A few comments on Xanana Gusmão's open letter of 25 January 2017

January 31, 2017

The transcript of Mr. Gusmão's open letter is at pages 5 to 11, with paragraph numbers added for clarity.

<u>Paragraph 1:</u> I know you're going through the most difficult time of your life! You know very well that I do not understand anything about laws, because while I was in the mountains, I was not allowed to take law courses abroad and especially in Indonesia as were other respected Timorese people, with the latter filling in most of the positions of our MIGHTY judicial system.

<u>Comment:</u> If this statement is not a joke, it is quite extraordinary: for one thing, no citizen is supposed to ignore the law, but least of all the head of government. Xanana Gusmão left the mountains when he was captured and incarcerated 25 long years ago. He has enjoyed freedom for the past 18 years. He had ample time to get acquainted with the very laws he had not only the responsibility to enforce, as the executive chief of government, but also to draft and propose to Parliament. Assuming he actually had no idea about laws whatsoever, it is surprising that he accepted the responsibility to lead Lawmakers in Parliament.

<u>Paragraph 2</u>: You know, Emilia, I admire these people! They do not understand Portuguese but judge under laws written in Portuguese and sign judgments when they themselves do not understand what is written in them. I remember when I went to testify, I was faced with a perplexed judge who did not understand the article of the Procurement Law I was reading out to him, and he told me to shut up twice.

<u>Comment</u>: The laws of East Timor are written in the Portuguese language precisely in order to set aside the instruments of government for the class of Topasses and Portuguese colonists to which Xanana Gusmão pertains. It is Xanana Gusmão and his fellows who imposed Portuguese on Timorese law, no doubt to restrict access to the levers of government to a certain class of citizens. Only judges educated in Portugal are able to practice law in Portuguese, but unfortunately Xanana Gusmão fired all of them in 2014 when they ruled against him in the ConocoPhillips case.

<u>Paragraph 4</u>: What I am doing is not an attempt to reduce the heavy pressure you have on your shoulders, weakened by the deficiency of your leg. My intention is only to look back in time, so that you never forget your primary role in this still fragile process of building our State. Among the people I saw during the trial, like your accusers, I noticed the presence of some who did not defend the independence of the country. How times change, right Emilia?

Comment: The "some" were probably many. Only individuals over the age of 60 (5% of the population) were of adult age when East Timor declared independence in 1975. Only individuals over the age of 36 (26% of the population) were of adult age when Indonesia left in 1999. Of the total current population, 95% were either children or not born yet in 1975, and 74% were children or not born yet in 1999. The overwhelming majority of contemporary Timorese (somewhere between 74% and 95%) had just no opportunity to "defend the independence of the country".

<u>Paragraph 5</u>: The people who accompany me or have accompanied me in the IV and V Governments are or have been nicknamed the Xananistas, and for the pleasure of the gods of 'greediness' they are all accused of being corrupt! Do you know why? Because I am the Soeharto of Timor-Leste! And you were all influenced or corrupted by my corrupt ideology. And some even sent congratulations to the RDTL justice practitioners because they 'got' many Xanana ministers into the Courts!

<u>Comment</u>: It would be difficult to argue whether the government under Xanana Gusmão is or not corrupt, *sensu stricto*, since as a matter of course such a statement depends on the prior definition of the word. Only a full audit of Xanana Gusmão's assets, if at all possible, could shed any light on whether his practice of power had an effect on his holdings, nationally and internationally.

There are numerous examples of sheer incompetence and/or suggestion of corruption, though, such as the Chinese patrol boats procurement in 2008, the procurement of the power plants a couple of years later, the procurement of a technically deficient and severely misdesigned floating port to berth the patrol boats at Hera, that sank the very day it was installed, the appointment by Xanana Gusmão of his successor from among the opposition ranks in 2015 while he created for himself the position of Economic Czar, the power sharing agreement with the opposition in the same year, the concealment of the 2016 defeat before the Singapore court of arbitration court in the ConocoPhillips case, after the judges in Dili were fired in 2014 for ruling against Mr. Gusmão, the chaos and inutility of the Tasi mane projects, the many large economic projects announced with great fanfare only to be buried a few weeks afterwards, the negligent mishandling of petroleum production control and reporting, the severe

mismanagement of the Petroleum Fund and the lies surrounding it (see 32 below), to name just a few examples.

