Accepting Timor Leste as an ASEAN member: an act of compassion or a geopolitical necessity?

Aceitação do Timor Leste como membro da ASEAN: um ato de compaixão ou uma necessidade geopolítica?

Aceptar a Timor Oriental como miembro de la ASEAN: ¿un acto de compasión o una necesidad geopolítica?

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ABSTRACT
Timor Leste has been accepted “in principle” as the 11th ASEAN country in 2022, after 11 years of waiting. The 11-year delay is said to be due to skepticism from some Southeast Asian countries, which consider Timor-Leste an “uncertain situation”. Many domestic issues, influenced by the international context, have added to this situation. These include concerns about the consolidation of democratic state institutions in Timor-Leste, as well as the prospects for its short-term economy and internal security. Existing solely on the decline of the Petroleum Fund, which is expected to disappear within a decade, the country risks falling into a budget abyss. As the smallest economy in the entire Southeast Asia region, with the second lowest GDP per capita and high poverty and unemployment rates, Timor Leste has a long way to go to catch up with the remaining members of ASEAN. Despite these economic shortcomings, ASEAN still decided to accept Timor Leste as a new member. This article aims to explain Timor-Leste's credibility in meeting the political, economic and socio-cultural security criteria of the ASEAN pillars. It tries to explain why ASEAN accepted Timor-Leste. Using qualitative methods, the article shows that ASEAN member states have a real incentive to help Timor catch up with other members to avoid its economic collapse. However, the growing geopolitical rivalry between China and the US in the region is perhaps the best explanation for ASEAN's eventual desire to accept Timor Leste's membership application.

Keywords: Timor Leste, ASEAN membership, geo-political rivalry.
RESUMO
Timor-Leste foi aceito "em princípio" como o 11º país da ASEAN em 2022, após 11 anos de espera. O atraso de 11 anos é atribuído ao ceticismo de alguns países do Sudeste Asiático, que consideram Timor-Leste uma "situación incerta". Muitas questões domésticas, influenciadas pelo contexto internacional, contribuíram para essa situação. Estas incluem preocupações com a consolidação das instituições democráticas do estado em Timor-Leste, bem como as perspectivas para sua economia de curto prazo e segurança interna. Dependendo exclusivamente do declínio do Fundo Petrolífero, que se espera desaparecer dentro de uma década, o país corre o risco de cair em um abismo orçamentário. Como a menor economia de toda a região do Sudeste Asiático, com o segundo menor PIB per capita e altas taxas de pobreza e desemprego, Timor-Leste tem um longo caminho a percorrer para alcançar os outros membros da ASEAN. Apesar dessas deficiências econômicas, a ASEAN ainda decidiu aceitar Timor-Leste como novo membro. Este artigo tem como objetivo explicar a credibilidade de Timor-Leste em atender aos critérios de segurança política, econômica e sociocultural dos pilares da ASEAN. Tenta explicar por que a ASEAN aceitou Timor-Leste. Usando métodos qualitativos, o artigo mostra que os estados membros da ASEAN têm um incentivo real para ajudar Timor a alcançar os outros membros e evitar seu colapso econômico. No entanto, a crescente rivalidade geopolítica entre China e EUA na região é talvez a melhor explicação para o desejo eventual da ASEAN de aceitar a aplicação de adesão de Timor-Leste.

Palavras-chave: Timor-Leste, adesão à ASEAN, rivalidade geopolítica.

