent policies and practices and undermines successful development.

The UN system, theoretically agrees on the need for greater attention on the coordination of international Technical Advisers, in order to ensure, at the very least, that advice given is in line with the UN’s core principles. More is required to achieve this end.

Common Themes:

As seen from the coordination opportunities available, it is not the case that development models are explicitly discussed among development actors. Based on the advice of some, certain conditions were established including the promotion of an open market economy and a small civil service. These decisions seem to be taken for granted despite a lack of discussion with regard to the impact and consequences for the population. Beyond this, common wisdom suggests all projects implemented within this context include capacity building/training (in management, planning, etc), participation and ownership components and opportunities for sustainability. Seldom are conflict prevention approaches built into design and implementation of development projects. The following norms are often a substitute for coordinated thinking and overall coherence in national development strategies.

Capacity Development

Among the most frequently cited mandates of all international agencies and independent advisers is to build the capacity of organizations, institutions and individual counterparts therein. Alternative terminology is also common such as ‘capacity development’, or ‘capacity strengthening’ as these acknowledge that there is a capacity base-line from which improvements are possible. For development actors, the concept of capacity strengthening is critical component of successful and sustainable development.

There are two primary means of capacity building in use in Timor-Leste. One is through training and the second through advising. Training is often done through workshops and retreats and in many cases has an added objective of “train the trainer,” whereby those trained are expected to pass along the information to additional groups in other areas. These are often conducted in short one to 5 day time-frames, 2-days probably being the norm, often by trainers who fly in and so have little time to become familiar with the context and capacities of the trainees, and who cannot speak the language.

⁴⁰ Example to be cited in a forthcoming Scanteam analysis of international assistance models in Timor-Leste.

Learning style among Timorese is also far less accustomed to interaction and participation as people are more comfortable with memorization and repetition. Comprehension is difficult in such short time-frames when language is a barrier (common concepts in trainings do not necessarily exist in Tetum and translation always presents challenges) and it is exceedingly difficult to digest information quickly. Passing information learned along to others has been fraught with difficulty.

As a result, concepts are often partially understood. Newly trained trainers have difficulties answering questions and this may lead to mis-information being passed to community audiences. Similarly, there are never impact assessments done following such seminars and so one never knows the depths of understanding or the degree to which information is absorbed.

The latter method, capacity development through advising, is a much sounder approach, if done well, it enables people to learn by doing. This takes much of the theory out of processes and in turn makes experiences more real and more readily repeatable. In practice, expectations between adviser and counterpart vary greatly and results cannot be achieved by those working on short-contracts constantly being replaced by new actors.

Moreover, capacity development requires time, sound communication, respectful engagement, cross-cultural understanding and common objectives among those working together. Even under the best circumstances, such transparent communication is complicated given that one is generally seeking behavioral change in addition to technical advances in capacity. Power differentials complicate issues of trust building. Also, it has been suggested that capacity strengthening may be successful where focused on individuals. In cases where the institutional culture does not change, this can increase frustration as skills cannot be applied in the face of systemic constraints often imposed by those in power.

Often, advisers are faced with an impossible task of needing to get work done while ostensibly building the capacity of others to do the job in the future. There are also cases where the adviser is hired before the national counterpart in which case there are no learning opportunities. Teaching/advising/mentoring and doing are clearly different tasks, requiring different approaches and skill sets, and should not fall to the same person.

In addition, it is necessary to balance institutional strengthening and individual capacity development as individual turn over within organizations is extremely high and often large investments in individuals are lost as new staff arrive. Similarly, advisers themselves often find themselves on short-term UN, other bilateral or multilateral contracts that prevent serious planning and realistic expectations of results.

The degree of trust and open communication across cultures is also extremely difficult to manage as expectations, norms, analytical capacity and priorities are often under-articulated. Each adviser, trainer and organization brings their own norms, methods and understandings to the table, which can create confusion for those seeking to learn from the experience of others. National staff are also living within a context and have demands upon them which are often underestimated as well by international counterparts. At times, it may be more appropriate to hire non-Timorese nationals with particular technical skills to fulfill certain tasks directly while others shadow those individuals and provide mentoring of counterpart national staff. [See Box 2]

Participation and Ownership

Critical to effective capacity development is active participation and ownership by the target beneficiary individual and/or community. These concepts are highly interrelated and every project seeks to promote and claims to have achieved participatory processes and ownership from design to implementation to monitoring and evaluation.

Despite the frequency in which these concepts are used in project proposals, briefings and reports, there is limited discussion on what participation entails, the degree to which it is necessary (in which context) and the possibility of actually realizing genuine participation especially when power imbalances are so high and limited education and disparate analytical norms are the rule. Inevitably, the vocabulary, priorities, even conversational patterns of engagement are distinct between international actors and in this case East Timorese nationals. In most cases, participatory processes are rushed and guided by international and donor requirements. When using hastily trained national staff to conduct these efforts, the challenges described above become relevant and concepts often misapplied.⁴¹

Often, it happens that an international agency or institution will call in an NGO to discuss an issue. This NGO may receive no advance briefing, will likely not be privy to all of the contextual details of the conversation. These meetings which are generally one-off events are considered opportunities for participatory engagement despite the inappropriate approach.

Differences with regard to experience, educational opportunities and culture allow for different perspectives among many of those international actors working in development. Moreover, there is often a perception that consultation and information dissemination, with an opportunity for questions and answers, is equivalent to participatory processes. Often development actors are surprised and frustrated when agreed upon projects stagnate or are not implemented according to plan. Often this reflects an underlying disconnect between the various actors involved.

Sustainability

Sustainability is another complicated concept that is desirable and suggested as a goal for nearly all development projects implemented in Timor-Leste. Unfortunately, even the consistent use of the term “project” to describe development initiatives undermines this goal as locally a project is understood to refer to contracts for services that are one-off and with a personal financial gain component. This term is not understood in the way international NGOs and donors use the term, in the sense of a humanitarian and/or development initiative bringing services or goods over time that are of benefit to the country or community-at-large.

In addition, to achieve sustainable results is a long and arduous process given the behavioral and cultural changes that are implied in the new systems and programs introduced. UN missions offer mainly 6-month contracts which are consistently cited as creating unrealistic expectations about desired achievements. UN agencies have longer term planning cycles but often these too consist of

⁴¹ An example includes a national program officer working for an international NGO who after learning PRA techniques in a training, guides a community through a mapping exercise without a clear understanding of how the information gathered will be used and explaining the activity through English language terms that were not translated in the training and beyond the understanding of participating community members. The overall result is often the creation of a gulf between program staff and community members who are supposed to be working as partners.

multiple short-term projects. There is some hope that pursuit of the Millennium Development Goals will be added incentive to think more strategically over a longer time-frame. In reality, donor governments are organized in such a way that long-term strategies are not possible within the institutional framework provided.

The UNDP has an international mandate in the field and could be the internationally recognized experts on development, poverty reduction and conflict prevention. Instead, it often implements quick-fix projects contrary to development standards where funds are made available. At the same time, where programming opportunities exist in which a significant contribution can be made over the long term to achieve strategic policy aims, lack of resources are often cited as the reason these programs cannot be implemented fully.

In Timor-Leste today, both the Justice Sector Support Program and the institutional support to the Ministry of Labor and Community Reinsertion, the key ministries responsible for addressing the challenges associated with the crisis, are about to end prematurely unless resources can be mobilized quickly.

It is understandable that with regard to support for civil society organizations, donors are interested in tangible results without picking winners among the myriad organizations. As such, multiple organizations can mobilize support across multiple sectors with a broad geographic scope. Financial resources are thus disbursed to a wider range of actors than could be possible if organizations were supported with operational costs that may or may not prove to be a good investment given weak management structures and oversight within young national organizations. At the same time, without investment in organizational infrastructure, including not only physical infrastructure but also human resources and time for planning, monitoring and follow-up, the results will suffer. As funding ends, so too do the projects, sustainability notwithstanding.

Post-Conflict Prevention: A Missing Link

Cross-cutting, but rarely considered, are the linkages between conflict prevention strategies and development activities. Such considerations are of utmost importance when intervening in a post-conflict fragile environment in which institutionalized capacities to respond to conflict are insufficient. Post-independence Timor-Leste had traditional mechanisms with varying degrees of legitimacy, and a need to create formal mechanisms from out of the ashes of an Indonesian legal system. In 2002, Government Ministers were adamant that all international assistance should be directed to the reconstruction of a formal justice sector whereas most of the population relied on a traditional system that was inconsistent in its application of justice, particularly toward women.

From an international community perspective, by 2002, many genuinely believed that there were no longer conflict dynamics present in Timor-Leste and efforts toward conflict prevention were considered misplaced amidst needs for development, capacity building and empowerment. It may also be important to note that whereas most of the international attention and post-conflict peace-building programs were designed in response to the violence of 1999, many believe that the collective experiences between the short civil war and leading through the Indonesian occupation were significantly more damaging in the long-term and left larger wounds both physically and psychologically.