<u>Paragraph 12</u>: Imagine, Emilia! They will save this State and, therefore, the country! From what ... I do not know! The important thing is to think or imagine that they are going to save the country. Some foreigners and East Timorese (of 'much' goodwill and in the fullness of their convictions) already put forward some names ... rocky, redundant and spectacular - imagine, Emilia! Only they will be able to save the country ... from the bonds of Xanana's corruption!

<u>Comment</u>: "They" will attempt to save the country not only from Xanana Gusmão's corruption, but also and more importantly from Xanana Gusmão's autocratic and incompetent rule.

<u>Paragraph 14</u>: In short, they are the skeleton of the trade ... of a ruler, who has to submit to those practices of ignorance ... from the wise-men of law. There is an almost demonic pleasure to put the rest under the deciding power, no matter whether it is from an act of justice or a contempt of morals and ethics. (Speaking of morality and ethics, there are also some reverend persons in cloth who criticize the corruption of Xanana's ministers, but are not aware that everyone knows that they are gambling on the internet and lose a lot of money (it is thought that this lost money may have come from the public concessions that the State gives to the Church), and these saints have turned to loans from private individuals amounting to a handsome amount of more than a million US dollars. Poor Pope Francis who may not be aware of this!

<u>Comment</u>: is Xanana Gusmão attacking also the Church, in addition to the judiciary?

<u>Paragraph 32</u>: You fought so much so we could diversify the investment of the Petroleum Fund into 'Equities', which today enabled the RDTL State to have a profit of more than 2 billion dollars! You are intelligent, Emilia, when we thought about how we should resort to loans and pay them off with that profit from this investment from our Sovereign Fund.

<u>Comment</u> it is unclear where Mr. Gusmão takes the information that there was a profit of 2 billion dollars as a consequence of the Fund's "diversification". Although the \$2 billion figure is approximately correct, it sadly relates to a **LOSS**, not a profit (see "Gambling with the National Treasure" and "Gambling habits die hard" on artifik.com).

<u>Paragraph 33</u>: And your decision to control the accounts of the oil companies only revealed your sense to defend the interests of the Timorese State! I remember, and you also remember, how those ignorant on the matter "accused" you, in the case of that American advisor who took advantage to deceive us, but who ultimately fell into the hands of American justice.

<u>Comment</u> there was never any professional control of the production accounts of the oil companies, which to this day remain veiled in a cloak of secrecy. Revenue to the Timorese treasury is known, but production records are inexistent and the data available on the government's web sites are utterly erroneous. It is unknown how a rigorous control of revenue can be achieved if not based on a rigorous control of production.

Ms. Pires lost her case against ConocoPhillips in arbitration court. Her statements about the alleged dishonesty of the oil companies have been debunked repeatedly, as well as those uttered by her brother, Alfredo Pires, the Petroleum Minister, and by the head of the national oil company, Francisco Monteiro.

The quite suspicious "American advisor" was hired by Emilia Pires herself. It was only after it was found that he had defrauded the Finance Ministry that she pressed charges through some others of her U.S. lawyers. He was later arrested on U.S. soil and sentenced to jail, but the monies he stole could not be returned.

<u>Paragraph 34</u>: The Transparency Portal you introduced was an exceptional act!!! You're great, Emilia! You are not an ordinary servant of the State who does the same things, every day, in the same way, repetitively for years, as a habit that secures the salary he/she receives ... most of the time, without merit! And there are many of those in important institutions of the State and who make supposed decisions in the name of the State!