RESUMEN
Timor Oriental fue aceptado "en principio" como el 11º país de la ASEAN en 2022, después de 11 años de espera. El retraso de 11 años se atribuye al escepticismo de algunos países del sudeste asiático, que consideran a Timor Oriental una "situación incierta". Muchas cuestiones domésticas, influenciadas por el contexto internacional, han contribuido a esta situación. Estas incluyen preocupaciones sobre la consolidación de las instituciones estatales democráticas en Timor Oriental, así como las perspectivas para su economía a corto plazo y seguridad interna. Dependiendo exclusivamente del declive del Fondo Petrolero, que se espera desaparecer en una década, el país corre el riesgo de caer en un abismo presupuestario. Como la economía más pequeña de toda la región del sudeste asiático, con el segundo PIB per cápita más bajo y altas tasas de pobreza y desempleo, Timor Oriental tiene un largo camino por recorrer para alcanzar a los demás miembros de la ASEAN. A pesar de estas deficiencias económicas, la ASEAN aún decidió aceptar a Timor Oriental como nuevo miembro. Este artículo tiene como objetivo explicar la credibilidad de Timor Oriental para cumplir con los criterios de seguridad política, econômica y sociocultural de los pilares de la ASEAN. Intenta explicar por qué la ASEAN aceptó a Timor Oriental. Utilizando métodos cualitativos, el artículo muestra que los estados miembros de la ASEAN tienen un incentivo real para ayudar a Timor a ponerse al día con los demás miembros y evitar su colapso económico. Sin embargo, la creciente rivalidad geopolítica entre China y Estados Unidos en la región es quizás la mejor explicación para el deseo eventual de la ASEAN de aceptar la solicitud de membresía de Timor Oriental.

Palabras clave: Timor Oriental, membresía en la ASEAN, rivalidad geopolítica.
1 INTRODUCTION

The ASEAN decision in 2022, coinciding with the convening of the 40th and 41st ASEAN Summits in Cambodia, encompassed the following agreements: (1) the recognition of Timor-Leste as the 11th member of ASEAN, in-principle; (2) the granting of observer status to Timor-Leste, allowing its participation in all ASEAN meetings, including the Summit; (3) the formal adoption of a Roadmap based on objective criteria for achieving Timor-Leste's full membership, including milestones identified in the Fact-Finding Mission report conducted by three ASEAN Communities, and the assignment of the ASEAN Coordinating Council (ACC) to develop a work plan and submit it for approval at the 42nd ASEAN Summit; and (4) All ASEAN Member States and external partners are expected to provide full support to Timor-Leste in achieving its historical milestones, including by providing capacity-building assistance and other relevant support necessary for Timor-Leste's full membership in ASEAN, which is now being questioned.

Indeed, after 11 years of submitting their membership proposal to ASEAN, the bloc has finally responded seriously to this request. Timor-Leste itself has been promised this position on certain conditions; they must fulfill the ASEAN roadmap that has previously been approved by the official members at the 42nd ASEAN Summit in Labuan Bajo, particularly focusing on the development of the three main pillars: security politics, economy, and socio-cultural aspects.

Indonesia, as the closest neighboring country and a former one, extended its hand to assist its neighboring country in fulfilling the required stages, including providing training to Timor-Leste's civil servants in Indonesia. It is widely known among Southeast Asian communities that Indonesia is the only country that has strongly supported Timor-Leste's inclusion in ASEAN since its application.

On the other hand, the 11-year delay was attributed to skepticism from several Southeast Asian countries that considered Timor-Leste as a "state of uncertainty." There are still numerous domestic issues stemming from the international context that have contributed to this situation, especially the potential repercussions for the consolidation of democratic state institutions in Timor-Leste, along with the near-term economic outlook and internal security, could be impacted by the occurrence of a constitutional crisis in 2018 (Rebecca, 2018).
Singapore is the country that has been the most vocal in expressing its disagreement with granting Timor-Leste permanent membership status. They have the responsibility for the economic pillar, which is one of the primary driving forces of ASEAN. Within this pillar, productivity factors are believed to depend on the skills and expertise of a country's human resources. As the youngest member of ASEAN, Timor-Leste's lag in the human resources sector is inevitable. According to the Timor-Leste Development Program Progress Report 2021-22 conducted by the Australian Government, they state that the Human Capital Index of Timor-Leste, at 0.45, is notably lower than the average in the East Asia and Pacific region (0.59) and falls below the average for countries with similar income levels in the region (0.50).

Subsequently, what led to Singapore changing its stance? How capable is Timor-Leste in relation to other key pillars? Does ASEAN truly perceive Timor-Leste as a qualified nation, or is it merely based on sympathy for the 11-year wait that has left the country desperate? This article will learn about Timor-Leste's eligibility to become a part of ASEAN.

