



**P R I M E
M I N I S T E R**

**LECTURE BY HIS EXCELLENCY THE PRIME MINISTER OF THE
DEMOCRATIC REPUBLIC OF TIMOR-LESTE
KAY RALA XANANA GUSMÃO
AT THE VIET NAM NATIONAL UNIVERSITY ON
STATE BUILDING: THE TIMOR-LESTE EXPERIENCE IN A
SOUTHEAST ASIAN CONTEXT**

**Hanoi, Viet Nam
3 September 2013**

Excellencies,
Professor Nguyen Van Khanh, Rector
Distinguished Members of Faculty
Distinguished Lecturers
Ladies and gentlemen,

Dear Students,

It is a great pleasure and an honour to be here today to speak at the Viet Nam National University.

Viet Nam National University is a key institution supporting the remarkable progress of your nation that is playing an important role in our region.

It is always difficult, as you can understand, for someone who never attended university to come here and address such a distinguished audience.

I hope that my talk today about State building in Timor-Leste, Southeast Asia's newest nation, will strengthen the existing bonds of friendship between our two peoples and, especially, between the young generations of Viet Nam and Timor-Leste.

Ladies and Gentlemen
Dear Students

Today is a unique occasion to allow you to get to know a little about us, the Timorese people, of our past, present and what we desire for the future.

And you will understand that in the end, Viet Nam and Timor-Leste share similar experiences in their history. Both our countries were occupied and dominated successively by foreign powers and, as a consequence of a war to regain their respective sovereignty, both Viet Nam and Timor-Leste experienced devastation and destruction to their economic, social and cultural structures.

After more than 400 years of domination, in April 1974 there was a revolution in Portugal and the colonial power announced that it would grant independence to its colonies.

In the same year that the end was foreseen of the so called "Viet Nam War", we initiated our own process of decolonisation.

Viet Nam declared its independence on 2 September 1945 (one year before I was born) and I congratulate you on your 68th anniversary, which you celebrated yesterday. On 28 November 1975, we too unilaterally declared our independence. Viet Nam was one of fifteen countries that immediately recognised our independence.

However, nine days later on 7 December, we were invaded and subsequently annexed by Indonesia. And so, in the same year that the war in Viet Nam ended, another war began in Southeast Asia.

While the war in Viet Nam lasted thirty years, the people of Timor-Leste had to endure theirs for twenty-four years. While much of the war here in Viet Nam was fought on the global stage, and filmed on a daily basis by western media and shown on the nightly news, the world largely ignored the war the people of Timor-Leste waged against the brutal occupation.

We began our resistance against the invasion with typical conventional warfare and with thirty thousand weapons against battalions, mortars, cannons and tanks.

I still remember the radio communication on 31 December 1975 between the then Prime Minister, Nicolau dos Reis Lobato, and the Minister of Defense, Rogerio Lobato, who was overseas at the time. Nicolau asked him if he could acquire some supplies and Rogerio replied that Viet Nam would offer plenty of weapons but that the problem was transporting them to Timor-Leste.

Your struggle and your victory were always an inspiration for us, and above all, enlightening us in the most difficult times when we were alone without any help.

As it was impossible for us to be supported from outside, we began wearing out our weapons and ammunition, and we could not bear, in 1977 and 1978, the pressure of the large scale operations of the occupiers that, in addition to controlling the whole population, left the Liberation Armed Forces (FALINTIL) weakened in terms of men and weapons, which were reduced to seven hundred and fifty rifles.

Even worse, the entire Superior Political and Military Leadership was practically decimated, with only three members of the Central Committee surviving, including myself.

It was a terrible situation for our people, with hundreds of thousands having died from bullets, famine, disease and air strikes from the OBV-10 planes that were used by the Americans here in Viet Nam and later sold to Indonesia.

In 1979, having taken on the leadership of the struggle, I tried to understand 'guerrilla warfare'. And among the other wars of liberation, I also studied the guerrilla war of Viet Nam in order to understand the concept, principles and its applicability.