<u>Comment</u> Mr. Gusmão refers probably to the "Extractive Industry Transparency Initiative (EITI)" reports, which are replete throughout with scores of factual errors. There are no figures regarding production in the reports, beside one single mention of the total global production for the year, in barrels of oil equivalent only.

Only one report was published on time, in 2008. The EITI reports for 2009, 2010 and 2011 were uploaded all together in January 2013. The reports for 2012 and 2013 were uploaded in 2015. There is no report for 2014, 2015 or 2016.

Transcript of Xanana Gusmão's letter of January 25th, 2017, with paragraph numbers added for clarity.

Open letter to Emília Pires (translated from the original Portuguese version)

Dear friend

- 1. I know you're going through the most difficult time of your life! You know very well that I do not understand anything about laws, because while I was in the mountains, I was not allowed to take law courses abroad and especially in Indonesia as were other respected Timorese people, with the latter filling in most of the positions of our MIGHTY judicial system.
- 2. You know, Emilia, I admire these people! They do not understand Portuguese but judge under laws written in Portuguese and sign judgments when they themselves do not understand what is written in them. I remember when I went to testify, I was faced with a perplexed judge who did not understand the article of the Procurement Law I was reading out to him, and he told me to shut up twice.
- 3. But that is not why I am writing this letter to you.
- 4. What I am doing is not an attempt to reduce the heavy pressure you have on your shoulders, weakened by the deficiency of your leg. My intention is only to look back in time, so that you never forget your primary role in this still fragile process of building our State. Among the people I saw during the trial, like your accusers, I noticed the presence of some who did not defend the independence of the country. How times change, right Emilia?
- 5. The people who accompany me or have accompanied me in the IV and V Governments are or have been nicknamed the Xananistas, and for the pleasure of the gods of 'greediness' they are all accused of being corrupt! Do you know why? Because I am the Soeharto of Timor-Leste! And you were all influenced or corrupted by my corrupt ideology. And some even sent congratulations to the RDTL justice practitioners because they 'got' many Xanana ministers into the Courts!
- 6. The members of the Government whom I most valued, in the IV Government were, among others, the two of you, Lúcia Lobato and Arcângelo. Lucia did everything to improve the working and salary conditions of the judicial system and its agents ... she was punished, either out of ignorance or chauvinism!
- 7. suffered political and psychological pressure from a trail for nothing! Wrong from a trial to prove the iniquity of the values of injustice!
- 8. Those will read this, will say that I am trying to defend you! No, for God's sake, the point is that I myself am on the list. The Public Prosecutor's advisor said so, and some are bragging about it! One of your accusers seems to have been assigned to gather data about me ... and this one even brags about her role as a sorceress of justice!

Nowadays, they all feel this way ... powerful, exemplary, sober and upright ... in a ghostly perception that they have the State in their fists! Little do they realize that they do not even understand what a State is !!!