2 LITERATURE REVIEW

Stated in The Declaration of ASEAN Concord II or commonly known as Bali Concord II, “To ensure lasting peace, stability, and shared prosperity in the region, an ASEAN Community will be established, consisting of three interrelated and mutually reinforcing pillars: political and security cooperation, economic cooperation, and socio-cultural cooperation.”

2.1 POLITICAL-SECURITY

The establishment of the ASEAN Political-Security Community is closely linked to the efforts made by ASEAN in order to achieve its political and security objectives, the APSC has established six forums for participation, including the foreign, defense, and law ministries of ASEAN member states and other ASEAN partners. On which, one of the forum under the APSC is the ASEAN Regional Forum (ARF). The establishment of APSC originated from Indonesia's proposal to establish an ASEAN Security Community (Irawan, 2018). Which purpose is to function as a consultative platform for defense and security matters, building confidence and promoting preventive diplomacy. Both the ARF
and APSC have faced challenges in territorial disputes (Son, 2011). APSC represents the institutionalization of political and security efforts at the international level, primarily involving the ten ASEAN states and other important partners of ASEAN in the Asia-Pacific region, including Australia, China, Japan, and the United States.

2.2 ECONOMY

The economic integration journey began in 1992, with the creation of the ASEAN Free Trade Area (AFTA). Its primary objective was to streamline trade, which served as an important cornerstone for subsequent advancements in Southeast Asia’s regional economic collaboration. Followed by further agreements that came into existence, in 1995, the ASEAN Framework Agreement on Services (AFAS) was unveiled, followed with the implementation of the ASEAN Investment Area (AIA) agreement in 1998. A pivotal moment in 2003 was when ASEAN member states jointly agreed to forge the ASEAN Economic Community (AEC). The AEC has a mission to forge a unified market and production base by not only liberalizing the trade of goods and services but also facilitating foreign investments, labor mobility, and capital flows within the region, as described by Siow (2013). The assessment of a country's development indicators can be found through three theories: EGOIN, Triple C, and S-Curve. Together, these theories form what is commonly known as the Trinity Development Theory (Lim, 2005).

To start, the EGOIN Theory presents an analysis of shared determinants. E denotes entrepreneurship, G represents governance, O the ordinary labour or workforce or the ordinary human capital, I for investment, and N means the availability of natural resources. The EGOIN theory focused on factors centered around the human element when assessing a country's development.

The Triple C, the second theory, suggests that growth and decline or anti-growth can spread from one place to another. This happens when products, services, and knowledge move from one area to another, which could occur between or within countries if they are connected. The Triple C theory has three parts: local, regional, and global.

The final theory, the S Curve hypothesis, classifies the global economy into three main types for analysis. First the “turtle” meaning countries with low per capita income, minimal savings and investment rates, low levels of entrepreneurship and government support (EGOIN), and slow growth rates. “Turtle” nations find themselves stuck in a cycle of poverty with difficulties progressing. Second category, known as the "horse," are
countries with high savings and investment levels, rapid growth rates, and reasonably solid EGOIN indicators, though they may still face some challenges in specific sectors. The third, called the "elephant," includes countries that have high per capita incomes, low savings rates, low investment rates, strong indicators in EGOIN, and usually an aging population demographic (Lim, 2005).

2.3 SOCIO-CULTURAL

The ASEAN Socio-Cultural Community (ASCC) aims to contribute to the establishment of an ASEAN Community that prioritizes the well-being and social responsibility of its people. It seeks to foster lasting solidarity and unity among the nations and individuals of ASEAN by promoting a shared identity and creating a compassionate and inclusive society. The ASCC endeavors to enhance the overall welfare, livelihoods, and quality of life for the people of ASEAN (Amador, 2011). ASEAN community emphasizes three important factors, namely sustainability, resilience, and inclusivity, as the approach to effectively materialize the vision of a 'people-centric' society. The rise in development has had an impact on poverty levels, particularly in rural areas. ASEAN governments are prioritizing agriculture as a central focus in their plans to address poverty eradication. (Fujico and Louis, 2018).