The World Bank in 1999 noted that, unlike many post-conflict countries, the threat to stability left, displacing persons and destroying infrastructure in its wake. As such many believed Timor-Leste could be treated less like a country emerging from violent conflict and more like one that had suffered an enormous natural disaster. Such analysis dismissed ideas that there were internal divisions and neglected important cleavages within society.⁴²

Unfortunately, awareness of the conflict dynamics in the country proved highly relevant and the experts on hand did not always have access to information in this regard. Consultants and international actors implementing programs failed to create opportunities to consult broadly with each other to identify synergies and strategies to ensure coherence among approaches. Moreover, focus on immediate needs often precluded identification of underlying risks for violence.⁴³

In Timor-Leste, culture combined with the legacy of colonial and then Indonesian occupation has had a profound impact on the way information is assessed and decisions made. Social and political culture determine how goods (and persons) are moved and distributed throughout society.⁴⁴ Between 2002 and 2006 institutions were just being formed and strengthened through which one could resolve a dispute or address a grievance. As these were nascent, traditional mechanisms and hierarchies provided substitutes for institutions, which in turn undermined attempts at institution building and de-legitimized efforts at creating a strong state.

By 2006 the perception of corruption, nepotism and collusion were rife. International and national actors were unable to use their programming and initiatives to address this reality and to systematize an institutional response to challenges of the state. Poverty reduction and governance strategies often sought to address more immediate and ad hoc concerns in isolated geographical areas, as determined by donor funding and operational capacity.⁴⁵

Each strategic decision should have been made within the context of the historical experiences of the population, the cultural nuances of society, and the potential for violent conflict should decisions not match expectations. Programming and interventions must also be checked for underlying assumptions and the degree to which these address structural causes for violence.

This is not to say that the Timorese were disengaged from all decision-making with regard to development initiatives. Rather, the complexities created by the multitude of actors, working on projects that were largely driven by varied and competing donors, inhibited coherence and strategic direction. Moreover, the Timorese also encompass a wide range of views and different experiences. Within the East Timorese community are divergences in thinking in regard to priorities and strategies. As such, members of the Church hierarchy may have different views from civil society actors, leaders of organizations may think differently to members, as may government officials have a different perspective from rural farmers and village chiefs. There is no monolithic East Timorese worldview.

⁴² Joint Assessment Mission quoted in East Timor Policy Challenges for a New Nation. World Bank. East Asia Pacific Region. 2002. P. 5.

⁴³ A recent interview with an UNPOL officer indicated that they were too busy putting out fires to think about law and order issues including conflict and crime prevention.

⁴⁴ Hohe, Tanya and Sofi Ospina, *Traditional Power Structures and the Community Empowerment and Local Governance Project: Final Report*. June, 2001.

⁴⁵ Most organizations are not able to implement nation-wide programs given limited budgetary and human resources. Also it is considered more productive by many to limit the scope of project activities so as to provide improved quality of service. This in turn may undermine nation-wide efforts to address structural difficulties in a consistent manner.

The legacy of Portuguese and Indonesian rule have significant implications for the way people assess situations and develop responses. The combination of political, historical, and cultural experiences inform how social hierarchies are formed, decisions made, and how goods/resources are exchanged. Given the weak institutional capacity to respond to challenges, this vacuum is filled by the societal norms as have been created over generations. The international community has needed to tap into these in order to understand how best new programs and strategies can relate to this context.

At times informed strategy development and conflict prevention efforts require international actors to consult broadly with different members of society. It is not enough to engage the elite only. Government Ministers' views are important as are NGO leaders. Youth, farmers, women, and others throughout society, and out of the capital in particular, need to be consulted in order to identify issues of concern before decisions are made as to how best to prevent conflicts from turning violent.

This is not to say that each decision required consultation across the population as this would have been too time consuming and the majority of the population lack the required analytical and technical expertise to make sound decisions on national policy matters. That said, a balance must be struck in which people are informed on developments and plans of the state, are listened to should concerns be raised, and attempt made to ensure that this pattern of communication is repeated over time. Unfortunately, the experience in reality was that a national consultation was made leading to the National Development Plan setting out the people's priorities and visions for 2020. After this, little effort was made to engage with the population about progress on these objectives and challenges therein.

Further, little attention was paid to the overall consequences of certain policies given that the government was attempting to transition from a subsistence based agriculture economy to a modern democratic state based on rule of law and fair trade. The decision, for example, to import cheap rice from abroad was a calculated decision, supported by the World Bank, based on the assumption that this cheaper, higher quality food source would benefit more people than would a subsidy to the lesser number of rice farmers. It is estimated that 61,000 households produce rice.⁴⁶

At the same time, however, these farmers exist, have no other experience and alternative to rice farming in the traditional sense. It is difficult for them to compete with cheaper and better quality imports. The economic cost-benefit analysis of the Bank did not seem to consider the non-monetary costs associated with increased unemployment, a decrease in human security for the farmers and their extended families who depend on their ability to generate income and heightened levels of mental stress associated with transition without a social safety net.

Policies were needed to supplement the importation policy and to enable traditional rice farmers to transition away from this now uncompetitive area. Such a transition could take a generation for new skill building and thoughtful alternatives to be tested. Leaving 28% of the population with out an alternative livelihood strategy and little economic benefit creates discontent and is especially difficult as it is diametrically opposed to Indonesian policy of supporting a large civil service and creating opportunities for income generation through 'projects'. That policy that private entrepreneurship would be the engine of economic growth in a country where over 80% of the population relies on

⁴⁶ Interview with Carlos Risopatron, Economic Adviser to the Prime Minister.

subsistence agriculture was not assessed for its potential impact on the conflict dynamics within the country.

An additional part of the challenge is perception. Donors and agencies do not perceive themselves to be in charge. Rightly so, one may argue as the independent sovereign government was elected and is ultimately responsible for decision-making. At the same time, there is an intimate relationship between the international community and the government and civil society actors and each has a profound impact on the other.

In practice, each ministry developed sector priorities and implementation plans. Donors similarly produced Country Assistance Strategy papers to facilitate goal setting, coordination and to prevent duplication according to sector. Rather than elaborate on these plans with all relevant stakeholders, individual advisers and institutions make policy recommendations based on past experience and worldview.

As projects end and new people come in, decisions made may be reversed according to the new paradigms supported. Whereas coordination is critical and there has been a high degree of success in Timor-Leste in terms of the donor community's ability to identify and distribute priorities among them, less time is used to exchange ideas and seek out best practice and debate how these may or may not apply to Timor-Leste. In part perhaps this would be too sensitive and one donor does not have time or wish to be perceived as telling another how to do its job.

At the same time, there is an issue of accountability that becomes murky with all of the actors involved. This is related to issues of communication and the challenging relationships between an independent government and international advisers who are often tasked with doing the work of line-ministry representatives. This is exacerbated by a system which is highly centralized and so there is almost no scope for decision-making below the minister level in most ministries.

As a result, ultimate responsibility falls to government and yet, international actors are providing the inputs and technical support but without decision-making ability, and it becomes very easy for issues to be dropped without follow-up or implementation. At times, international actors are the key actors designing and implementing policy and programs on behalf of the government. In these cases, if something goes wrong, the government assumes final responsibility despite international culpability.⁴⁷

The reverse argument can also be made. Advisers may have ideas and experience in managing departments but no authority to push through decisions. They are not empowered to discipline civil servants who fail to complete their work and they cannot ensure that advice is taken and acted upon. There are no performance evaluation mechanisms in place throughout the civil service for example.

At the civil society level, no donors have mechanisms for anticipating and addressing conflicts that may arise as a result of interventions through small grants. Among other international actors who operate as donors in the sense that grants are provided to civil society partners, very few have built

⁴⁷ In regard to legal action taken against the national Director of the one major donor-driven project, staff working for the international institution that established the program were told by headquarters at the time that they were not allowed to intervene as it was a government matter. Whereas the Government was technically in charge and involved in decision-making, the international institution in question was intimately involved throughout the process at all levels and could have provided support to the Director more directly.

into their methodology an approach to anticipate and address tensions that arise from engagement. Some have sought out opportunities to strengthen staff capacity to address conflict as it arises, though most are absent from the communities to where support is provided and so often unaware as to the extent of tensions and low level conflicts that emerge out of social jealousy, perceived corruption and mismanagement of funds.

Mirroring the relationship between international advisors and government ministries, communication and trust between international NGOs and partner institutions is often characterized by lack of transparent communication, power imbalance and widely disparate expectations. National organizations often implement donor and international organization programming priorities and the operating environment is not conducive to organizational sustainability.

There is no quick fix for achieving sustainability as noted above and organizations that provide core funding often face as many challenges as those who focus only on project related activities. This is perhaps due in part to a perception that due to the power imbalance mutual comprehension is not possible which is further related to the challenges of longer-term planning which the system does not encourage. Failure to consider how programming interventions may exacerbate old or create new tensions increases state fragility over the long term and even the best intentioned projects can have unintended and negative consequences if poorly considered.

Implications of the Development Environment

The international community consists of myriad actors and institutions with mandates from a range of stakeholders and funding tied to the whims of governments, foundations, and private individuals. Working at times in small niche areas and at others on whole of government approaches to development and poverty reduction, these actors lack coherence. They are unable to offer a fragile state emerging from violent conflict a unified voice and strategy for attaining stability and prosperity.