- 9. I state this that they do not understand what a State is with two concrete and abhorrent cases:
- 10. Firstly, when I testified in defence of a Police Commander, who had been subjected to humiliating vexation by justice practitioners in Timor for many years, even though he was recently found innocent. He had been arrested on charges of violating the human rights of Indonesian citizens who were detained by us on the eve of UNPOL's final withdrawal in 2012. These Indonesian citizens were drug traffickers who came to Dili to receive contraband from Colombia, and transport them to Indonesia, making Timor-Leste a 'free' transit point for this transnational crime. Because we were working in coordination with the Indonesian Anti-Drug Department, I instructed to hand over these Indonesian citizens to this Department. The accusation against the Police Commander was for violating their human rights because they were not allowed to use their rights of defence. (I know that you are watching over your case, in the various processes that you sent to the Court and that they simply archived). The other charge was to deny access to these individuals from justice, as if we had just released those men, even though we had proved that they were tried in Indonesia and convicted. And you know, Emilia, the practitioners of Justice in Timor claimed that only they had the competency to defend the sovereignty of the RDTL.
- 11. The second case, much more recent, simply shows the lack of consciousness of these practitioners of Justice. In a separate testimony statement, I reported that a Korean citizen, Timorese passport holder, was detained in Indonesia and would be deported because the document had already expired two years ago. I alerted the Court (where there were Honourable Judges and illustrious Prosecutors) of this problem for the State. When the man arrived in Timor he was questioned and confessed that, years ago, he had entered Timor illegally through the border. And that he had paid a Village Chief in Dili the sum of \$4,000, which was able to produce a birth certificate, named after a deceased Timorese, from which he was granted a Timorese passport, which he used to return to Indonesia, where he was detained. You know, Emilia, cases like this do not affect the State, from the perspective of the practitioners of Justice!!! But the best is this the Korean was put on a plane and returned to Korea, while the Village Chief can still produce more false certificates and get fake passports!
- 12. Imagine, Emilia! They will save this State and, therefore, the country! From what ... I do not know! The important thing is to think or imagine that they are going to save the country. Some foreigners and East Timorese (of 'much' goodwill and in the fullness of their convictions) already put forward some names ... rocky, redundant and spectacular imagine, Emilia! Only they will be able to save the country ... from the bonds of Xanana's corruption!
- 13. The world turns around and around and makes people dizzy... less prepared to endure with the vagaries of and, better still, due to, human... nature!

- 14. In short, they are the skeleton of the trade ... of a ruler, who has to submit to those practices of ignorance ... from the wise-men of law. There is an almost demonic pleasure to put the rest under the deciding power, no matter whether it is from an act of justice or a contempt of morals and ethics. (Speaking of morality and ethics, there are also some reverend persons in cloth who criticize the corruption of Xanana's ministers, but are not aware that everyone knows that they are gambling on the internet and lose a lot of money (it is thought that this lost money may have come from the public concessions that the State gives to the Church), and these saints have turned to loans from private individuals amounting to a handsome amount of more than a million US dollars. Poor Pope Francis who may not be aware of this!
- 1.5 Oh, what a bummer! It's true, I'm running away from my intention to look back in time ...
- 16. I want to remind you, if you have forgotten, of the pitiful conditions in which the Ministry of Planning and Finance was when you were given the responsibility to lead that governmental institution! I know that as you read this, you will remember all the rubbish paperwork, without order nor files!
- 17. And your first year was to clean the dust that was making everyone cough ... organize the files, separate the different departments and sections, plan the activities of each responsible person and each individual. Do you remember that it cost a lot of effort? Of the obstacles encountered due to party affiliations that, at the time, dominated the public administration, including the Ministry of Finance, of course?
- 18. And even more so when it was the introduction of a modern financial system!!! What did you do, Emilia? Was it not to introduce in a young country, a recent State, a spectacular innovation? I'm proud of that !!! Others, the enemies of Xanana, do not even know what that is!!! But it does not matter!!!
- 19. All your capacity to think, to act, to produce, to create ... was revealed in the transformation of, at the time, a weak and disorganised institution, but extremely important and crucial for the State, into excellent undeniable productivity, with an efficiency proven by its agents and the just trust of the international community!
- 20. And were there not so many episodes that we faced together, Emilia! Even with your limping leg, you were never intimidated with the threats that you faced! You are Brave, you are very courageous!
- 21. Do you remember Kuwait? Where and when the Sheik threatened us that "there would be no meeting if we did not agree previously to sign a statement where it would be recorded that we would 'honour' the 'agreements' or 'contracts' with certain companies"? That we knew were fictitious? Where you had to resist all afternoon and part of the night Kuwaitian pressure? That pressure or feeling that we may not have the return trip?
- 22. I admire your cleverness! Because we knew that we were going to face challenges of this kind, you were simply unequalled by taking that Australian / Arab person, who

helped us immensely out of that trouble ... which could even have cost us our lives! Uffffff