3 RESEARCH METHODS

This method employs a qualitative approach that aims to offering a comprehensive perspective, elucidating, and providing an analysis of the gathered data or information and elaborated using descriptive sentences afterwards. The approach employed involves the comparative method, a research problem formulation that compares the existence of one or more variables in two or more different samples, or at different points in time (Kasno, 2014). This method will be utilized to compare the data of Timor-Leste with the data of several ASEAN member countries, in order to determine whether it indicates the underdevelopment of the former Portuguese colony or potentially reveals otherwise.

The data collection process is conducted utilizing the method used by Christopher Lamont (2015), namely Internet-Based Research, which involves collecting data from the internet to access journals, national and international media, as well as official websites of organizations and government agencies. This approach is utilized to obtain data such
as official interview transcripts, document archives, and other data that may not be published in book form, relying on secondary data.

The data management process is conducted using the method proposed by Miles and Huberman (1992), which includes the following steps:

a) Data reduction: The collected data is sorted, summarized, selected, and focused on the specific topics that have been chosen. During this stage, the writer will filter the data and abstract existing notes;

b) Data presentation: The reduced data is then presented in a way that provides an overview for the final stage; and

c) Drawing conclusions: After the data has been presented and depicted, the writer can draw conclusions or findings based on the research questions that were formulated earlier.

4 DISCUSSION

In this section, I will discuss the development of Timor-Leste in the pillars that have been outlined in the previous conceptual framework.

4.1 POLITICAL-SECURITY

Washington and Beijing have strategically focused their efforts in recent years to secure influence in the Southeast Asian region, recognizing its pivotal role in shaping the geopolitical landscape of the Indo-Pacific. Historically, Southeast Asia has held immense significance within the global trading system due to its strategic geography and abundant natural resources. This historical context has offered both advantages and challenges for the future political and trade stability of the region. As previously explained, recurring challenges faced by the ASEAN Political-Security Community (APSC) pertains to territorial disputes which tend to occur primarily among countries that share direct or neighboring borders. After the countries in Southeast Asia achieved independence following the Second World War, the previous boundaries set by colonial administrations were established as the new international borders. However, this transition also brought forth numerous territorial disputes, some of which were only uncovered years later. The colonial-era boundaries were often ambiguous, poorly demarcated, or even undefined
This paper will present at least two cases of territorial disputes involving Timor-Leste, with both of its neighboring countries, Indonesia and Australia.

4.2 U.S. VS CHINA INFLUENCE

The region of Southeast Asia has served as a nexus for trade, drawing the interests of various civilizations over the centuries. The initial impetus for trade in Southeast Asia was fueled by Indian, Chinese, and Arab merchants who sought to tap into its wealth of spices and other valuable goods. As the spice trade flourished, it also beckoned European powers to its shores. European and subsequently Western interests began to penetrate Southeast Asia, gradually evolving from commercial engagement to territorial annexation. Traders sought to extend control over these territories to safeguard and expand their economic activities.

With the establishment of Dutch presence in Indonesia, the British in the Malay Peninsula and parts of Borneo, the French in Indochina, the Portuguese in Timor as well as the Spanish and later the United States in the Philippines. This history of imperial expansions had economic consequences, transforming the region’s role as a producer of raw commodities. Western foreign powers influenced the region's economies, altered the patterns of production and trade that continue to shape the region to this day (Jörg, 2016).

While on the other hand, the influences of China in the region of Southeast Asia can be traced back to its diaspora of overseas Chinese communities, which has been an important factor in the economic development of Southeast Asian nations. The history of Chinese influence stretches back as early as the 8th century when Chinese traders and migrants, mostly from the regions of southern China, notably Fujian, Guangdong and Hainan settled in various parts of Southeast Asia, mainly the islands of Indonesia and East Timor, the Malay Peninsula and the coasts of Borneo, Thailand, and other coastal areas in the region. Followed by a significant rise in Chinese influence and diaspora population in occurrence with the decline of the Qing Dynasty in the early 20th century and the Communist Revolution in 1949. Causing a wave of Chinese refugees fleeing their homeland, seeking economic opportunities and seeking refuge in Southeast Asia and further deepening China's cultural and economic ties with the region. This historical backdrop underscores the multifaceted nature of Southeast Asia's development, influenced by a confluence of global economic forces, regional dynamics, and historical legacies (Weidenbaum, 1996).
The United States extends access to robust trade partnerships and business networks, primarily comprising American and Western European enterprises. These collaborations present Southeast Asian nations with opportunities to tap into global markets, foster economic growth, and fortify international trade ties. Moreover, it provides economic support through grants and financial aid initiatives. These programs encompass political, democratization and educational investments. In addition, the United States offers military and security assurances to select Southeast Asian countries, especially those grappling with direct tensions in the South China Sea (Kerry, 2012), these security guarantees hold significant value, serving as means to balance against China's assertive actions in the area.