And this was how we began our guerrilla war that lasted twenty-one years, guided by the principle of 'counting on ourselves' for a hard and prolonged war. 'To Resist is to Win' symbolised the integral mobilisation of all Timorese that accepted any sacrifice to liberate the scared land of our ancestors.

One and a half thousand guerrillas, with weapons in the mountains and valleys, the people and above all the youth in the occupied villages and towns, and the patriots in the diaspora, made possible the combination of the three fronts of our struggle: the armed, clandestine and diplomatic.

Throughout difficult years, this strategy proved effective and finally, in 1999, our people were allowed to vote in a referendum on independence.

And so, on 30 August 1999, despite a climate of violence, our people decided and overwhelmingly voted for independence. It was only last week that we celebrated the 14th anniversary of the Referendum which is a national holiday for our nation.

Regrettably, however, the Referendum result brought more killings and spread destruction all over the country. While our people were then free, much of the country had been destroyed and we had to build a new nation from nothing.

Ladies and Gentlemen
Dear Students

Along with Viet Nam, our story is also one of courage, determination and fighting spirit for freedom. Because, like Viet Nam, we ultimately triumphed. We achieved our independence.

And now, like Viet Nam, we face the challenge of building a new nation from the embers of our brutal history.

Your nation is of course many decades ahead of us. And Viet Nam has made remarkable social and economic progress.

And while the process of Nation building is different for each country, and in each context, we know that there are many lessons that we can learn.

Your history notes that in 1986, the Vietnamese leadership started the 'Doi Moi' approach. Isolated from the world, also in 1986, we initiated a political reform process that allowed us to open the way for the present political system that guides the Democratic Republic of Timor-Leste.

This brings me back to our subject today, Timor-Leste's place in Southeast Asia, and our process of State building.

Ladies and Gentlemen,
Dear Students

Our State building efforts began in late 1999 when our country was under the administration of the United Nations, which helped to establish, from scratch, the institutions of State.

Finally, on 20 May 2002, we became the masters of our fate, and the Democratic

Republic of Timor-Leste was reborn as an independent and sovereign nation.

We became the youngest nation in the world and today remain the youngest in East and Southeast Asia.

This means that our Southeast Asian neighbours have had longer to consolidate their State and build their sovereign nations. Timor-Leste is pleased that the countries of ASEAN empathise with our challenge and stand ready to support us.

It is, however, worth reflecting on the fact that Timor-Leste gained its independence around the same time that our closest neighbour, Indonesia, started their democratic reform. This means that, in many ways, we look to the progress of Indonesia as we work to develop our nation.

Timor-Leste was also fortunate to have the assistance of a large number of generous development partners to support our process of building the new State. But we knew that, in the end, the responsibility for our future rests with the Timorese.

But, while we had achieved our independence, we did not have the apparatus of a State or the human resources that we needed. We also had no experience running a government, no infrastructure and no financial capability.

But our people had high expectations on independence and, after many years of sacrifice and struggle, and rightly deserving to experience a new life and better living conditions, demanding immediate results.

We know that this has been a common challenge for the countries of our region. With independence, and strong population growth, the demands for health care, education, development and government services have created pressures across Southeast Asia. And as I will come to discuss, like many countries in our region, Timor-Leste also, at times, faced disruptions to national unity, a fundamental issue for State building.

And so, in our early years, the challenges we faced were enormous and the expectations so high that we struggled with political and social cohesion. Our challenges were compounded by the fact that our people were, socially and psychologically, extremely exposed to the trauma of the past. In this transition, our society lost focus and confused rights with the duties or obligations that we should continue to have to our homeland.

Timor-Leste became gripped by a cycle of violence, which saw conflict erupt every two years. And then, in 2006, we had a serious political crisis that led to confrontations between the police and the military. There was widespread violence, the burning of neighbourhoods and over 10% of our population became internally displaced. During this period of unrest, which continued into 2007, we feared our country would be torn apart.