- 23. Do you know what I think today, Emilia? We were really silly and I do not know if you, more than me, or me, more than you!!! What is certain is that we were stupid ... with all the letters, written and read!!!
- 24. You see, Emilia, if I'm not right! Instead of being convicted for a crime you did not commit, of economic participation in business, or something like that, if we had the genius to conclude that it was a great opportunity if it was not! to receive ... millions of dollars, in exchange for silence and collusion, I do not believe that, today or in the future, these practitioners of Justice in Timor-Leste would ever have guessed that ... we are rich ... at the expense of denying the interests of the our dear country!
- 25. Because, for me, economic participation is receiving a share of a 'business'. If your husband had appeared as a "broker", then, yes, I can agree that there was an intention to appropriate the State money. I know many in Timor! And they are considered honourable people, these "brokers"! Your husband was the owner of the factory ... sells and gets paid ... there is not what is usually called here 'komisi' or 'commission', which belongs to the language 'brokery'.
- 26. When I said that practitioners of Justice would never know that we both sold our souls for money, it is because a lot of people know that the President of the Court of Appeal received money from a company that had a project from the Court that was never finished due to lack of funds, because a good amount was given to the needy President of the Court of Appeal ... Only the Public Prosecutor's Office does not know ...
- 27. Moreover, this President gave another project to his brother, rejecting the result of the public tender that his employees presented to him with another successful vendor! Wonderful ... that's how justice works in RDTL! And this His Excellency does not accept merit based public recruitment... because then, it is necessary to feed the relatives of Ainaro, for sure ... and to that effect, we must recognize, we call it ... an act of justice!
- 28. And many people already understand why the Public Prosecution 'pretends' that it does not know... of those practices of economic participation in business, by the President of the Court of Appeal, who received money in return of given the project! Because the Public Prosecution is afraid of retaliation... obviously, they all, Courts and Public Prosecution, are the actors of Justice, which means that... the competence or incompetence to do justice or injustice belongs to them!
- 29. I say retaliation, because the Prosecutor General of the Republic, when he went to Brazil to attend a CPLP Conference, presented the expenses report, including a dinner without the hotel or restaurant bill, but only a signed declaration, here in Dili, that the money had been spent at a dinner for the CPLP delegation! After all, there could not have receipts, because the money was spent to purchase dresses and other things for the wife ... of the Prosecutor General! And it was the Cape-Verdean Advisor Arlindo who advanced the money and had to be paid, once in Dili. And it is only him, this clever

Advisor, who holds this secret, which the poor judges do not know! But even if they knew, they cannot do anything ... because it is the Public Prosecution who accuses, it is not the judges! The judges only serve to 'prove' what is not proven!!! Nothing more!!!

- 30. Emilia, I hope you do not tire of reading these muddling issues, which should belong to the 'social media', which is now fashionable in Timor. They tell me that 'Facebook' invents everything, that I even feel motivated to find the necessary courage to try it and unravel some truths from our country.
- 31. Let's look back in time ...
- 32. You fought so much so we could diversify the investment of the Petroleum Fund into 'Equities', which today enabled the RDTL State to have a profit of more than 2 billion dollars! You are intelligent, Emilia, when we thought about how we should resort to loans and pay them off with that profit from this investment from our Sovereign Fund.
- 33. And your decision to control the accounts of the oil companies only revealed your sense to defend the interests of the Timorese State! I remember, and you also remember, how those ignorant on the matter "accused" you, in the case of that American advisor who took advantage to deceive us, but who ultimately fell into the hands of American justice.
- 34. The Transparency Portal you introduced was an exceptional act!!! You're great, Emilia! You are not an ordinary servant of the State who does the same things, every day, in the same way, repetitively for years, as a habit that secures the salary he/she receives ... most of the time, without merit! And there are many of those in important institutions of the State and who make supposed decisions in the name of the State!
- 35. You revealed, during the time in which you served our State, as Minister, an inexhaustible desire for constant improvement. The reform you introduced on the training and professionalising the Ministry's staff is something unique, not noticed by many, although they recognize the impact that this is being reflected in the system you have created.
- 36. I know that you remember how many times I yelled at you and you cried... with some nervousness that you may have had to break your principles of rigid financial control. But, on the other hand, I believe that you will remember so many other times that all your fellow members of the Government praised you in the sense that if it were not for your strength, your energy, your unwavering will to not yield to the pressures and impose financial management rules, the Government would have fallen sooner and the State would have slipped into an unsustainable financial crisis!
- 37. I can tell you, Emilia! The State of RDTL owes a great deal to you, a physically weak woman but with an out-of-the-ordinary honesty! I pay this tribute to you, with humility and admiration!
- 38. You were overly scrupulous in many matters that concerned possible acts that would harm the State! You were also very concerned about the lack of corrective