Conversely, ever since its economic reforms, China has consistently ranked as the primary or secondary import and export partner for Southeast Asian nations. This proximity to China not only fosters economic cooperation but also aligns with a vision where China is poised to ascend as the world's largest economy within the next decade. China actively allocates funds and loans for critical infrastructure development, facilitates the exchange of scientific and technological advancements, and promotes industry collaborations, often with terms that are more accessible for smaller nations to meet. As a result, government-owned Chinese enterprises have initiated transformations in the economic and political landscapes of Southeast Asian countries, marking a noteworthy shift by China's expanding influence (UNESCAP, 2019). By forging closer ties with China, these countries not only gain access to a geographically closer economic partner but also to harness the potential of a rapidly evolving economic landscape.

In the case of East Timor, since its establishment in 1999, it has received assistance from various corners of the international community aimed at stabilizing the nation. However, even with international support, East Timor continues to grapple with ongoing stability challenges.

In 1999, USAID initiated its support for the advancement of robust democratic electoral and political systems in Timor-Leste. Over the period spanning from 2001 to 2008, USAID allocated financial assistance, which amounted to over US$2 million for the International Foundation for Electoral Systems (IFES), over US$3.6 million for the International Republican Institute (IRI), and over US$3.7 million for the National Democratic Institute (NDI). These funds were directed towards specific endeavors, with IFES focusing on the enhancement of electoral frameworks and processes, IRI dedicated to the development of political parties, and NDI committed to bolstering citizen
participation and local governance (USAID, 2008). USAID's democracy assistance proved instrumental in advancing Timor-Leste's democracy ranking, positioning it at 44th place in 2022, which is ten positions higher than Indonesia and always ranking higher within the last 10 plus years. However, it is worth noting that despite these democratic gains, this assistance has not effectively supported Timor-Leste's economic development.

China's approach to East Timor involves providing grants and loans for pragmatic and tangible developments, leading to East Timor forging closer ties with China. Since East Timor's inception as an independent nation, China has funded key infrastructure projects, including the construction of Dili's Presidential Palace, the Ministry of Foreign Affairs, and the Defense Force's headquarters. Back in 2003, Beijing entered into a deal with the Community of Portuguese Language Countries, which includes East Timor among its members, boosting trade and foster economic growth among its member nations with China. This growing partnership also encompasses heightened military cooperation, highlighted by East Timor's acquisition in 2008, of a pair of Shanghai-Class patrol boats. in addition also constructing a new East Timor military headquarters worth around US$9 million.

A notably substantial project was the construction of two heavy oil power plants in October 2008. Furthermore, the inauguration of East Timor's first toll road, the Suai-Beaco Highway project, in January 2016 was particularly relevant for Timor-Leste's planned oil city in the southern region. The latest groundbreaking achievement in Timor is the completion of the Tibar Bay Port (World Maritime News, 2019), a significant transport and trade hub constructed by China. This port serves as a pivotal link, facilitating transport and trade in the region.

Nevertheless, these extensive engagement has been marred by concerns of limited transparency, environmental impact, and allegations of undue Chinese influence over Timorese leadership. These concerns have particularly troubled Western factions, notably the United States and East Timor’s neighbour Australia, where Ramos-Horta's remarks in 2022 go even further by issuing a clear warning that Timor-Leste intends to seek Chinese investment to advance what he characterized as a "national strategic objective endorsed by a broad spectrum of Timorese political leaders."

