



**DEMOCRATIC REPUBLIC OF TIMOR-LESTE**

**OFFICE OF THE PRIME MINISTER**

**ADDRESS BY**

**HIS EXCELLENCY THE PRIME MINISTER OF THE  
DEMOCRATIC REPUBLIC OF TIMOR-LESTE**

**KAY RALA XANANA GUSMÃO**

**ON THE OCCASION OF THE BALI DEMOCRACY  
FORUM IV**

**“Enhancing Democratic Participation in a Changing World:  
Responding to Democratic Voices”**

**NUSA DUA, BALI**

**8 December 2011**

**Your Excellency the President of the Republic of Indonesia,  
Dr Susilo Bambang Yudhoyono**

**Your Excellency, the Co-Chair, the Prime Minister of the People's Republic of  
Bangladesh, Sheikh Hasina Wajed**

**Your Excellencies the Heads of State and Government  
Distinguished Participants  
Ladies and Gentlemen,**

I must again give praise, Mr President, for the persistence and dedication that you have shown to this noble cause.

Those of us that for the last four years have witnessed the growing participation, and the increasing intensity and depth of discussions, at the annual Bali Democracy Forum must congratulate its organisers, the Institute for Peace and Democracy.

It is a great honour for me to be once again side by side with my dear friend the President of Indonesia, Dr Susilo Bambang Yudhoyono, and to be able to contribute to a future of democracy, freedom and dignity in our region.

As the world's third largest democracy and with a huge emerging economy, Indonesia's pragmatic outlook and national vision is becoming an important international reference. Timor-Leste is inspired by this neighbour's growth and its promotion of a successful democracy.

The history of Timor-Leste will be forever connected with that of Indonesia. The victory of democracy and of the democratic voices of our people, have helped shape not only our nations but our region of South East Asia.

It was in 1999 that the democratic voices finally started to be heard. The Indonesian people and the Timorese people began together a new chapter - when they voted for democracy, they voted for respect for human rights, they voted for freedom and they voted for social and economic development.

Today's times give us confidence in important initiatives such as this Forum. As I said at the Third BDF, it is these meetings that stimulate reflection, encourage dialogue....and lead to change.

The year of 2011 will be recorded in history, written in many languages and with different narratives.

**Ladies and gentlemen,**

Every day we see crowds of people agitating with feverish passion and enthusiasm for the profound changes taking place in the world.

We see other groups, however, expressing their despair with a world facing enormous challenges and we feel suffocated by these emotions and feelings.

There is something wrong in all of this.

We see victories achieved through the might of weapons, we see the despair of hunger, we see post-election violence, we see veiled threats at the polls, we see fear in the faces of people living with the presence of foreign troops, we see repression of peaceful demonstrators by police in democratic countries, we see world leaders powerless to find a solution for our economic and environmental problems, we see leaders from developing countries holding absolute power, we see intransigency in postures that dignify no one.

And no one is pleased with this imbalance of values. There is something wrong in all of this.

It turns out that, after all, the world is not changing. The world is saturated with problems that world leaders have always avoided rather than tackled. It is People that are trying to change the world, while leaders refuse to heed their demands.

World leaders believe they represent the views of their people when they proclaim so-called 'national interest' as if they were representing the real national interests of the people.

In this way, the leaders of many countries believe that their own interests are also the interests of the people they rule, if not oppress.

World problems are systemic, after all. Most of humanity remains illiterate, barefoot, ignorant of their rights, homeless and living in misery.

Universal standards, criteria and human rights are introduced as ends in themselves, as if selling cheap products from the civilized world and those who do not purchase them are shunned as not being part of the group of well behaved children, as measured by indicators set by experts who live in skyscrapers and work for CEOs.

Elections are proclaimed as ends in themselves; and then we watch an Italian model of non-elected government composed of technocrats and another government simply tailored with a Greek suit which offend common standards and sensitivities that would, if occurring in a developing country, be considered unpalatable and raise human rights hackles everywhere from Brussels to Geneva, from the capitals of democracy to the Security Council in New York.

We are witnessing an orchestra playing without a conductor, as no one is able to pick up the baton. And the problem is not political or economic or even social. This is a problem of the system.

There is something wrong in all of this, and no one wants to take the blame.

We are at a particular conjuncture where it is much easier to make small repairs than to promote long term solutions. It is much easier to demand from others that are weaker and poorer than to demand from one self.

The result of this is an accumulation of contradictions and problems which are becoming unsolvable, and this affects everyone. In every summit... of the powerful, solutions are always 'too little' and, in the end, we all reach the conclusion that it is all 'too late'. And this is making people truly exasperated!

And in their speeches they bring the same tone of doubt, of distrust, of rivalry – with a mix of politics, economics and ideology, of human rights and supremacy, of trade and security, of intelligence and defence, all in a desperate search for justifications to impose upon others.

The mentality of the Cold War will continue to be the main obstacle in this Millennium.

### **Ladies and Gentlemen**

But let us talk of ourselves, because we need to take care of ourselves.