measures at institutions that lacked or lacked the will to adopt the established rules for the financial management of public money.

- 39. That is why I cannot accept that you have committed a crime of economic participation in business that would have damaged the State. The beds are being used, and the President of the Court of Appeal himself has benefited from the use of these types of orthopaedic beds when he got a 'stroke' and was hospitalized.
- 40. The money for a fictitious dinner in Brazil hurt the State! Because, after all, it was to buy 'little things' for the dignified wife of His Excellency, the Prosecutor-General of the Republic! It was the State that paid these trifles of conjugal love!
- 41. The money that went into the pocket of the President of the Court of Appeal injured the State because the businessman failed to finish the work that was awarded to him! And the President of the Court of Appeal was asking for additional money to complete the work!
- 42. Do as I do, Emilia! Do not allow yourself to be dominated by the bitterness caused by frivolities of spirit ... of people, inert in thought, devoid of principles, vulgar in attitude, empty of analysis and distorted in the virtual logic of social and political reality of our society's contemporary life, still embryonic but already revealing of much disbelief and an unstoppable desire for disunity and intolerance and, at the same time, full of excessive ambitions.
- 43. But, Emilia, let us return to look back in time ...
- 44. Your strength, your commitment to defending Timor-Leste from the pressure of the international community and above all from the community of donors who liked to play games to the beneficially naive beneficiary countries was simply brilliant!
- 45. Your defence of our principles, which made us stand out and, in a way, imposed our ideas at the Busan / South Korea meeting, making the United Nations adopt our measures, was really spectacular!
- 46. There, I must say, you affirmed yourself, as Timorese, as woman and as leader! And what about your role as promoter of a new policy regarding fragile states! The leaders of fragile states love you, Emilia! You are the Mother who conceived the 'g7 +'... have you forgotten?
- 47. We all owe you, and if Timor-Leste is respected today by these countries, which look at us as a magnificent example of moving from 'fragility to resilience', this is due purely and simply to your devotion to this noble cause ... to support the countries and populations most in need ... without asking for anything in return!
- 48. The world needs these examples! And you, Emilia, began to introduce a new concept of aid!

- 49. And I do not accept, from the bottom of my sinful soul, that you are incriminated today with something that does not make sense, in relation to your person, in relation to your activities, in relation to your participation for the improvement of people's lives, beyond the physical horizon of our country.
- 50. Emilia, I believe in you, because I know you well, since I called you to Salemba in late 1999 to help me think about independence ... to help me discuss with Sara from the World Bank, who was extremely helpful in our analysis of the country's future challenges.
- 51. And with you, my thoughts also embrace the other victim of the injustice of Justice of our country, Madalena Hanjam!
- 52. Cruelty does not come only from violent actions, cruelty comes from the sophisticated human mentality of imposing its power on others, cruelty is revealed in the lack of consideration and petty mindedness shown by the smallness and frivolity of actions, of those who are locked in narrow and limited preconceptions.
- 53. Emilia, Madalena, Suharto is with you! And along with Suharto, the Sacred Mountains and Souls will rise ... to declare your innocence!

Dili, January 25, 2017

Kay Rala Xanana Gusmão

The Suharto of Timor-Leste