As Southeast Asia emerges as a key player in future global economies, the island nations of Southeast Asia are poised to assume vital roles in regional security and trade. Indonesia, in particular, looms large in this context, being the largest country in the region in terms of population, territory, and GDP. Where crucially, Indonesia and ASEAN have
maintained a policy of neutrality, especially in the face of regional military tensions and trade disputes as well as the ongoing rivalry between the United States and China. This neutral stance has contributed to regional stability, economic growth, and cooperative engagement, ensuring that Southeast Asia retains its pivotal role in the ever-evolving global arena.

ASEAN's existence as an organization not only provides a vital platform for negotiation among its member countries but also plays a crucial role in upholding their collective neutrality. This neutrality not only helps diminish perceptions of regional hegemons among its militarily, populationally, and economically more substantial members like Thailand, Vietnam, and Indonesia but also ensures that the organization acts as a neutral intermediary in the Indo-Pacific region. Simultaneously, ASEAN offers smaller member countries, including Laos, Cambodia, and, in this context, East Timor, a significant advantage by providing them with a structured power base to engage with international partners. In addition the approach of Institutional Hedging allows for the preservation of strategic ambiguity (Koga, 2018), which, in turn, helps mitigate or prevent the risks and uncertainties associated with negative strategic outcomes that might result from solely pursuing institutional balancing or bandwagoning strategies.

During a presentation at the CSIS in Washington in 2013, Marty Natalegwa, the former Indonesian Foreign Minister, articulated the importance of establishing an "Indo-Pacific Treaty of Friendship and Cooperation." This initiative aimed to foster ongoing discussions surrounding the opportunities and obstacles associated with forging a treaty among the prominent nations in the Indo-Pacific region. The concept behind this proposed treaty represents a significant endeavor to harmonize a diverse assembly of powers within the Indo-Pacific region (Sukma, 2013). It draws inspiration from the Treaty of Amity and Cooperation in Southeast Asia (TAC), initially established by ASEAN in 1976. A treaty that was designed to foster peaceful relations and promote collaboration among nations in Southeast Asia. Importantly, through an Amendment on 15 December 1987, the TAC adopted a more diplomatically inclusive approach, opening the possibility for states beyond Southeast Asia to join and adhere to the treaty’s principles.

The proposed treaty is unique due to its aspiration to bring together not only the Southeast Asian states but also influential state partners in the broader Indo-Pacific region. Which includes states such as Australia, Japan, India, South Korea, as well as the United States of America and the People’s Republic of China. The proposed treaty seeks to create a framework for cooperation, addressing the region's multifaceted challenges
and opportunities, in order to advance the cause of perpetual peace, friendship, collective strength and cooperation among the regions and especially the nations of Southeast Asia.

The treaty is supported by a foundational set of principles, that provide a guiding framework for the participating nations (UN, 1992). Such as:

a) A commitment to mutual respect for the sovereignty, the territories and the national identities of all nations;

b) The right to be free from external interference, unwanted influence and coercion;

c) Commit to non-interference in each Countries' internal affairs;

d) Finding peaceful solutions to settle disputes and differences;

e) Renounce the use of threats and or the use of force;

f) Fostering cooperations among the participating states.

4.3 NOELBESI-CITRANA BORDER DISPUTE

This issue emerged following Timor-Leste's secession from the Republic of Indonesia. Noel Besi-Citrana is an area situated in the Nitibe sub-district of the Oecusse district in Timor-Leste. It directly adjoins the region of Noel Besi, which is located in the North Netemnanu Village of Amfoang Timur, Kupang Regency. The landscape of Noel Besi-Citrana primarily consists of rice fields along the Noel Besi river, and the land in this area is currently undeveloped or designated as a sterilized zone (Indah and Rizky, 2023). The issue arose due to the lack of clear discussion between the Netherlands, which demarcated the borders of the Dutch East Indies (Indonesia) at the time, and Portugal, which also defined the boundaries of its colonial territory, Timor-Leste.