Many in the international community started to say that we were becoming a failed State. We were told it would take at least a decade to resolve the problems with our internally displaced people. And through this international commentary, much of which did not reflect the realities of our society, we reinforced our belief that it is only the Timorese that can truly understand our context.

We know that conflict and unrest is commonly experienced by post-war nations around the world, especially in Africa. And closer to home, we know from looking at the Southeast Asian experience that maintaining national unity has been an issue for many countries. Even today, some of the nations of our region continue to address internal concerns. But while we may not have been alone in experiencing internal unrest so soon after achieving independence we were shocked by what was happening to our country.

And that difficult time helped us to realise that we had to come together and conciliate our differences and that we had to reflect on the destructive path our people were taking and begin a dialogue with all Timorese people to address the root causes of our problems.

As a nation, we recognised that we could not build a State without building peace. And this meant that we needed to come to terms with our fragility and, then, address it. And so, we started to pull together and began to honestly deal with our problems.

This is something that only we could do ourselves. We had to accept that, with independence, came responsibility and this meant that we had to let go of old rivalries and conflict and look to a shared future. We had to have a broader understanding of the political angles of every issue, so that we could get through to real solutions and results.

In short, it was essential that we took leadership and ownership of our problems, as well as the solutions.

That was also the time when we really began the process of changing mentalities and behaviours. Through the results of these efforts, we provided an example to the rest of the population, by providing them with a vision of what was possible, if we set our minds positively to the future.

It was only through this process of peace building were we able to deal with the issues facing our country and secure stability and security.

This also meant that we had to embark on a process of our State's institutional reform, with the view to strengthening our public agencies and introducing government programs to address social problems.

Although we started, in 2002, with no money and heavily dependent on donor aid, from 2004, we were fortunate that income had started to flow from oil reserves in the Timor

Sea. We made sure we had systems in place to be able to provide for the urgent needs of today, while protecting income for future generations. We established a Petroleum Fund that has grown from \$1.8 billion in 2007 to over \$13 billion today.

We invested in capacity building in the security sector to improve professionalism in the Police and in the Military, bringing about a new stage of cooperation and solidarity among the two institutions.

We provided pensions to our veterans, the elderly, the disabled, widows and orphans and introduced similar social justice measures for other vulnerable groups such as women, children and the youth.

Together as a nation, we forged peace. It was then that we realised that peace building and State building were two sides of one coin, reinforcing and supporting each other.

Ladies and gentlemen,
Dear Students,

Having established a foundation of peace and security, we were aware that many of our regional neighbours developed national plans to help map strategies for development and launch important reforms. This includes Indonesia, Thailand, Philippines, Malaysia and of course Viet Nam.

In light of this common approach in Southeast Asia, we also realised that the country needed a plan to provide a framework for development, set targets to focus our efforts on delivering for our people and give them hope and certainty for the future.

And so in 2011 we released the *Timor-Leste Strategic Development Plan 2011-2030* that provides a comprehensive framework to transform our country from a low income nation to a country with upper-middle income levels by 2030, with a population that is secure, educated and healthy.

For this future, we are asking our people to demonstrate the same dedication and commitment to building the nation, as they did to the struggle for self determination. Where once we dreamt of independence, we now dream of development.

We have begun to implement our Plan and we are already achieving some outstanding results.

Our progress can be measured in many ways. One way is through economic growth, and Timor-Leste has been growing at an average of 11.9% since 2007 and the International Monetary Fund predicts that this level of growth will continue into the future.

But we also know that growth must be balanced and the benefits shared in an inclusive way. We have adopted local development programs to create jobs and improve living

conditions of the population in the rural areas and are focusing on service delivery in health, power supply, water and sanitation and access to education and to markets. Importantly, we are also beginning a process of decentralisation to bring service delivery closer to the people and to give the responsibility for decision making about local issues to local communities.

We have completed the largest infrastructure project in our people's history, by building a national electricity grid with generation and distribution across the country.