Allow me to say a few words on the interaction of the concept of 'democratic participation'.

I will divide this in two levels, as the Institute for Peace and Democracy has done so well.

One of the fundamental problems of developing countries is the State building process. This process is vital for the establishment of a multi-party constitutional system, with properly defined checks and balances, with clear medium and long term plans that, with well prepared human resources, are guaranteed to be implemented, and with all the necessary conditions to enable effective performance delivery.

Only a gradual but efficient implementation of a well designed plan can inspire trust in society and give governance credibility.

The State must legislate to ensure the transparency of its acts and the accountability of public accounts, which can be viewed by all. This is the only way for citizens to have confidence in the future of the Nation.

Technology provides the means for the State to assist society in the monitoring of government at all times, through the use of internet based transparency portals which include procurement, revenue, State budget execution and project implementation websites.

This is the way in which we can ensure good governance.

On the other hand, there is a need to balance the demands of society with the responses by the State.

This is the challenge of leadership in setting action plans and the challenge between understanding the totality of the needs of the country and the demands of its parts, so that there can be consensual acceptance of the annual programs of government according to national and sector priorities.

Civil society must have an overall understanding of the problems of the country and of the effort made by the State if it is to make a constructive contribution and a critical interpretation of the acts undertaken by leaders and undertake a mediating role instead of a disruptive one that would distort democracy.

The challenge ahead of us is how to change the mentality of our societies, which are fond of copying models from highly industrialized countries and supposed role models of democracy.

In changing mentalities in our societies, it is important to clarify that duties and rights go hand in hand. Citizenship is a coin with two sides: rights and duties. In young democracies it is common for people to focus on rights and to forget that they also have the duty to do something positive for the country, without demanding extra benefits from the State.

I believe that the substance of democratic participation by the State and by society is as follows:

- Collective responsibilities towards the Nation, in terms of commitments and duties;
- National Reconciliation, in the search for truth, tolerance and peace;
- A critical society under a constructive ideal, in the collective search for solutions and defending national identity;
- Safeguarding national interests, without gross chauvinism or deceitful alienations.

In young democracies, people in society tend to consider themselves 'independent', that is operating 'outside the State', in the sense that they are more of an activist than they are a citizen, or better yet, that they are the citizens of the international organisations that pay them so handsomely, and defend them so well, rather than a citizen defending their own country.

We also have the opposite phenomenon, where false nationalism feeds a feeling of unbridled aversion to that which is foreign, sometimes for no valid reason at all, merely to cover up the lack of a mature national perspective in regard to the social and economic development of the country. In short, through such attitudes, they attempt to cover up the lack of political development.

**Ladies and Gentlemen**

These are the lessons we are taking from the world's 50 Least Developed Countries and from the 'g7+' group that fragile nations established and which represents over 350 million people who live in a situation of political, social and economic fragility.

The true challenge is in our hands, in each of our countries, in each of our societies, in each of our peoples. Most of all, the challenge is in the hands of the country leaders, which can make their countries either stronger or weaker.

We need to be the agents of our own processes. A process is only genuine and able to produce positive results, in the medium and long term, if it is promoted mainly by internal factors. Whenever a process is led from outside it invariably suffers uncontrollable convulsions and distortions, causing much more damage than gain.

Across the world there are 1.5 billion people living in States that are fragile and affected by conflicts. Over 70% of these fragile States have been enduring conflict since 1989.

30% of International Aid (ODA) is provided towards fragile States, and yet they are very far from meeting the MDG targets for 2015.

Consequently, Mr President,

While Indonesia is leading, with courage and conviction, the concept of relationship between 'democracy and development', Timor-Leste is leading the relationship between 'Peace building' and 'State building'.

As I have announced at this Forum previously, Timor-Leste co-chaired the First International Dialogue on 'Peace building and State building' which took place in Dili, in 2010, as well as the second Dialogue which was held in Monrovia, Liberia, in 2011.

Along with this International Dialogue, the 'g7+' group is also a space for fragile States (a term not appreciated by some) to share experiences and be heard as one voice by the international community, in a collective attempt to build States, build Democracies and build Peace.

Timor-Leste is proud of its leadership and establishment of the 'g7+' as a permanent forum. For a small and young Nation, being able to participate in the consolidation of this group and to give voice to States that by themselves would be voiceless is also giving expression to democracy.

We started as a group of 7 countries that, when coming together to discuss issues related to Good International Engagement in Fragile States and Situations, found that despite coming from different contexts and continents and having different languages and cultures, we had the same types of challenges.

Currently we represent 19 countries, after the recent admissions of Equatorial Guinea and Togo, which discuss amongst ourselves and with international donors to

improve the principles for good international engagement in regard to development assistance.

Recently I had the opportunity to visit Juba, on the occasion of the 'g7+' Inter-Ministerial Retreat. When we arrived, the Southern Sudanese were reflecting on their first 100 days as an independent State, happy to be able to so soon host an international event that would also discuss their State building challenges.