Substituting for strategic direction are gradually accepted norms that guide development actors in their efforts. These principles of development include participation, ownership and sustainability. Whereas meetings and workshops are held routinely, there is little genuine discourse on the meaning of such terminology let alone how to realize these ends.

Projects are often planned and implemented in short time-frames. Given the multitude of actors and the lack of an overall coordinating body, there is no macro-picture of the needs of the country, as compared with the available human and financial resources at the country's disposal. As such, projects are implemented on an ad hoc basis with minimal coordination. Gaps in service delivery and untapped needs are hard to identify. Once identified, determining who best to attend to the needs fosters inter-agency competition and fuels the business of development.

The fact that there are so many needs in so many sectors creates a sense that all works are important. There is no final arbiter to say what sector is deemed worthy of funding and what is superfluous—as all financial resources are welcomed. Little attention is paid to implementing partners and their mandates. National organizations are used to provide services normally the responsibility of government. The government seems uncomfortable recognizing the valuable contribution of these organizations in part because they are overwhelmed by the task of building the institutions of the state and coordinating the activities of others.

Both civil society and government are undermined by these complicated relationships, particularly when funding trumps purpose, and complementarities are ignored. This is particularly relevant in a country emerging from conflict as social structures are challenged, trust limited, and efforts required to prevent a return to violence.

VI. Policy Recommendations

It is difficult to deconstruct international actors' contributions to development strategies in Timor-Leste. Deciphering the intricate connections between the actions of agencies and individuals within a national context in which an independent government and national organizations are all moving simultaneously and with independent agendas would require more extensive mapping of nuanced patterns of organizational and human interaction.

There are however concrete recommendations that can be made to improve communication between actors, to advance policy coherence and to address underlying post-conflict dynamics in an effort to prevent violence. It is hoped that the proposed recommendations are relevant for international as well as national actors, including government. Due to the necessity for interaction among the actors and the mutual interdependence across sectors, the challenge is for these actors to recognize the shared benefit of improved coherence and collaboration.

The following recommendations are not linear and are very much interrelated. After five years of in-country programming experience, I believe that the following should be considered as priorities for on-going and future action:

1. Develop staged strategies and programs that respond to evolving economic, political and social transitions

When a country emerges from conflict internal and external relationships must be reconsidered. The relationship between citizen and state requires reframing depending on the post-conflict model of state in creation, be it a democracy or any other form of political organization. Similarly, both the relationships between citizens, and international economic/political relationships pursued by the state also undergo significant changes in the aftermath of conflict. Each of these aspects of change requires a phased process of transition to enable a population to adjust to new political, social and economic realities.

Perhaps among the greatest failings of the international community's interventions in Timor-Leste was that insufficient consideration was given to the country's place in time and the political context vis-à-vis development and nation-building objectives. The literature on Timor-Leste refers to the transition to independence in terms of the 2-year period of UN administration. I would argue that the time allocated to the transitional moment was insufficient to adequately ensure Timor-Leste was on stable footing at independence. The UN transitional administration did not accurately assess the intermediary requirements to ensure that socio-economic and political systems being developed were actually appropriate. The incoming government was also perhaps unwilling to recognize the depth of challenges facing the country and the balance needed between immediate, medium and long-term actions required for stability and sustainable development.

Timor-Leste has experienced and continues to experience significant transitions in three key areas: *Political*, including the creation of a democratic state comprised of strong institutions capable of addressing the needs of the citizenry today and with the foresight to prepare the country for future generations; *Social*, including redefining society around shared political and social norms, with mechanisms in place to manage expectations; and *Economic*, including the emergence from a heavily subsidized model toward a robust economy supplanting subsistence farming with a more vibrant economic model.

Political transitions

Time was necessary to assist a transformation from guerilla leaders to elected officials. Clandestine modes of operation and military-style rule whereby orders are made by a few elite and followed by the majority are not easily transformed to participatory processes. Similarly, high expectations existed from the citizenry that the leadership, and the president in particular, would respond to concerns raised. Many citizens have been disenchanted by the lack of powers actually attributed to the president. The president himself has had to adjust to a vastly different role from that which he played throughout the armed resistance as FALINTIL commander.

In addition, there has been a need to transition from an occupation-oriented mentality to semi-presidential democracy. In the early days of UNTAET constitutional experts were flown in, as were experts on electoral systems. These electoral experts presented the pros and cons of first-past-the-post systems in comparison to proportional representation and other forms of electoral democracy. Advice was given and best international practice considered.

These policy recommendations did not consider the receptivity of new systems by the population or the time it would take the vast majority of the people to understand and adapt to new realities. For example, in the course of explaining rights to choice in a democracy, no one prepared the electorate to accept defeat if, for example, a party of choice lost at the polls. Today, there are many different understandings among the population as to what democracy means and how the process of engaging with the system works.

Also required during the transition process was an adaptation from life in exile to norms of the homeland for returned members of the Diaspora. As the Diaspora began to return and assume positions of power, particularly those working in government, not enough attention was paid to building relationships with the citizens who stayed behind. There was a disconnect between the two communities that had its roots beyond social jealousy that resulted from disparate wages and access to opportunities. More striking were cultural distinctions, as represented by those who felt that they did not know the leaders of the government and so did not know how to interact with them.

In 2002 in Gari-Uai, a village in the Eastern District of Baucau, low-intensity conflicts were flaring up that represented in part the distance between the leaders returned from exile and the majority of the population who remained behind. Roadblocks were being set up by the youth, and passing cars were stopped and asked for money. The elders in the community made clear that these actions were a symptom of their sense of isolation from the central government. A direct request was made for the President, their “big brother” to come to meet them and address their concerns. During a full-day dialogue, a range of grievances was aired. Tensions were reduced and the disturbances stopped demonstrating the power of communication which was often lacking between the government and population.

Differences in expectations also were present with regard to the state’s priorities and time-frame for institution-building. The first government had taken deliberate and measured steps to develop decentralization and other policy frameworks. Given the hardship endured by so many for so long, the first government may have anticipated a longer post-independence honeymoon period than actually experienced. Many lost patience with the slow build up of service delivery and economic expansion.

Overall, a main concern with regard to transitional processes is that while theoretically sound systems are being designed they do not consider the transitional period needed between design and implementation given human capacity constraints and the newness of what is being offered. A state-of-the-art financial management system may be the long-term objective of the Ministry of Finance, for example. If people within the government, however, are unable to use the systems in place and so cannot execute the budget, the system may require modifications in the short to medium-term in advance of using the more advanced system. As systems are being put into place, functionaries must learn to use these new systems and the public must learn how to interact within the framework of a new bureaucracy. Old habits, behaviors and expectations must be replaced with new ones.

In addition, the transition from a system of political oppression to freedom of expression requires a more thorough understanding of newly learned attributes of the rights and responsibilities of citizenship than is possible in a short time and with minimal opportunities for in-depth learning. Advocacy against an occupying government, for example, requires different strategies than advocacy for change from within. The different approaches to advocacy and the need to engage as citizens with a representative government require significant adjustments from past systems. Politicians must understand their role in response to citizen advocacy and the process of constructive interaction is learned over time.

Unfortunately, the norm in terms of advocacy has often focused on the negative attributes of government policies, thus creating an antagonizing relationship between the government and civil society actors. There is little experience of collaboration and constructive engagement on either side. This is in part because there are no mechanisms through which to develop trust and common understandings about the opportunities and challenges that come with independence and self-governance. Patience among all parties is essential as is a realistic appraisal of needs and challenges.

In cases where the UN assumes substantial state-building roles, the UN Peacekeeping missions need longer and more realistic mandates so that there is time to develop long-term strategies through a methodical accompaniment of the various changes. There could be a stronger link between those working in political affairs, who are tracking the conflict dynamics in the country with agency actors who are implementing projects and providing policy advice. Baseline information must be used to develop policies and target political assistance in the present even while long-term institutions are being built.

The SRSG or other designated representative of the international community respected by a country's leaders could further facilitate, genuine and on-going discussions with leaders to identify common strategies for nation-building. Discussions can be followed by a series of broader consultations, convened regularly throughout the course of the mission, to ensure the leaders remain grounded and in touch with the population. Critical to success of these dialogues will be efforts to follow-up on points raised by discussants.

This will be challenging and will require time. Consistent opportunities for dialogue however, may contribute to long-term stability. An SRSG or invited international mediator/facilitator should further model leadership characteristics and create space for political discourse.

International financial institutions providing policy recommendations and advisory support need to better link macro and micro-economic policies to ensure the systems being designed meet the needs

of the rural poor. Some development assistance (financial and human resources) should be targeted to ensure district economies function, some jobs are created in the public sector and services are provided more readily.

Where government capacity is insufficient, choices need to be made to identify the type of institution best suited for the role. If deemed inappropriate for international or national organizations, including UN agencies, the government may wish to hire foreign contractors to manage employment schemes. These can be corporations or individuals depending on the scope-of-work.

Rather than rely only on ad hoc and one-off projects, longer-term jobs should be created that are required regularly to maintain public goods. Road maintenance, sewage channels, flood prevention, reforestation, water supply maintenance, are all examples of needed services for which private users should not (yet) be expected to pay and for which communities should not need to volunteer their labor. Donors can direct funds to these longer-term schemes that will be taken over and continued by government ministries rather than continue to support one-off projects.

