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Lee Jones

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Analysis

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One potential explanation for the persistent gap between international state-builders' aspirations and achievements is their misguided understanding of states as institutional apparatuses abstracted and separated from society. State-society interpenetration is actually the historical norm, and a proper understanding of state forms requires close analysis of the conflicts between different social forces as they promote state projects that will advance particular interests over others. International state-builders are best conceptualised as merely one—albeit important—party to this ongoing struggle, which state-builders have no realistic hope of taming. The argument is illustrated by the case of East Timor. Both Indonesian and UN efforts to transplant state projects into Timorese society, even when backed by tremendous economic and coercive resources, failed to simply penetrate and dominate, or to create a technically efficient state insulated from, society. Rather, their state projects became interpenetrated with the society they sought to govern, and thus became shot through with social conflict. Neither more 'capacity-building' nor 'participatory intervention' can eliminate this conflict, nor evacuate it from the state.

Introduction

Since the Cold War, Western states and international organisations have launched a plethora of state-building interventions in the name of peace, democracy and security. Strikingly,

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however, the gap between state-builders' aspirations and achievements remains as wide as ever. The record of state-building interventions is dismal, being marked by social unrest, insurgency, civil war, corruption, electoral malpractice and various other forms of 'state failure'. Why? A growing 'lessons learned' literature points to shortcomings in planning, institutional design, resource deployment and so on, proposing that adopting better methods should improve outcomes.[1] Policy-makers and scholars debate exactly what such improvement should involve: neo-liberals tend to call for state institutions to be better insulated from 'spoilers' and 'rent-seekers', while neo-Weberians favour 'strong' states empowered with coercive institutions capable of penetrating and subduing unruly societies.[2] Both viewpoints operate within a broad 'institutionalist' perspective which understands the challenge of state-building as predominantly a technical one of crafting efficient institutions and policies to create good governance. Get it right, and the state will be stable.

This mainstream view of state-building as a technical-rational activity is, however, considerably at odds with what we know about the historical processes of state formation. The historical sociology of the state emphasises that specific institutional forms are not the result of rational design, but the outcome of various compromises struck among social forces.[3] Conflict over power and resources among different classes, ethnic and religious groups and other forces—frequently violent in nature—has produced a wide variety of state forms, heavily conditioning what capacities states have developed and how state apparatuses operate in practice. This article argues that the results of state-building interventions can only be properly understood by situating them within these broad macro-historical processes of social conflict.

From this perspective, state-making is not simply an expert activity but a conflict-ridden process in which many different societal actors are inevitably involved. International state-builders may arrive in post-conflict countries with the hope of constructing rationally-designed institutions that stand above and regulate societies, but various forces in the society in question will have their own, often contradictory, ideas about how they want the state to develop. To understand what emerges in practice it is necessary to view international state-builders as simply one party to the highly conflict-ridden process that always generates state forms; they are often intervening in conflicts which they have no hope of taming. Viewed from this perspective, creating stable state institutions depends less on institutional design than achieving a durable settlement among dominant socio-political coalitions.

The article is divided into four sections. The first expands the theoretical critique of institutionalist approaches to state-building described above into an analytical framework, arguing that the state is more accurately viewed as a 'social relation' than a set of institutions standing in abstraction from society. Sections two and three deploy this framework to examine the case of East Timor, during the periods of Indonesian occupation and United Nations (UN) state-building. These sections show how state-builders, even those backed by massive coercive force or financial largesse, must always compromise with social forces on the ground. State-builders may shift the balance of forces, creating opportunities and resources for some groups over others, but they cannot succeed in insulating state institutions from social conflict. Indeed, their efforts may instead inflame such conflict, resulting in state breakdown. The fourth section critically assesses mainstream diagnoses of such breakdowns, arguing that they remain misguided in their attempt to evacuate social struggles from state institutions. There is therefore no institutional 'fix' that can substitute for the political task of developing successful strategies of political hegemony and economic accumulation. The conclusion draws out the implications of these arguments for the theorisation and practice of state-building.

State-building and social conflict

This section introduces the analytical framework used in this article to help understand the nature of the state projects aimed at by state-building interventions and to explain the gap between their intentions and outcomes. It argues that mainstream approaches to state-building, despite important differences, converge in focusing too heavily on institutions, neglecting the broader processes of social conflict that actually give rise to particular institutional forms and capacities. Historically, state institutions are not the product of rational design but of struggles between rival social forces, which pursue different state projects that promote some interests while marginalising others as part of a struggle for power and resources. This struggle is conditioned by material and ideational developments in geopolitics and global political economy.

Viewed from this perspective, international state-builders' plans are not, despite appearances to the contrary, neutral and technocratic visions, but seek to create a particular distribution of power in the societies in which they are deployed. However, while some forces in the target society may welcome this, others—particularly those standing to lose out—pursue different state forms to advance their own interests.

International state-builders' projects thus become subject to the vicissitudes of the conflicts in the target society as different social groups seek to mould outcomes to suit their own preferences.