Numerous negotiations have been conducted since 2013, which only resulted in an agreement regarding the Dilumil-Memo area. Later, in 2017, a meeting was held involving Wiranto, the Minister of Political, Legal, and Security Affairs, along with the Minister of Foreign Affairs, Retno Marsudi, and Xanana Gusmao, the President of Timor-Leste. The objective of the meeting was to address the ongoing efforts to resolve the land border problem between Indonesia and Timor-Leste. Subsequently, Wiranto affirmed his dedication to swiftly settle the land border dispute by engaging in a series of additional negotiations. Unfortunately, despite the negotiations conducted by both nations, a consensus has yet to be reached in resolving the dispute. This impasse can be attributed to the fact that each country employs distinct rule sets for interpretation, which do not correspond to the circumstances of the colonial era or the present conditions.
Eventually, in 2019, a meeting took place between Indonesia and Timor-Leste in Jakarta, resulting in an agreement to resolve the boundary of Noel Besi-Citrana and Bidjael Sunan Oben. According to the National Border Management Agency of Indonesia (BNPP RI), the agreement on the land boundary between Indonesia and the Democratic Republic of Timor-Leste was finally signed and discussions proceeded to the maritime border. Following the signing of the agreement, the next step entails the senior officer consultation (SOC) to outline its details in the second addendum, which serves as an additional provision to the 2005 territorial border agreement.

4.4 THE TIMOR GAP

The event began when Timor Leste was still part of the Republic of Indonesia, specifically in 1976, where Indonesia later reached an agreement with Australia known as the Timor Gap Treaty, 13 years later. This agreement contained the bilateral cooperation between the two countries in the management of mineral and gas resources in the maritime area of Timor Leste, with Australia receiving 50% of the oil proceeds. The Timor Gap itself is a region known for its rich oil and gas reserves, to the extent that after separating from Indonesia, Timor Leste heavily relies on the economy of this area.

After Timor Leste gained independence from Indonesia in 2002, this issue resurfaced and negotiations were initiated once again. It started by presenting claims regarding the maritime borders in the Timor Sea based on the provisions of Article 57 and Article 77 of the United Nations Convention on the Law of the Sea (UNCLOS), along with references to the principles of Exclusive Economic Zone (EEZ) and Continental Shelf. To resolve these overlapping claims, the median line principle was proposed as a solution. However, Australia rejected this proposal. As an alternative, in May 2000, the Timor Gap Treaty was reached, which divided the revenue of the area with a percentage of 90% for Timor Leste and 10% for Australia, as explained in the Journal of International Law titled "Timor Sea Treaty" (Shana, 2021).

This conflict eventually came to an end in 2018, marked by the issuance of an agreement on the Maritime Zone in the Timor Sea, which was officially signed by the Governments of Australia and Timor Leste through the Conciliation Commission, based on the foundation of the 1982 United Nations Convention on the Law of the Sea.
4.5 ECONOMY

In the beginning of the explanation, I will present a comparison of GDP growth from 2015 to 2022, where Timor-Leste will be compared with several economically underdeveloped countries in ASEAN, Laos, Vietnam, and Myanmar, in Graph 1.

Figure 1. The Comparison of Annual GDP Growth between Timor Leste, Laos, Vietnam, and Myanmar

It is clear that Timor-Leste still faces significant disparities compared to Vietnam, which experienced a remarkable growth rate of 7% in 2022, while Myanmar, due to internal crisis, also suffered an economic downturn. According to Camilla Sacchetto (2021), the agriculture, fisheries, and tourism sectors play crucial roles in the country's economy and offer significant employment opportunities. Coffee and candlenut are the primary agricultural commodities in Timor-Leste that contribute to its export revenue. In 2019, the country exported coffee worth around US $18.3 million and candlenut worth $450,000 (National Directorate of Statistics, 2019). Despite being substantial agricultural exports, their contribution to the country's annual budget is relatively small compared to oil revenue, with coffee accounting for approximately 1% (Marx, 2016). Meanwhile as the third largest economic sector, Tourism has been identified as a potential driver of economic development in Timor-Leste. By leveraging the rich cultural heritage, historical significance, and local identity, the concept of "culinary tourism" can serve as a catalyst for economic growth. By highlighting the local cuisine and promoting food tourism,
Timor-Leste can tap into its agricultural strengths and create new avenues for economic opportunities, fostering growth and prosperity for the population (Tracy et al., 2021).