More effort can also be made to procure locally produced goods though this takes time, management and oversight to ensure high standards and to limit possibilities for corruption. These on-going inputs will demonstrate government interest in rural areas and can be supplemented over time with increased professionalization of government procedures and systems. International consultants and management firms can also be phased out over time if proper mentoring and training is conducted.⁴⁸

National and international NGOs can serve to support greater linkages between communities in the districts and the political leadership. More than just promoting advocacy, which is also important, trends and policy recommendations should be made based on socio-economic realities. Few international or national actors have as much access to remote areas as do NGO representatives. Mechanisms for exchange should be used beyond just information sharing but rather for greater analysis and development of policy recommendations that can be provided to government and others. Such information can further inform program development and policies reflecting this knowledge. Areas for exploration can include assessments of impact from economic, agriculture and other sectoral policies on rural populations.

Cross-sectoral engagement is critical to successful policy development and reliable information from across the country can be used to inform policy makers and improve suitability of legislation. One example how such a mechanism could have been useful is with regard to the lack of early warning capacity in Timor-Leste. In particular, in the area of food security, the Department of Social Services looks at food support for vulnerable populations, the Ministry of Development from a market perspective, and the Ministry of Agriculture from a production angle. The system missed the recent, on-going locust infestation, and the rice shortage. There is also no coherent policy with regard to the purpose of contingency stocks. This is now being addressed by a GoTL/inter-agency Food Security Committee but only after significant impact of food shocks on parts of the population.

⁴⁸ Recognizing that this has been tried to an extent and deemed too difficult, these purchasing processes may initially be limited in scope but should continue nonetheless to spur employment in the districts. Organizations that work in capacity development can be hired to assist with management, monitoring and technical skill-building to reduce pressures on overall central-level management.

Social transitions

Emergence from conflict and oppression dramatically influence social organization. Examples include: moving from political oppression to freedom; from having a strong church unifier to lessening power of religious and other traditional authorities; from strong hierarchies and traditional leadership to more participatory processes with broader opportunities for expression; extensive rural-urban migration; and increased exposure to new ideas and lifestyles from multitude of cultures and nationalities. All of these changes impact lives significantly and require adjustments that take time.

Civic education programs sought to inform representatives from throughout the country on the new constitution, on how to vote, on the rights of the citizen within a democratic system. The Asia Foundation survey of 2004 found that despite these programs, 33% of respondents did not adequately understand the meaning of the constitution. Civic education workshops also wrongly assumed that those trained would pass-on information to members within their communities that were unable to participate. As there were no evaluations conducted, it is impossible to measure levels of comprehension following workshops to ensure materials covered were actually retained. Based on observation it seems that information retained by participants does not correlate to expectations of project designers.

Similarly, no steps were taken to address low-level conflicts that arose due to extensive rural-urban migration. In addition to the land and property disputes created by this movement, cultural and attitudinal differences exist between traditionally urban residents and their new neighbors from more isolated areas. These differences were expressed in intra-community communication patterns, divergences of expectations as to the role of community members in community events (weddings, deaths, births), and in regard to other customs within the home.

Equality is highly valued in Timorese society. This can have positive implications with regard to social cohesion as family members seem to provide each other with all of the support possible within their capacity. Such characteristics can also reduce individual incentive to excel. With success comes increased demands for financial and other assistance. As such, entrepreneurialism in Timor-Leste is not socially encouraged.

The international community created disruptions in the social equilibrium of the country, in part through its role as employer and as consumer of services. Regardless, change was inevitable given the dramatic societal shifts that came with independence and it should not be imagined that the international role in these changes was solely negative. It should also not be imagined that only international actors contribute to disparities. The Government is currently considering to institutionalize a socio-economic divide through their urban development plan. According to information provided by a public works official during a recent shelter working group meeting, construction of new class-based neighborhoods is about to commence.⁴⁹ This will displace families above and beyond those already displaced by the crisis and will likely cause increased breakdown in social cohesion.

⁴⁹ Meeting convened 20 March 2007.

The national NGO community supported by international organizations could have contributed to reducing tensions by facilitating more genuine discussion (and hosting fewer workshops) on the changes taking place throughout society so that community awareness could be raised and coping strategies sought.

In addition to serving as a bridge between the population and the Government, civil society actors should consider improving their networks, including through the creation of a Civil Society Council, to foster improved communication between the capital and more remote areas. This endeavor would require a minimum of ten-years of support at the outset, with time dedicated to bring civil society organization into the process and with a clear strategic understanding of the role and mandate of such a body. It should be further used to strengthen the networks that already exist and then build upon these to engage actors, including youth, who currently have no voice and sit in no policy discussions.

Those serving as advisers to the government from international financial institutions may complement these strategies by devising, with ministry counterparts, a more robust social safety net to protect the most vulnerable communities during the transition period.

Economic transitions

GoTL economic policy emphasized the creation of a robust system of taxation. Years of discussion have also ensued regarding the creation of an investment friendly environment yet land and property laws are insufficient and the sector inconsistently regulated. The independence economy supports free trade, and is gradually preparing for tourism. There are also moves toward increasing investments in fisheries while maintaining a desire for growth of other private sector enterprises.

In reality, Timor-Leste is cited as one of the least business-friendly environments with the most expensive telecommunications in the world. Nearly half of the population still lives beneath the poverty line and conditions in rural areas have seen little change over the past five years despite significant developments in the capital. Use of the US dollar and a small civil service may be good policies in the long-term but what happens in the short terms as prices increase, as less money circulates and subsidies are cut?

Most donor and government-supported activities have focused on health and education and improving service delivery with the hope that the economy will catch up on its own based on entrepreneurship. Donors and international NGOs prefer service delivery as it benefits communities-at-large and avoids the complexities associated with picking winners and benefiting small groups or families in business endeavors.

The government, with donor partners, too has done little to invest in agriculture. Seeds are distributed and a few markets have been built but often go unused as people find it better to sit closer to the road than in slightly distant market places. Political obstacles have prevented the creation of a safe and clean fish market, for example, in the capital. Important research is ongoing regarding use of more productive corn, rice and other seeds, for example, and work to change eating behaviors is ongoing and requires time given the lack of basic information about nutrition.

The economy functions completely differently today than it did under the heavily subsidized Indonesian period. Yet, proposals received by international agencies and donors often request the

rebuilding of something that existed in the past. Reconstruction of irrigation for rice paddies, refurbishing a carpentry cooperative, reinstituting a cattle raising or chicken farming group etc. In the meantime, the market is not the same, fruits of production do not have a guaranteed buyer, transport and electricity may not exist or are very expensive, and inflation has skyrocketed. Fundamental changes are required in this new environment rather than simply trying to rebuild what existed before. Unfortunately, this transition from past experience into new more appropriate agriculture and other areas is not easy and will take years of adjustments. GoTL support for more phased transition is necessary, rather than rebuilding old systems in a new paradigm.

Timor has transitioned from a small market in a large economy to a small market in a small half-island economy, completely dependent on imports even for core food staples. As the civil service is also now significantly smaller, much less money is flowing through the districts.

While long-term economic policies and strategies are designed, the Government can use its own land to grow more appropriate agriculture products for the climate, including more nutritious food staples. This will positively impact food security in the country, increasing income in rural areas through employment in the fields, and improving national nutrition levels with new foods supplied in the market. Such a strategy could offer sorely lacking employment opportunities to youth in the districts.

This reality is extremely challenging as people need to work with what they know and according to experience. In the short-term there is no substitute for government created jobs and investment in income generating activities. It is too soon to wait for entrepreneurs or foreign investors. Government resources must be used to hire the firms who can manage agriculture and fisheries jobs throughout the districts.

The UN should stop implementing quick impact projects aimed at a quick-fix boost to the economy, unless these are tied directly to follow-on initiatives of the government. The international NGO community should reconsider the ways it supports civil society organizations and help certain young organizations transition out of NGO status and into for-profit companies. Rather than maintain the unsustainable status quo, whereby NGOs serve only as contractors, it could be useful to work both with these organizations and the government to design a policy framework and cooperation agreements so that these organizations can provide services paid for by the government (and others potentially) for service delivery.

International NGOs can help to create clarity and make more transparent the map of civil society organizations throughout the country so as to improve communication among these national actors. They can also pressure donors to adjust small grant criteria to address issues of sustainability.

The international financial institutions must invest time into devising transition economic strategies in terms of, for example, how the 28% of rice farmers in the country adapt to new cheaper rice imports. Thought is also required to determine which government land can be used for what type of crop production. These strategies will require consultation between multiple ministries and departments. The benefit will be felt in terms of increased food security and national nutrition levels. Moreover, employing people in productive activities, especially youth, in the districts will be important to reduce tensions in the country.

All of these steps combined take time. In the meantime, people cannot wait for services or for bureaucracies to work. What happens in between? There is a need to consider more fully how past norms can be incorporated into new systems and how new systems can be incrementally operationalized to accommodate learning and change that cannot happen over night. In most cases this requires great simplification of processes and in some areas greater decentralization of decision-making.