And we are embarking on an infrastructure program to provide a basis for our nation's sustainable economic future, which will include a new national port, a major airport upgrade, a national road network and the extensive development of our south coast to become a sub-regional centre for the petroleum industry.

We are heading in the right direction as a nation and we are building our Nation.

We know that we still face many challenges and that the process of State and nation building is ongoing. But we have a plan and we have the same commitment to developing our nation as we did to freeing it.

Ladies and gentlemen,
Dear Students,

We know, as we continue on the challenging road of developing the country that we do so as a part of Southeast Asia. In fact, being part of the fabric of Southeast Asia also gives us great hope and reason for confidence.

At a time of global economic weakness, Asia continues to make incredible progress. It is home to emerging economies, including China, Indonesia and Viet Nam, which are driving world growth, lifting millions from poverty and shifting international economic and strategic weight to our region. And Southeast Asia is a central part of this remarkable Asian transformation.

Improved governance, investment in human and physical development, along with its access to foreign and domestic capital, has helped power this incredible rise of Asia. One only has to look at the remarkable economic progress of Viet Nam, since the 1990s, to get a sense of the possibilities that are before us.

In Timor-Leste, we view our State and nation building mission in the context of the growth and promise of Southeast Asia.

With the future of our country connected to Southeast Asia, we are also, however, aware of the challenges our region faces and we know that its future depends on stable, friendly and positive international relations.

We are concerned about growing regional strategic tensions, many of which are fuelled by a number of complex competing territorial claims. These tensions are rising, at the same time as the region's growing prosperity allows nations to modernise and expand their defence forces.

Last May, at the Shangrila Dialogue on Defence in Singapore, His Excellency the Prime Minister of Viet Nam, in his speech called for the need for Strategic Trust between States and the world decision-makers, because only Trust can dissipate suspicion, misunderstandings and minimise tensions through dialogue.

In Timor-Leste, we look to international leaders to handle our regional tensions in good faith and in the best interests of our common security and prosperity.

We believe that Timor-Leste, in at least a small way, has shown the benefits of pursuing reconciliation and moving on from past conflict. Our nation now enjoys the friendliest of relationships with Indonesia. Rather than being enslaved by the trauma of our history, we are instead honouring our struggle by working towards a better future for our people. We know that Indonesia and Timor-Leste not only share an island, we share a future.

In August 2005, from Viet Nam I travelled to Bali where I met with the President of Indonesia and as part of the Reconciliation process, we agreed on the establishment of a Commission on Truth and Friendship to deal with all the atrocities committed during the war, and to finally put an end to the tragic past between our two nations.

Now, as many of you may know, Timor-Leste has also made an application to join ASEAN. ASEAN has been a global success story in establishing a region of peace, cooperation and development. ASEAN provides a model, and an aspiration, for so many regions of the world.

As Timor-Leste is part of Southeast Asia, we also want to be part of ASEAN and, together, contribute to regional growth, social progress and cultural development in a spirit of partnership. We feel like an integral part of our neighbourhood and have a strong regional sense and solidarity with our Southeast Asian friends – we are one of you.

We also know we must work together on regional issues, including the management of cross border security threats and cooperate on humanitarian assistance, disaster relief and environmental management. This includes the tackling of climate change which is seeing nations like the Republic of Kiribati, the Marshall Islands and Tuvalu slowly sinking into the vastness of the ocean.

Timor-Leste knows very well that our State building effort depends on our regional integration. To cite but one example of this, Timor-Leste continues to rely on Viet Nam to provide rice to ensure our food security.

Also in 2005, during my State visit to your country, I had the opportunity to visit the Institute of Agriculture and was impressed with its programs. We are trying to be self-sufficient in agriculture and with this visit, we will explore the opportunities to learn from the expertise and experience of our Vietnamese brothers and sisters.

