



PRESIDENCY OF THE COUNCIL OF MINISTERS

EIGHT CONSTITUTIONAL GOVERNMENT



Speech by Minister Fidelis Leite Magalhaes, MPCM

To be delivered for the closing of the CNE Conference “Evolution of Democracy in Timor-Leste”,
16:15-17:00, 12 August 2021

Excellencies,

I am very pleased to be here with the President of the CNE, Dr. Alcino de Araujo, former Prime Minister Mr Mari Alkatiri, our Former President and Nobel Peace Laureate Dr. José Ramos-Horta, and the Bishop of Baucau.

In a short time, under the most trying of circumstances, we have built a strong democratic foundation for our young nation. It’s timely to look at the question of democracy after 20 years of independence. In this short time we have achieved tremendous gains in democratization. Since 2001, we have held open, fair and genuine presidential and legislative multiparty elections periodically meeting international standards of integrity and resulting in improvements in democratization and peaceful transfers of power between governments. We have not only achieved these fundamental elements of a democracy, the democratic system has become socially accepted and adequately ingrained in the people and therefore democratic institutions are stable. Our democracy has real and a substantive political participation where the populace and a rich and diverse civil society enjoy freedom of expression within a framework safeguarding political rights and civil liberties. Our democracy has prevented political repression and abuses of human rights against our own citizens. Presently, there are no political prisoners or persons unjustly imprisoned due to political motives. Association rights are protected. Many robust and credible civil society organizations exist (i.e. about 700 local and international NGOs as of 2019) and carry out their advocacy work independently without government interference. A free press has also been an essential part of our democratic process with a clear and independent media voice. No journalists have ever been jailed or killed. This substantial progress in democratization has been registered in our sharply increasing ratings by the Bertelsmann Transformation Index with its measurement of the state of Political Transformation and the Democracy Status, as well as by others like Freedom House, and the Civil Society Organization Sustainability Index. Gains have also been made in the quality of governance; for example we are a world leader in transparency related to revenues from extractive industries, having met the Extractive Industries Transparency Initiative EITI standard in full in 2018. That means there is substantial accountability and oversight with parliament and civil society engagement in the revenue management of Petroleum Fund, in how it is transferred to the state





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budget and spent, establishing effective governance of the sector. We should all be proud of our democratic achievements. 20 years' worth of change means we have also moved up in terms of human development. Based on HDI assessments Timor-Leste and its young population have been able to reach medium human development. The core question is if democratic development is linked to this progress.

Timor-Leste is projected to achieve large human development gains and a high human development index of 0.90 by 2048, a level that is enjoyed by the 10 countries with the highest human development scores today. All of this would be possible through a scenario of major multipurpose investments and better policies in health, education and the economy. And none of that development would be possible without strengthening our democratic governance. Recent and well respected and cited studies argue that it is expected that democracies prove to be important for prosperity. When looking at recent patterns of growth, the findings of Harvard University professor Pippa Norris illustrate that democracies from 1984 to 2007 experienced the highest annual rates of per capita growth compared to non-democracies, and most critically they provide the underlying conditions most conducive for better, stable and sustained growth¹. Of course, it is also recognized that there are many factors involved beyond regime type and that causality can go from rising incomes to growing democratization. But, considerable evidence supports the argument that regime types matter. Suffice it to say that democratic promotion can in fact have real improvements in wellbeing and development.

Therefore, this event today has been vital to highlight the principle that promoting democracy should not be on the sidelines of Timor-Leste's policy and nation building efforts and that democracy on its own has many advantages. Democracy represents the will of the people and that is a benefit in itself, and through strict democratic voice and accountability you can get policy outcomes and policy outputs and good services to respond to people's demands. It avoids human catastrophes—to recall Amartya Sen's argument that you don't get famines in democracies. You don't get human horrors like genocide. Also, democracies provide more stability and therefore more peace. With those conditions we have the momentum for new growth-led, sustainable, and inclusive development policies.

We widely accept the value of democratic governance for our freedoms and rights. We all recognize the urgent need to continue this process of strengthening our democracy. We've had a democracy

¹ Norris, P. (2012). *Making Democratic Governance Work: How Regimes Shape Prosperity, Welfare, and Peace*. Cambridge: Cambridge University Press.





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that's worked but we haven't yet achieved an effective and efficient public policy process that depends on the capacity of the public sector to manage and respond to citizens' demands and to deliver good services--which is absolutely essential for effective development and in order to achieve our development goals. Empirical evidence suggests that countries combining the institutional features of liberal democracy with those strengthening state capacity provide the most viable conditions for state effectiveness and thus contribute more to sustainable progress in human development. So where the key challenge is to build up public administration and good public services to improve the welfare of our citizens, to protect human rights and freedoms, and to stimulate sustainable and equitable economic growth, international agencies alongside government programs should also support the professionalization of public service, state budgeting, and the general management in the public sector.

This conference discussed many essential points about the way peace, development and international politics are interdependent and how they can affect the process of democratization and governance.