Given the historical differences among the leadership, it would have been wise for the UN or other independent body to provide a space to create a common vision of governance, economy and the role of parties in the new democracy. UNDP missed an opportunity to provide alternative development models to the WB entrepreneurship and private sector development model.

Among the leadership, some had expressed interest in a longer UN-led transition for up to 10 years. Whereas UN missions will likely remain in Timor-Leste in various forms for up to if not more than this amount of time, because each mission is limited in time and scope, one cannot properly prepare for (or budget for) a more farsighted transition program. One well considered 10-year plan and budget will ultimately cost less than having a new mission with unrealistic mandate every few years. This is especially the case when considering the costs associated with drawdowns and scale ups, bringing in new rounds of international staff and transitioning even simple mission paraphernalia from license plates to signage.

2. Proactively integrate conflict prevention strategies

The potential for renewed violence is a risk in post-conflict environment. Conflict is never linear but can move between periods of greater or lesser intensity and thus greater or lesser levels of violence. One should always be cognizant of conflict dynamics, history and the potential for renewed violence. In Timor-Leste, this awareness was predominantly lacking and use of the term “post-conflict” led to complacency and a premature sense of security.

This is not to say there were no organizations interested in conflict dynamics. Several peace-building programs have been ongoing. These generally are implemented using activities, workshops and training on conflict resolution, mediation, conflict transformation and some have worked to form networks of “graduates” of training programs, forming a local cadre of experts in support of peace.

Peace-building programs often remain theoretical constructs and it is rare for these to be linked to livelihood and other programs addressing day-to-day needs within the post-conflict context of Timor-Leste. As such, a critical opportunity is missed for such programs to have real impact and resonance with communities who face a multitude of challenges, often associated with basic survival.

Social and economic dynamics are intimately linked. It is difficult, especially for international actors, to speak about peace and dispute resolution techniques when people are overwhelmed by survival challenges including lack of food security, poor health and sanitation conditions and few economic opportunities to generate much needed income. Programs designed to reduce tensions or promote peaceful resolution of disputes should also actively incorporate these concepts into other aspects of daily life in Timor-Leste. Conflicts are inevitable but processes for addressing conflicts are varied. An approach that incorporates peace building concepts within agriculture programming, for example, is less theoretical than are peace building workshops, and can serve to guide communities through conflict resolution processes as conflicts arise.

In addition to these considerations, programming should be designed following a review of the internal conflict dynamics in a given country. Such analysis, often conducted in the form of a conflict assessment, is starting to become more common and in the past 4 years, conflict assessments have been conducted by AUSAID and USAID (together in 2006), the Center for International Conflict Resolution (2001 as part of program design phase, 2004 national-level assessment, ongoing community level assessments), GTZ (2004), USAID (2004). Unfortunately, these have never served to inform a national political or socio-economic development strategies. Often findings are not used to modify programming priorities and modalities.

Whereas some, particularly among the international NGO community, consider the “do no harm” approach, few look deeper beyond the impact of a given project and at the overall objectives of the project to see if it addresses structural challenges in fragile states. Few look into why the structural causes exist and how to target these through programming. Indicators of interest to organizations and donors alike include those looking at management, training opportunities, number of small infrastructure projects built, number of agriculture implements distributed, etc. What these indicators do not provide is a response to the reasons for acquired behavior patterns, or a change in the underlying economic incentives through which society organizes itself.

Even if we look at more immediate causes for violence in terms of the changes in economic norms between the Indonesian era and independence, land and property and other distribution of resource issues, current development programming methods are ill equipped to address root causes of conflict. Rather, these are often exacerbated by disbursements of cash without links to any potential for future opportunities.

Similarly, much attention is paid to the rebuilding of the physical infrastructure (including schools, clinics, bridges, roads...), in the wake of the 1999 violence. These works are important, even critical, as lack of infrastructure inhibits for example, learning, ability to market goods, etc. These activities must also be better linked to social dynamics and more attention paid to communication throughout the process. One way to do this is to be more aware of community dynamics when implementing projects and immediately addressing the conflicts that arise. Tensions related to poor communication, overbearing leaders, perceptions of mismanagement of program funds are among the many issues that are inevitable in development programming. These disputes should be brought into the open to avoid build-up of frustrations and potential violent responses.

The UN agencies in particular should focus on policy support to government more than project implementation to ensure these factors are considered in government planning. UNDP, for example, should be able to tap into experts who are not only proficient in their field but also cognizant of the need to incorporate local culture and context into public policy. In Timor-Leste UNDP is often distracted by projects that do not contribute to coherent thinking at the national level about sustainable development or poverty reduction. They have not taken advantage of the Bureau for Conflict Prevention and Recovery and programming in poverty reduction and governance virtually ignore conflict dynamics and the need to factor these into programming.

UNDP is also conspicuously absent in creating new early recovery programming within the context of the recent crisis. Moreover, the mission should take on difficult and politically sensitive tasks as necessary. Much had been written about the PNTL/F-FDTL security sector issues for years. Little was done to address the structural challenges in the security sector beyond training in the police

academy and independent advisers assigned to the military but who never formally held coordination meetings. There are no standards in policing and no overall coherence in training techniques among the range of different officers sent by numerous police providing countries.

NGOs and donors should use the conflict assessment data to inform programming. It has been noted that because of the conflict and other assessments of the environment in Timor-Leste over the past few years, people were aware of the threat to stability but did not do enough to prevent the crisis. Assessments were not adequately used to reorient existing program strategies. At the same time, a significant number of people and institutions, national and international are working to improve conditions in the country and to contribute to development. No one actor can resolve all of the country's challenges. A better map of the actors and challenges would improve the link between issue identification and action. This would also enable better understanding of actors, roles and impact. A more coherent and cohesive strategy can be developed with more awareness of the context and constraints.

Having census data is critical to planning and is a powerful tool when matched with data on project implementation by agency and geographic location. Only with such data can one know that the western districts are poorer, have higher population density and lower levels of education. Such factors are relevant to any conflict analysis. Earlier surveys actually contradict these statistics and may have negatively influenced programming choices.

International financial institutions and donors can similarly apply conflict assessment findings to inform better strategies with regard to the financial institutions in the country and its fiscal policies. The World Bank was involved in addressing veteran's affairs in Timor-Leste, a clearly important part of society in terms of its conflict dynamics. While over the long-term the program is likely to result in sound policies and outcomes for veterans and ex-combatants, unfortunately, opportunities were missed in thinking about how to take advantage of immediate needs for recognition and respect, while still gathering data and planning for longer-term interventions. Other donors keep funding streams for conflict prevention separate from development streams reinforcing the artificial gulf between stability and recovery.

3. Reduce the number of short-term consultants

Many argue, including the East Timorese themselves, that international assistance is too costly. For the field to remain competitive and to attract high quality human resources, it is necessary to pay competitive salaries. That said, the international community should consider the cost/benefit of hiring large numbers of short-term consultants as compared to selecting advisers and program staff who are able to live in-country for extended periods of time.

There is a need to strike a balance between sectoral expertise with in-depth understanding of a cultural context that cannot be learned overnight. In order to maximize the benefit of international expertise, it must be provided within a context that is appropriate in the country situation.

Models and experiences in one country cannot automatically be applied in another. Time is required for the sectoral expert to adapt conventional thinking to new norms, to work with counterparts in a language that is understandable and within a timeframe that meets the needs locally. The alternative is to provide highly technical advice that may or may not be appropriate, may or may not be understood and may or may not be followed-up and/or be implemented as originally anticipated.

Moreover, these short-term consultants are extremely expensive and because they do not have an opportunity to acquire local knowledge miss much of the nuances necessary for sound policy advice. Reports are often shelved or if policies are implemented they may not take into consideration the full range of local conditions. Rather, one who is able to remain in country over a longer period can better ensure that programming recommendations are indeed relevant and appropriate and can, over time, provide valuable insights and modifications to work plans during implementation based on lessons learned.

Similarly, because nothing is implemented quickly, years may be required to fully assess, develop strategies, fund and implement policy. Consultants may need to travel back-and-forth putting unnecessary financial pressures on donors and the government. If short-term hires change, the policy advice and procedures also may change and progress made lost.

One danger of long-term advisers is that they may tend to “do the job” rather than advise and accompany national actors as they work. A consultant who leaves periodically will likely not be a micro-manager, and so can ultimately accelerate confidence and independent action. I believe it is possible to foster such behaviors without such high reliance on short-term consultants and the industry that comes with them.

There is a need for action balanced by a need to learn by doing. Institutions cannot be built overnight and human capacity takes time to develop particularly when working in new areas. It is therefore necessary to consider 2 different kinds of foreign assistance, elaborated further below, in cases where the government is being supported: the first, direct hires who work for the state or are contracted to get a job done; and second, those who serve as mentors and builders of institutional and individual capacity.

4. Methodology is critical and must not undermine the state or civil society

Local and national government can be easily undermined if thoughtful choices with regard to methodology are not taken. There are often tacit agreements made for a UN agency or NGO to implement a service delivery project beyond the scope of government capacity or outside the range of its fiscal year budget. This is often true for service delivery in remote areas but can also be seen when governments rely on the technical expertise of an international agency to provide services or basic infrastructure in urban/semi-urban centers. These projects often take the form of water supply and sanitation projects or small infrastructure rehabilitation projects including roads, schools, and/or health clinics.