Ladies and gentlemen,
Dear students,

As a small nation, subject to world economic, trade and political developments, and committed to being a responsible member of the international community, Timor-Leste's process of State building also includes increasing our engagement beyond our region and across the globe.

Timor-Leste also wants to address the problems with development assistance and international engagement in fragile and developing countries. We have seen so much money being spent for so few outcomes in the name of international aid.

As a small nation, Timor-Leste cannot do this alone. We need to build international solidarity among the Least Developed Countries to make sure that our interests are represented and our voices are heard. If we are not united, individually we will simply be too vulnerable to complex systems and entrenched attitudes that put the lives of our people last.

This is why a new paradigm is imperative. The Global Financial Crisis has brought into focus that the international banking system acts in its own self-interest and nothing more. Financial laws are so susceptible to speculation and manipulation and we have lost trust in this system while at the same time being subject to it.

We need international political and financial policies to put people first, before greed and profit and self-interest, so that we do not increase human misery and isolation.

An important part of this approach is working with the g7+, which is an innovative new collaboration between 18 fragile States.

The group was formed in 2010 to provide a united voice for fragile countries and to advocate for change in global development policies. The g7+ knows, from bitter experience that without peace and stability there can be no development. Not one fragile or conflict affected nation has achieved even one Millennium Development Goal.

This means that it will not be possible to eradicate poverty in the world, without first addressing the issues of fragile and conflict affected countries. That is why the g7+ nations have worked together to ensure that the post-2015 development agenda addresses the need for peace and stability.

This message was repeated loudly and clearly, when the 'g7+' nations, and some of our neighbours from Asia and the Pacific Islands met in Dili in February of this year, at an

international conference, hosted by my Government with the theme “Development for All”. The Conference agreed on the “Dili Consensus”, which set out our priorities, and hopes, for the post-2015 development agenda.

The Dili Consensus recognised that the standard approaches to development have failed and acknowledged that the challenges we face vary depending upon local context. That means the problems and solutions to achieving human development will differ from a Southeast Asian nation, compared to one of the Pacific island nations and that it will not be possible to eradicate poverty in the Asia Pacific, and across the world, without first addressing the issue of fragility while ending the very expensive apparatus of war that provokes instability, exclusion, hunger and deaths in many places of the world.

The nations of the world will meet at a special session of the United Nations on September 25 to agree on a new set of sustainable development goals. Timor-Leste is proud of our Finance Minister, Emilia Pires, who was a member of the High Level Panel that advised the United Nations Secretary General on this agenda.

In April this year, Timor-Leste was honoured to take over the Chair of the 69th session of the United Nations Economic and Social Commission for the Asia Pacific. And so I have the privilege to Chair this session over the next year and work with ESCAP, and the nations of the Asia Pacific, to make further progress and improve human development.

In this session the challenges that the Asia-Pacific countries face were fundamentally debated with the aim of having a better integration of plans and actions at the regional and sub-regional levels to minimise the imbalance and provide better connectivity to break the isolation of some countries.

In this context, we are pleased that Viettel is now operating in our country.

Ladies and gentlemen,
Dear Students,

In May, we celebrated eleven years of independence and have made great progress in State and nation building. I do not mean to suggest, however, that there is one model that can be adopted to achieve success.

All nations must chart their own course recognising their own context, history and realities. Viet Nam, with its proud history fighting for independence and remarkable economic progress, also provides the world with a model of national progress.

Viet Nam National University has made an invaluable contribution to this progress which has seen a nation of over 90 million people diversify its economy, achieve sustained economic growth and significantly reduce poverty.

I am sure that Viet Nam National University will continue to be called upon to help seize the opportunities of your nation as Viet Nam grows to become a regional economic powerhouse and one of the large economies of the world.

Thank you again for coming today and for listening to the progress of the Timor-Leste State and Nation building process in the context of our region of Southeast Asia.

I hope today sparked your interest in Timor-Leste and encourages you to visit our beautiful country.

Thank you very much.

3rd September 2013
Kay Rala Xanana Gusmão