Camilla suggests several policy measures that could be adopted by the Timor-Leste government. Firstly, reducing dependence on imported products that can be produced domestically, such as vegetables, meat, fish, and milk. Secondly, developing value chains for niche high premium export products and services, particularly coffee and spices. Thirdly, optimizing the skills and expertise of workers through high vocational training schemes and providing training courses for young entrepreneurs which also can develop the human capitals.

Aside from focusing on direct investment in domestic companies, Timor-Leste should prioritize the attraction of foreign direct investment (FDI) as a key aspect of its development strategy. By enticing FDI in strategic sectors and creating an enabling environment for foreign companies to integrate and interact with local markets, significant and transformative effects can be generated in the private sector, leading to the development of industrial capabilities at the national level. The government should consider implementing various policy measures to attract and retain such investments, including the establishment of investment promotion agencies, local content units, special economic zones, and publicly accessible supplier databases.

Figure 2. Foreign Direct Investment of Timor Leste

![Figure 2. Foreign Direct Investment of Timor Leste](source: The World Bank)

4.6 SOCIO-CULTURAL

In 2014, a significant portion, approximately 42 percent, of the population in Timor-Leste was living in poverty, according to the World Bank (2020).
In 2018, East Timor was ranked as the 131st out of 189 countries and territories on the Human Development Index, although still lacking, but is demonstrating advancements in life expectancy, education, and per capita income. The country also faces gender-related challenges, which includes gender-based violence, maternal mortality rates, and gender disparities in labor market involvement and local governance participation, noted in the 2018 report of the United Nations Development Program. By 2010, the employment rate in East Timor had decreased to 89.6 percent from the 91.5 percent rate reported back in 2004. Where women experienced a 5.3 percent decrease in employment, while men only saw a 0.2 percent decrease (Ministry of Finance, 2010).

Tracy Berno and friends (2022) assumes the diversification of the economy through tourism development has emerged as a potential solution to address various societal concerns and bring benefits to a wide range of stakeholders. This encompasses areas such as gender equality, social-cultural aspects, and environmental impacts associated with tourism. Only in recent times has the connection between food production systems, culinary traditions, tourist consumption, and sustainability gained recognition and received attention. They also believed the inclusion of Timorese cuisine in Timor-Leste's tourism offerings aligns effectively with the cultural and exploratory elements of the existing tourism marketing strategy. Moreover, it has the potential to contribute to broader development objectives, such as the Sustainable Development Goals (SDGs). This can be achieved by expanding markets for local agricultural products, minimizing economic leakage through local food procurement, and generating employment opportunities and income for women engaged in food-related businesses, particularly in rural regions like Maubisse and Fatubessi.

The Policy Note issued by the World Bank (2010) illustrates the map of poverty levels in the country. According to their findings, The poverty maps (can be seen in figure 3) provide valuable insights for developing targeted policies and programs at the suco level. They have the potential to enhance the allocation of resources aimed at improving living standards, addressing poverty in specific areas and among specific individuals, and reducing gender disparities in these aspects.
5 CONCLUSIONS

To summarize the extensive discussions that has been held, there is still a need for significant improvements to be made by Timor-Leste in order to achieve consensus for ASEAN membership. In terms of political and security aspects, there are several territorial disputes that need to be resolved, particularly with Indonesia regarding maritime boundaries and with Australia regarding oil fields in the Timor Gap, which continue to generate conflicts between the two countries. Similar challenges exist in the socio-cultural domain, where gender disparities persist, later affecting the well-being of the Timorese society. In the economic sector, the country has demonstrated rapid development since 2020. The decline observed from 2019 to 2020 can be attributed to the global COVID-19 pandemic, which represents an anomaly impacting not only Timor-Leste but also all nations. In this case, it is arguable that Timor-Leste's development progress serves as a rationale for Singapore's change of mind, openly agreeing to pave the way for Timor-Leste's entry into ASEAN. This situation prompts questions about ASEAN's motives in finally accepting Timor-Leste after an 11-year wait. It appears that ASEAN aims to encourage East Timor's neutrality in its bilateral relations and to safeguard the region from the potential escalation of conflicts between global powers, given East Timor's increasing alignment with China.
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