Plenary 1 showed how civil society organizations and citizen participation devoted growing resources and efforts that prepared the country to be independent, free, and democratic. By examining Timor-Leste's emergence as an independent state, with democratic constitutional arrangements, we can observe how essential it was for such a process to start with building inclusive negotiations and settlements with the main stakeholders in our society. Our experience cultivated the values for separated powers and strong checks and balances to achieve democratic rule. As a consequence, our political system today enables a multiparty parliament, a coalition government, a prime ministerial executive, power-sharing agreements, and strong and supportive conditions for stability. As for the special role of the church and the Christian faith of Timorese, and its relationship with nationhood and the democratic experience, it's possible to discern how particular rituals, activities, and ethics can work to reveal the centrality of sacrifice, forgiveness, the advocacy for the marginalized and oppressed, and the denunciation of violence, how they can support building bonds in the community, and how it exists as a relevant foundational element in our society. This plenary also touched upon the most widely accepted idea of holding competitive democratic elections as a basis for peace and stability. I would only further emphasize that other mechanisms too such as political accountability, a system of checks and balances, and a democratic political culture need to be adequately consolidated for a stronger development experience. In today's particularly challenging circumstances, our democratic values are important, but these need to be coupled with practical steps towards strengthening our liberal democratic institutions and public sector governance. If we reflect on our current predicament, democracy has allowed us to reduce conflict,





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to build and retain a sense of community, and to mount a rapid response, from scratch, to attempt to overcome the world's most devastating threat--the coronavirus pandemic.

Plenary 2 covered a theme that is important to frame as one of the most beneficial consequences of democracy that follows from international relations, in particular from strengthening Timor-Leste's integration into the world system. I believe this session speaks directly to the well-known proposition and observable condition that democratic states have never or rarely, fought each other. This would suggest that as long as we continue to maintain and strengthen democratic standards and processes that meet international criteria, we will be less vulnerable to exogenous and endogenous threats. Lastly, the insights from this plenary can be used to view how global politics or globalization likely affect a democratic state, noting that such processes more often than not bind and nudge the state to accepted international norms and that violation of such standards carries risks of an international response.

This conference should also cement our commitment to democracy in the future.

The main point is that we cannot take our strong democratic institutions for granted. Democracy, everywhere, is fragile and threatened. The pandemic has been a moment of truth, revealing chaotic experiences and fragilities with democracy. By the end of last year, roughly 75% of the world population lived in a country that faced a democratic deterioration according to the 2021 Freedom House global report "Democracy Under Siege". Covid-19 triggered a decline in the functioning of government, the use of the crisis as cover for executive abuse of power and violations of democratic practices, a securitization of the pandemic response and unchecked restrictions of freedom. In the Asia Pacific alone, an estimated 94% of the population (3.9 billion) lives in countries not considered to be entirely "free", as assessed by Freedom House.

However, the pandemic also exposed others not only as able to withstand democratic regime failures but as able to emerge as healthier democracies and for the most part pandemic-resistant. We tend to distinguish New Zealand and South Korea as standing out with a noteworthy pandemic response (i.e., ranked at the top of Bloomberg's Covid Resilience Ranking), but it has certainly been the case too for Timor-Leste, which stands in stark contrast, as the world's first newest nation-state in the 21st century, a much smaller country with very few financial resources, not to mention Asia's youngest democracy.

Contrasting the health impact on the lives of people in the rest of world, Timor-Leste was throughout 2020 a zero COVID country. To appreciate this, in fact, it held the world's lowest death rate: 0. However, community spread began sometime in late 2020 or early 2021 and our first death





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occurred in April. As of early August COVID had taken 28 of our citizens. While behind these figures are personal tragedies, we also must understand that matters could have been much worse, and that our death toll, by and large, remains low. I believe we responded appropriately. We implemented a wide range of social safety nets to protect our most vulnerable and the strength of the pandemic response was not in the blatant strictness of its measures (the stringency of the government's response as measured by Oxford's Covid-19 Tracker scored 34 points on average, way below the world's average which stood at 56). What has become clear is that our effective action had a crucial dimension of democratic leadership and rule of law and that behind this outcome are democratic rules of the game that have shaped the public sector response.

In a Covid-19 world that shows growing signs of democratic fragility, Timor-Leste's experience is of vital significance for the standing and renewal of democracy, as much as it suggests how a democracy with finite resources and complex challenges can deliver a response. Indeed, there isn't a single country in the South East Asian economic sphere that decisively depended on the strength, durability, and resilience of democracy to contain the pandemic the way Timor-Leste did. If there is a lesson to be drawn there are specific strengths and practices of statecraft within a democratic republic that can be ushered in with cleverness to produce decisive actions in times of crisis. It should attract our attention how Timor-Leste with its particularly new state and young democracy was able to respond early and swiftly. After all, a post-covid world will inevitably be struck by more and even worse catastrophes in the future and we cannot ignore the role played by democratic leadership and governance.

This conference should serve as a reminder to all of us to protect and nurture our democracy. A consequence of this should be our renewed support for continued power-sharing through stable democratic institutions, rule of law, accountability, defense of fundamental rights and freedoms, and inclusive governance, to be strengthened by the conservation and respect for the constitution.

Thank you.