The unintended consequence of such programming may result in the undermining of government departments and the lack of strategy for post-project interventions. In particular, communities associate projects with the implementing agencies. Even when rhetoric includes reference to the work being done in support of government or in partnership with government, this is often disregarded as the logos accompanying those doing the work speak for themselves. Once the logos are gone, so too is the support.⁵⁰

⁵⁰ In rural communities, long after a water tank breaks down and the organization that built it has left the country, the remnants of their logos are left behind.

Having an international agency implementer is also a way for government actors to distance themselves from active responsibility for project activities in part because they often are not involved in all aspects of programming. This is important because they are outside of the organization but also because of the linguistic, cultural, technical and other characteristics that contribute to the distance between international and national actors.

Service delivery and community mobilization are not the same as capacity strengthening of government institutions, particularly when the international agency is working through a national organization, and require a different methodological approach. Governments are not accountable to donors in these circumstances and do not assume responsibility for design, implementation and monitoring as do their international counterparts. Local government representatives work in separate offices from those implementing agencies and communication is often more superficial than tactical.

Because the international agency is acting often as a government contractor and so fulfilling certain project objectives within a given time-frame after which the project closes and the organization leaves, and because the government has only tangentially been engaged throughout the process, there is often no systematic plan for follow-up should there be a need for maintenance or other inputs regarding what had been built/contributed.

This lack of clarity comes often in part because governments requested the work to be done in the first instance because they themselves did not have the time, resources or capacity to engage. In these cases, it is understandable that they may not be able to follow-up post project implementation. In cases where agencies receive agreement to work in a particular sector but where there is limited engagement on the details, it is often the case that governments feel burdened when communities seek support long after the donor/agency has left.

Development programs can have a similar impact on civil society organizations. Often these are used as contractors which have little control over direction or strategic vision as without donor support NGO service providers are unsustainable. In Timor-Leste, one organization may redefine its mandate several times depending on funding availability.

Even those with sectoral expertise often find themselves stretching their mandate to accommodate agencies seeking implementing partners. These NGOs live from small grant to small grant and are unable to build institutionally despite the demand for quality and high standards in management and accountability. The same organization may receive contract after contract from a different international NGO, Agency or donor but because theses do not sit together to outline a capacity strengthening plan together with the national organization, opportunities for organizational strengthening and improved technical expertise are lost.

Those organizations that try to focus on capacity development rather than on spending money for projects have a difficult time maintaining the interest of NGOs that can make money regardless of quality of work. It is easier to work with donors who do not ask questions about internal operating capacity. At the same time, organizations do not get paid to improve their services and do not see how organizational strengthening may make them more competitive in the long-run.

The unequal power dynamics and the structural constraints that guide discussions between national and international organizations provide huge challenges to genuine communication and strategic planning for the future.⁵¹

To address these barriers and resultant frustrations, it may be suggested to distinguish between public and private sector programs from funding to methodology. In Timor-Leste there is a large gray area between what is government responsibility and what is civil society responsibility. Schools, health clinics, water supply and sanitation, to name a few areas, are clearly within the government mandate and responsibility. Much of the implementation in these sectors, however, is undertaken by national and international NGOs and other civil society organizations creating confusion.

Clearer distinctions should be made when implementing such programs to ensure that government capacity strengthening is incorporated into service delivery programs, that follow-on planning is discussed prior to and following implementation, to ensure all expectations are communicated and clarified between government ministries, NGOs and communities to prevent miscommunication and conflict.

NGOs with a technical expertise may need to consider repositioning themselves as professional service providers/contractors. Working in partnership with government to ensure communities are consulted and involved in planning and implementation, these NGOs should be paid for their services. If capacity strengthening is required, or if more community facilitation deemed necessary to prepare for public works and ensure community buy-in, specialized NGOs can provide such services with the understanding that these are not paid contractors and require grant support.

Donors may need to reconsider funding criteria in transitional contexts to enable start-up businesses such as wat/san engineers to access critical donor funding until governments are able to cover core costs through their own budgets. NGOs can then provide the technical and human resources support and accompany processes in the field to ensure potential conflicts do not escalate into violence.

Regarding private sector endeavors related to livelihoods including support to farmers, fishermen, small cooperatives and those seeking to improve their local economy, these groups can use intermediate service organizations to engage government actors who are working to regulate the various sectors to ensure that policy reflects needs in practice. Consultation is essential for healthy government/civil society relationships. Aside from this, donors and international agencies should do what they can, not to draw national organizations away from their mandates and into third sectors. This is challenging especially as individual international organizations themselves do not hold to singular mandates and work all over the map from health promotion to agriculture and from education to women's empowerment. These also do not want to withhold funding from national organizations when it becomes available—even if it means stretching a mandate. Such donor pressures should be reduced by more informed giving.

The other way of supporting civil society organizations is to recognize those that are truly able to become sustainable over time because of their ability to charge for service delivery or market agriculture products, for example. Methodological choices and funding must carefully consider

⁵¹ 'Structural constraints' include processes determining funding sources and the divergence in needs between donors, communities, international organizations and their national implementing partners.

transitional needs in post-conflict societies, including the historical implications on the likelihood that free market entrepreneurialism will be successful.

Without creating dependency, some support is necessary between start-up and sustainability. That said, one-off grants often send the wrong message and in Timor-Leste it may be more effective to ensure a group has a long-term vision and plans to gradually realize the vision over time while being supported incrementally along the way. Constant reinforcement of the goals set, human resource development and positive encouragement can help reduce the need for external donor support in the long-run.

Donors and international agencies must also reconsider the double standard in funding criteria. Those organizations that are truly providing a service to the community that cannot be transformed into income generation activities must truly be able to access international or national funding for operating costs as well as project costs. Just as international NGOs would not exist without adequate funding to cover salaries and operating costs, so too national organizations that monitor governments, work on capacity strengthening, support vulnerable groups and others that contribute to a strong civil society require funding. Based on evaluation, donors can decide not to continue funding poor performers.

In the meantime, they should pay for more than just activities on the days of project implementation. Often costs for materials, transport and facilitators during a workshop are covered. Donors must augment these line-items and include funding for operational costs associated with project planning, implementation, evaluation and follow-up.

Government may also consider broadening its thinking on how it can serve civil society rather than lamenting that civil society is entrusted with valuable donor resources. As it begins to consider working more strategically with national organizations that can provide needed services in areas beyond the reach of over-stretched government actors, this dynamic should improve.

With regard to other methodological choices, in practice, international actors depend greatly on workshops to transmit messages. This is problematic on two fronts. The first is that these are used to convey messages and information to small groups with the aim that these will pass on the information received to their communities. District or sub-district workshops are organized and participants follow with the provision of village or sub-village workshop equivalents. The reality is that this does not happen as anticipated.

At the same time, workshops are used as a substitute for engagement on a more systematic and coherent basis. These become the ends rather than the means to realizing an objective. While intra-organizational workshops can be different because the target audience is presumably being trained on a topic with which they are working on a daily basis, this is not the case for community-based workshops where familiarity with the subject matter may not previously exist and where expectations that information will not only be conveyed but then passed on accurately is a stretch. One possibility is to dedicate more time for training if the intention is to have trainees become facilitators. Trainings cannot be one off but rather need to take place over time, following practice facilitations to hone skills and constant feedback should be given so that people can learn by doing.

Better mechanisms should be employed when seeking to convey messages to large populations or resources should be dedicated to following more closely the dissemination process and the degree to

which audiences actually capture the information being communicated. It is possible that a combination of media will be required, from use of audio-visual tools, to aldeia-based discussions that are organized as discussions rather than workshop formatted.

5. Increase transparency and responsibility in donor and implementing agency programs

It is no secret that many project proposals promise unrealistic outcomes in short time-frames. Similarly, many funding sources allow only for quick turn around projects that must be implemented in 2 months to one year. One example includes the Rapid Reaction Mechanism funds offered by the European Union to Timor-Leste in response to the crisis. Proposals for this fund were requested with an overall objective of addressing the conflict dynamics in the country, particularly among the youth. These funds had a lifespan of 6-months, maximum. Other donors, trying to use remaining funds close to the end of the fiscal year, ask for infrastructure projects to be conducted in 2 months.

What is not considered in these cases are the underlying causes of conflict that cannot be addressed through ad hoc quick impact projects. Moreover, the conflicts that can be created by quickly inserting large financial resources into a community without significant planning, and constant accompaniment, may be disastrous in terms of the low-level conflicts and loss of trust within communities that usually follows these grants.

In Timor-Leste where it is already difficult to think about tomorrow when there are survival needs today, a culture was reinforced whereby donor resources are not perceived as a step toward building a future. Rather, these are more often associated with an independence dividend.

The issue of funding creates recurrent challenges for government, international/national NGOs and agencies alike. Governments accept international agency/NGO projects even when it disagrees with these because it is reluctant to turn away donor funding. Agencies and international organizations do the same as do national organizations, perpetuating a cycle of poorly thought through projects that cannot be turned down. All actors need to be more willing to say no to funding that is inappropriately earmarked or that can be linked to exacerbating local tensions. Opportunities for donors and recipients to exchange views on spending requirements and methodological options in the field would be instructive for both parties.