Let us have no illusions – for countries that have to deal with poverty, instability and violent conflicts, taking charge of their own development is no easy task. The people that suffer yearn for democracy because they believe it will mitigate their suffering. The benefits of democracy, however, take time to be reaped.

The democratic formulas of the West do not always work when carbon copied to other countries. And furthermore, the democratic experience of developed countries is not always appropriate to fragile States. These are countries traumatised by war and devastated by poverty, often instigated by interests of economic supremacy.

Additionally, international aid has always followed unacceptably strict criteria and 'one size fits all' standards. Democratic values are universal; however, the specific circumstances of each country and the manner in which those values are assimilated are individual. It is necessary to consider the historical, social and cultural context of each country before attempting to implement a development program, without ever losing sight of human dignity.

For poor countries, aid is often a matter of survival – lives depend on that aid!

Still, the debate on international aid is almost as old as the debate on democracy. International aid and lessons of democracy from developed countries go hand in hand almost every time, but, nevertheless, thousands of people remain in poverty. Sometimes, if not most times, when a large volume of aid comes close to the population of a country it becomes poorer than before the arrival of that aid.

Poor countries are accused of corruption and blamed for international failures. However, do rich countries have effective mechanisms of transparency and accountability for the failure of international aid?

It will be difficult to meet the Millennium Development Goals for 2015. Donor countries feel frustrated and I believe that their taxpayers question the amounts channelled into international aid when, during this time of global economic crisis, those very taxpayers are enduring hardship.

These are all the issues that should be discussed within the scope of democracy.

For all this I say: fighting poverty, hunger, disease and ignorance is promoting democracy!

And I will add: promoting peace and promoting a more active and understanding international diplomacy is investing in the democratic process at a global level. Here I would like to commend the US Secretary of Defence, Luis Panetta, when he urges Israel to break its auto-isolationism and to sit at the table with its neighbours... to talk... for the good of humanity! It is high time for us all to honour universal values with the same commitment!

**Your Excellencies  
Ladies and Gentlemen,**

Last week, at the opening session of the Fourth International Forum on International Aid Effectiveness, held in Busan, South Korea, the Secretary General of the United Nations said that international aid is not charity but rather an intelligent investment in security and prosperity.

I agree. And as a result of the Juba Inter-Ministerial Retreat the 'g7+' presented, in Busan, its New Deal for Engagement in Fragile States. 34 countries and international agencies immediately endorsed this New Deal.

This is an important landmark in the relationship between fragile States and partner organisations. This is an honest attempt to understand better the challenges inherent in post-conflict and fragile countries when pursuing development goals. Therefore, in order to achieve the MDGs, Fragile States will have a period of transition through the PSGs (Peace building and State building Goals).

The New Deal gives new hope in terms of achieving the MDGs. With the New Deal there is a new focus on sustainable development for these fragile countries, under their ownership and with confidence in new commitments to achieve greater transparency, internal capacity and management to enable better international aid outcomes.

This is also democracy – in the true sense of the word – in action.

As Timor-Leste is Chair of the 'g7+', I will be distributing copies of the New Deal for all countries in attendance. I would also like to seize this opportunity to urge you all to give us your support, in September 2012, when we will be taking the 5 PSGs to the General Assembly of the United Nations. These 5 PSGs are:

- Legitimate politics
- Security
- Justice
- Economic Foundations
- Revenue and Services

**Your Excellency Mr President  
Your Excellencies  
Ladies and Gentlemen**

The world in which we live is seriously threatened.



Signs are emerging of the eminent threat of climate change.

From the fires in Australia, to the floods in Thailand and the rising sea levels threatening the very existence of some Pacific islands, nature is trying to warn humanity that it needs to take urgent measures.

Natural disasters are testing the world's people as we saw with the earthquake and tsunami in Japan, the earthquake in Christchurch, New Zealand and the very recent ones in Turkey.

Unfortunately, for all that has not been done following Kyoto, Copenhagen and Cancun, it seems that Durban is without hope, as noted by the UN Secretary-General yesterday.

Furthermore, the serious threats of terrorism, illegal immigration in frightening numbers, trafficking of persons, drugs and weapons, the global economic crisis, the search for limited food and energy resources, the proliferation of nuclear weapons – among other threats – can lead to conflict and to global insecurity.

Now, more than ever, we need strategic cooperation, dialogue and alliances to undertake intervention. These alliances should not and cannot be constrained by the strategic interests of the major powers. Instead, they must serve the fundamental interests of humanity.

We need new alliances to make peace and not old alliances to wage war. We need a new political and economic world order in which conflicts and discord are replaced with dialogue; in which democracy is used to give voice to the weak and the vulnerable; and in which assistance and solidarity are used correctly to mitigate peoples suffering.

This is the message that must be conveyed to the world's nations, particularly the poorer and weaker ones, so that they can have faith in democracy.

Thank you very much.

Kay Rala Xanana Gusmão  
8<sup>th</sup> December 2011