6. Ensure funding for strategic coordination, mapping and analysis in support of more appropriate and holistic programming

High-quality coordination takes time, leadership and is a necessity in post-conflict development contexts. Part of the effort required is to gather available information and seek out information from sources which do not regularly participate in information sharing. Beyond this, there is a need to collate data, cross-reference with other sources and assess areas for further exploration and discourse. This may involve strategic design of mechanisms for communication and information sharing, both in person and using information technology. A coordinating body can identify key areas where data is required through extensive consultation with government, civil society and other international actors.

Gaining access to information is only part of the equation. One must continue to mobilize conversations and convene policy dialogues using the information collected to enhance programming outcomes and realization of policy objectives.

Additionally, these efforts are required on multiple levels. Organization and individual mapping is required to chart and visualize who is doing what and where. Coordination is required, for example, among donors, advisers and international and national organizations. Within each of these groups improved information sharing and strategic thinking is required as is communication among them. In order to fully comprehend the operating context, organigrams should be prepared and reviewed with an eye to streamlining according to the real needs of the country.

Experience demonstrates further that networks are only effective if they have strong and consistent leadership that is able to provide a service to the participants and thereby garner increased cooperation with coordination efforts.

These efforts cannot be volunteer-based and these roles cannot rotate among different agencies or organizations. It may be necessary to have a dedicated agency, organization or government department with capacity to maintain and disseminate data on all development activities undertaken in a given country. Information collected should include at a minimum, contact details of the implementing organization, project sector, geographical areas of work, target beneficiaries, start and end dates, funding and partner organizations.

Separate databases including one on the placement of advisers throughout the Government and their work should be maintained. Technological advances are such that this data from all databases should be transferred onto maps as visual representation of data tends to be easier to interpret and facilitates analysis.

The importance of such mapping exercises cannot be underestimated. In Timor-Leste Columbia University's Center for International Conflict Resolution (CICR) has worked with its partner organization BELUN to try and fill part of the coordination gap. One effort has been to establish a database and has been working to maintain it for 5 years.⁵² Using the data, one can see that more development activities in the country are targeted toward the capital and larger city centers and along other major roads. This information can also be compared over time with donor information and government spending records coupled with poverty and other indicators to demonstrate impact, over time, of development initiatives. As such, priorities can be set, gaps in service delivery filled and adaptations made as necessary where impact is not realized as anticipated.

The other reason to have a complete and maintained database is to prevent parallel processes and create a transparent development environment. Too often multiple ministries request consultants to draft legislation or other policies in a given field. As the consultants work, one or the other may come to discover that either there is someone else already producing plans in these areas or that a consultant or organization had developed the policy in the past. This was the case during the writing of the NGO Law, which still has not been finalized, as well as with regard to policies in areas related to immigration, separated children, and myriad other sectors.

⁵² Unfortunately, no donor has ever found this initiative worthy of funding and so CICR and BELUN have yet to hire a dedicated staff member just for database purposes. As a result, over 2300 entries have been made over the past 5 years, and while statistically significant, it is still not a fully complete picture of the development environment in Timor-Leste.

Donors and implementers need to be able to know what activities and programs have been undertaken before them, especially given high turn over rates and limited institutional memory (as discussed further below). This will increase accountability and reduce duplication and waste. It will also enable maximization of synergies as people can actively coordinate and take advantage of information regarding national trends (positive or negative) and act accordingly.

7. Donors and implementing agencies should proactively link emergency and development programming

Whereas funding should not be tied to short time-frames, progress has been made to ensure that in emergency situations, the funding pipeline from proposal to commitment to disbursement has been streamlined. Resources can be received for emergency support within a couple of months rather than half a year or more. Now, the challenge is to link emergency to development programming.

Despite progress on creating norms within the international community with regard to development programming, this has been less the case with emergency initiatives. Emergency projects tend to be narrow in focus, resource centric and serve to plug holes rather than fix the systems that enabled the holes to exist in the first place. These projects include but are not limited to food distribution, distribution of housing or other materials, and cash-for-work schemes.

During the crisis, this was demonstrated by the quick influx of new organizations and many existing organizations called in for reinforcements from regional and other offices. This has reduced pressure on those in the country to manage the needs of tens of thousands of displaced persons and has provided support to the government toward creating strategies to respond to the crisis and assisting with the operationalization of those plans.

There is also a risk that these new actors, some of whom were actually in Timor-Leste during the UNTAET period, will repeat mistakes of the past. Those who were here, remember a transitional government with few formalized processes. Today, institutions exist which are still quite fragile and it is important that these are not undermined by those creating new processes where old ones exist. Newcomers face a similar challenge and must learn about the culture, context and underlying causes for the displacement to ensure that policy responses are not superficial.

Inappropriate programs have already been implemented and new ones are being considered that seek to respond to the emergency needs posed by the crisis. Some provide a rationale for these programs by indicating that “the dearth of sports programs created the crisis” for example. Others argue, “the crisis was caused by too few jobs” without proper analysis of the conflict dynamics. In response, sports matches were planned and implemented and programs designed to pay \$2/day to people to clean the streets commenced.

While both reflect important issues, alone they do not explain the crisis nor will the projects have an impact on reducing conflict in Timor-Leste. In certain communities, for example, an inter-village sports competition had finished just before the start of hostilities. The bonds created through football did not prevent these neighborhoods from engaging in violence. The international and national communities need to look deeper and address the range of complicated factors that contributed to civil unrest.

During an emergency, programs are required to calm volatile situations and there is no time in such cases for broad consultations, planning and capacity strengthening. These are emergencies and people are hungry, without cash and in need of immediate support. The key is not to dismiss fast responses off-hand but rather to incorporate them into follow-on initiatives that evolve over time rather than end abruptly or replaced with programming that is unconnected and de-linked to past experience.

In the case of cash-for-work, for example, rather than select arbitrary tasks that provide an excuse for transferring money to individuals, select areas for work that are required regardless of the crisis situation. While implementation proceeds, the agencies involved should work with government counterparts to design a follow-on program that will continue to hire persons for public works purposes.

In Timor-Leste following the emergency of 1999, several of these quick impact projects were designed and up to \$3/day were paid to persons for tasks including cleaning up areas around their communities and minor road repairs. Following this experience, when community leaders tried to mobilize labor for what had traditionally been a volunteer exercise, people would not respond without the \$3 incentive. One needs to take responsibility when altering a traditional system and be ready to pay accordingly in the future once new norms are established.

The other unintended consequence of such programs is that they are predominantly implemented near and within the capital city. In the immediate years after 1999, this and the greater UN presence in Dili incentivized rural to urban migration by those seeking jobs. In the long-term this contributed to the instability, by putting pressure on communities, contributing to land and property disputes and by raising expectations that could not be fulfilled by the job market, despite short-term gains that may have been realized by cash disbursement.

Following the outbreak of violence in 2006, these programs have been reinstituted with little ability to tie into ongoing post-crisis government employment schemes.

8. Increase opportunities for passing on institutional memory

High turn-over rates within international organizations is a clear challenge to continuity. While database management would greatly facilitate understanding among new organizations and individuals about the context in which they are entering, this is no substitution for intra-organizational processes for transferring knowledge and/or for such transfers to take place between consultants advising within government ministries. With the exception of the occasion where a new arrival is hired and overlaps briefly with the predecessor, there are few if any systematic processes available to transfer information from person to person.

Beyond the individual, agencies tend to implement multiple programs simultaneously. Often, program officers lack the time to consult with their colleagues and institutional processes for intra-organizational exchange do not exist. The result may lead to one agency implementing contradictory programs, such as when one department seeks to strengthen civil society capacity within a certain population and another department aims to disburse cash for one-off projects targeted at another population with no consideration of longer-term outcomes.

It would also be useful for all international advisers to come together on a monthly basis to review achievements, strategies underway and to institutionalize information exchange. This will reduce parallel processes and ensure a more comprehensive approach is taken to problem solving and policy making.⁵³

CICR has been developing a debriefing format for several years. This tool needs to be strengthened and tested. Development of additional tools to facilitate, for example, intra-organizational coordination and exchange can also be useful.

9. Balance technical expertise and respect for local culture—recognize how to be complimentary

Among the most nuanced and non-scientific factors contributing to success or failure of international programming is the relationship between national and international partners. It is necessary to establish trust, and communication patterns need to reflect a balanced relationship among partners working toward common objectives despite huge difference in power, experience, and economy.

Very often, opportunities to convey this message are missed due to the common misperception that international actors are only working within a post-conflict environment while local capacity is being built. A false dichotomy between national and international actors is created from the very outset of an intervention. A similar representation of this point is related to the ‘Timorization’ argument. Many, including the President, used this language to describe the process by which international actors would gradually hand over responsibilities to their East Timorese counterparts as local capacity became stronger and more capable.

This orientation reinforced power imbalances, increased international perceptions that East Timorese were incapable and reduced self-confidence among their East Timorese colleagues. The longer the presence of international actors, the lower the collective sense of national value. International actors became linked to reduced sovereignty and threatened national identity.

That way of thinking was unfortunate and counterproductive. Countries today are not only highly interdependent but rely on sectoral and technical expertise that is not bound by borders. Previously with donor support, and more and more with the government’s own budget, Timor-Leste has had access to highly qualified personnel dedicated to rebuilding the country. What was needed was a reorientation of these actors and a reframing of their relationship with national counterparts. Rather than concentrate on the differences between national and international, more consideration of the goals of programming and the methods employed would be useful. Similarly, creating clearer distinctions between those who implement directly, those who advise and those who strengthen capacity (based on competence rather than national origin) would be constructive, particularly if mechanisms are created to ensure the different actors communicate regularly.

⁵³ One example in which such a mandatory meeting could have been useful was in the event where one minister sought advice from multiple advisers without informing them. By chance, one adviser sought input from the other 2, knowing of their experience in the area. They were surprised to learn that the others had been requested to work on the same task. Much time could have been saved had regular information been exchanged among them.

International NGOs working to support national organizations should emphasize their role in working together toward common objectives rather than working to transfer responsibilities. International agencies could have used similar strategies. Increased understandings of national needs could emerge from more extensive field visits and more attention to language training, thereby reducing dependence on translators/interpreters. In addition, more explicit recognition and incorporation of cultural and other local knowledge in program design and implementation would add value to programs and contribute to more balanced relationships in the workplace.

10. Personality is underestimated and critical to success

One of the least recognized factors contributing to successful interagency coordination and strategic planning is the very human element of personality. People who like each other tend to find ways to work together and thus their organizations seek out synergies and complementarities. This is not only chemistry, but also includes those who are perceived as engaging constructively, with sound ideas and interest in finding solutions to difficulties without agency flag-waving and/or disinterest.

Agencies should track more closely trends such as these and reward those who consistently manage to engage external actors (national and international). Those with consistent difficulties working with peers should be slowly removed from the system. At present, performance evaluations and promotions do not take into consideration the degree to which an individual, working in cooperation with other colleagues, promotes best-practice in the field toward design and implementation of coherent development strategies. Evaluations should also consider the levels of respect attributed to national colleagues as it is too common for condescending behavior to be tolerated in the field. Too often ineffective persons are moved from mission to mission with no consideration of performance on the ground.

Of course this should not be the only criteria from which to judge individual effectiveness and evaluations should be designed carefully. The value of including these elements should not be underestimated, however, as obstructionist tendencies can undermine international contributions in fragile states.

VII. Follow-on Opportunities for Research and Implementation of Recommendations

This study raises many issues that have not been fully addressed or explored completely. In many ways the attempt was overly ambitious for one paper prepared in the midst of a political crisis, in that there was an expectation that one could feasibly explore the contributions of hundreds of organizations and institutions to Timor-Leste, each with their own culture, mandate, leadership characteristics and other unique qualities. Beyond this one must then consider the role of the East Timorese, the differences among different elements of society and the complex relationships between internationals and citizens of Timor-Leste. A review of each sector and each institution's role in that sector could result in several books and articles.

More specific work should be considered to explore more deeply the themes generated herein. And to ascertain based on other more qualitative data sources a more nuanced impression as to the impact of donor assistance, beyond the more quantitative data currently available. A more thorough analysis of the policies and programs required to ease the socio-economic and political transitions should be a priority.

Given the tendency for historical revisionism and because of the impact of history on present conditions, it could be useful to convene a series of roundtable discussions, including a group of historians, Timor/regional scholars, journalists, diplomats and others engaged with the history of Timor-Leste, with development and other national and international actors working to improve human security in the country today. The information and resultant policy recommendations stemming from discussions among these various actors may be instructive.

More immediately, discussions with implementing agencies and donors should be convened to elaborate on these findings, receive feedback and ultimately, if possible, work strategically to implement the recommendations listed above. This is particularly important now as there are indications already that the international community is beginning to repeat past mistakes in its approach to emergency response and development needs as a result of the crisis. It is time for donors and member states of the UN Security Council in particular, to reconsider seriously the way funds are committed and the implications of current paradigms.

Moreover, donors should ensure that funding for research is more directly linked to follow-on funding for implementation where appropriate. Too often agencies that do baseline surveys or feasibility studies cannot implement the findings, as donor streams are de-linked. Ideas are thus lost and reports sit on shelves with no added benefit. Similarly, there could be a greater link between academic institutions and implementing agencies to ensure that research is of high quality, incorporates field insights and linked to follow-on programming.

Every year, academics and technical experts come to Timor-Leste to review the issues within a given area or sub-area such as, veteran's affairs, economic development/livelihoods, agriculture, environment, etc. Reports are written and policy recommendations made. These reports never reach audiences beyond the report-requesting agency. At most, the relevant minister or department head, or a particularly engaged donor may gain access to the report.

This tendency creates a multitude of challenges including research fatigue. Respondents within local communities begin to tire of answering questions that do not seem to lead to benefits down the

road. Beyond this is the need for cross-sectoral interaction between development actors. Cross-sectoral feedback can further ensure that different perspectives are considered in any given area.

There is an inherent link between stability, conflict dynamics, social relations, access to basic services in health, education, wat/san, agriculture and economic policies. Life is not compartmentalized into projects and sectors; rather, it is holistic, wide-ranging and interactive. Implementing agencies and governments need to treat communities more as dynamic systems and less like independent project-cycles.

VIII. Conclusions: Timor-Leste and Beyond

Over the past year, Timor-Leste was hovering on the edge of state failure. With the breakdown in law and order, the state lost its monopoly over the means and use of violence and was not able to provide security to a large proportion of the population. For roughly a 2-month period, various ministries seemed not to function as absenteeism was rife at the height of the crisis.

Despite these significant challenges, there was never a complete collapse of national security and the violence was limited to a relatively small geographical area. Some government institutions, namely the Ministry of Labor and Community Reinsertion, never stopped functioning throughout the worst days of the crisis and others regrouped relatively quickly. Moreover, parties were able to campaign for the Presidential elections, which were marked by relative calm and order, and Parliamentary elections are not far behind.

The international community has a significant interest in preventing state failure in Timor-Leste. Timor-Leste represents a new experiment in nation-building and benefited from seemingly unprecedented attention and support from the international community. Given its strategic location between Indonesia and Australia many have an interest in preventing Timor-Leste from becoming a hub for trafficking in persons, weapons or other illicit goods. Regional actors in particular have a special interest in preventing Timor-Leste's conflict from spilling over the border.

Failure to realize success in creating mechanisms to address the conflict dynamics in Timor-Leste will send the wrong message to other fragile states currently relying on international support. The international community must provide more relevant support to Timor-Leste, learn from the examples of experience in the country and apply these lessons both within the country and to other states striving to overcome the institutional challenges associated nationhood. A state's inability to provide political, economic, and social security to its citizens opens the door to corruption and violence. Those seeking to take advantage of weak law enforcement and border control institutions can also find refuge for trafficking and other illicit activities in such areas.

If law and order cannot be institutionalized and if the state cannot establish mechanisms for coordination and communication with civil society, the country will face an even greater crisis in the future. The country's potential wealth stemming from its petroleum reserves can also become a curse, fueling corruption among its small elite, if measured steps are not taken to strengthen state institutions. Civil society and government must work to prevent conflict and address the needs of the population throughout the country. Without success in these areas, the experiment of independence will fail.

This report provides a few key actions that can be taken by international actors to try to increase the effectiveness of interventions by government and civil society actors. Among the lessons-learned from Timor-Leste is that it takes time to build state institutions, for people to recover from the traumatic experiences of the past and for state bureaucracies to be functional, and used effectively. Importantly, resources need to be used wisely and strategically over time rather than according to unrealistic deadlines. Programs implemented must be relevant and address underlying challenges to the creation of a sustainable state and civil society.

As important as time and patience are, it is also perhaps luxury for fragile states emerging from conflict. For this reason, intermediate steps must be taken to address needs in the present while

institutions are being built. Importantly, these short and long-term strategies should be linked rather than one-off initiatives that provide limited sense of security to the population. This may require international assistance to be divided between those who implement and those who strengthen institutional and individual capacities. International assistance requires significantly more self-awareness and sounder mechanisms for engaging both human and financial resources. Societies emerging from conflict also may need time to establish trust and it is time for donors and implementers to build this into longer-term initiatives.

The international community is aware of the challenges posed by the vacuum created by state failure. The threats to international security are apparent. The devastating human toll cannot be underestimated should violence and crime persist. Timor-Leste is geographically small, the population more united than many countries experiencing conflict as the vast majority of the population supports the nation-building project and independence. Despite these qualities, the leadership is experiencing great difficulties in bringing people together in part due to their own differences in vision. The international community has already invested over \$2 billion in the development of an independent Timor-Leste, much of which was lost in a chaotic environment that lacked order and effective coordination. As new investments are made there is a collective responsibility to address short-comings before violence re-emerges.

The international community needs to be more aware of the underlying causes for the conflict today and respond appropriately. If it cannot succeed in supporting a reduction in tensions and the creation of a more coherent strategy for state strengthening in Timor-Leste, imagine how challenging it will be to successfully overcome similar challenges in much more complex post-war environments.