The mainstream state-building literature has been usefully classified into two broad camps: neo-liberal institutionalism and neo-Weberian institutionalism.[4] The highly-technocratic neo-liberal institutionalist approach is exemplified by the policies of major donor countries.[5] It identifies the problem in 'fragile states' as one of 'weak governance, policies and institutions' and intervenes to establish 'the right *processes*' to support market-led development, such as the rule of law and private property rights. This approach sees the problem of state failure as essentially one of 'human resources, administrative and institutional considerations'.[6] Neo-liberal institutionalists emphasise 'capacity-building' and 'best-practice' administrative arrangements, seeking to insulate states from the 'vested interests' and 'rent-seeking' of day-to-day politics and enable institutional efficiency and full market rationality.[7]

The second camp, neo-Weberian institutionalism, takes a more sophisticated approach that is less influenced by the dogma of market rationality and more sensitive to domestic political conditions. Nonetheless, neo-Weberians also conceptualise state and society as distinct and oppositional elements, such that only one or the other is capable of being 'strong'.[8] State failure involves state institutions collapsing and their power and legitimacy returning to society.[9] Neo-Weberians therefore counsel interventions to boost states' coercive capacity to dominate their territories and 'penetrate' their societies in order to subdue unruly elements to enhance citizens' security and welfare.[10]

Despite important differences, then, both mainstream approaches converge in theorising state-building as the process of constructing institutions that stand in abstraction from their own societies. In so doing, they implicitly conceptualise the state as an institutional ensemble endowed with particular capacities capable of governing markets and people. Both camps are thus guilty of what Kanishka Jayasuriya calls 'institutional fetishism'. Their overwhelming focus on state institutions occludes the way in which deeper social relations condition the way in which states' power and capacity is produced and transformed over time. For Jayasuriya, it is essential to adopt a

> *more constitutive conception of the state and policy capacity that recognises that the state is not an 'entity', but a complex and constituted set of relationships between frameworks of political authority and the international*

> *political economy, domestic social forces, and the broader ideational notions of authority and stateness.*[11]

In this view, the state is best understood not as an institutional ensemble but as a 'field of power' or a 'social relation'.[12] State forms do not reflect the rational design of experts but express power relations between various social forces—classes, religious and ethnic groups and so on—struggling to impose their interests and ideologies on governmental institutions. Because states play a key role in structuring social conflict and allocating resources, they are always subject to such contestation. Various social forces—classes, class fractions, ethnic and religious groups and so on—constantly battle against each other in shifting and complex alliances, striving to produce institutional arrangements that grant them privileged access to state power and its resources. The alliances, coalitions and networks that emerge between fragments of state apparatuses and powerful social and political coalitions have the capacity to undermine official agendas and morph the state to suit their own purposes. States are thus not abstracted from societies but are rather interpenetrated with them through state forms like corporatism, patronage relationships, policy networks, state capture and other complex relationships that blur the state-society boundary.

That states are constantly reshaped by social conflict and conditioned by broader processes of geopolitical and economic change is clearly evident when considering the evolution of state forms in Europe since the Second World War. The post-war Keynesian settlement reflected the rising power of organised labour and the context of the Cold War struggle against communism. This balance of forces produced corporatist state forms, as reformist unions were directly inserted into state apparatuses alongside business leaders, while more radical forces were excluded. Sustained and relatively equitable economic growth provided a flow of material concessions to subordinated social groups, facilitating the regularisation and institutionalisation of social conflict and relative state coherence. However, the economic and political crises of the 1970s and 1980s led to the defeat of organised labour, the dismantling of corporatism and widespread pro-market reforms. The weakening of the European working class, the new political economy of 'globalisation' and the ascendance of neo-liberalism have generated state forms which offer ready access to business leaders while marginalising workers.[13]

This historical-sociological view of state development allows us to analyse state-building interventions in two new ways. First, it helps us understand why different state projects are

promoted at different times. During the Cold War, Western states sponsored state projects in the developing world that kept radical forces at bay through a mixture of material concessions (land reforms, economic development) and repressive-authoritarian measures.[14] Today, reflecting a very different constellation of forces, it is the neo-liberal state project that Western donors seek to export. This project may be presented as neutral, technocratic and apolitical, but it nonetheless implies particular distributions of power and resources among societal actors by virtue of the state capacities it seeks to inculcate.

Secondly, this perspective allows us to understand the outcomes of state-building interventions by conceptualising interveners as just one party—albeit a potentially very powerful one—to the processes of social conflict that generate state forms. Foreign state-builders will inevitably run up against an array of other forces pursuing agendas which may differ considerably from their own. From this perspective, the success of state-building interventions depends on the extent to which interveners' goals 'intersect with those of powerful domestic coalitions of interest' within target societies.[15] Where a close fit exists, the outcome may be close to plan, but more frequently the disjuncture will result in a very different settlement. Neo-liberal interventions have often proceeded with some measure of social support in target states. However, resistance from social forces threatened by reform processes—workers, farmers, owners of uncompetitive businesses, *dirigiste* state officials and so on—have frequently compelled a compromise settlement that falls well short of the ideal-type state planned by the interveners.[16] In some cases, deeply entrenched social and political coalitions have even been able to capture externally-imposed reform processes and use them to reinforce their predatory domination.[17] It is therefore important not to overestimate the power of interveners. State-building interventions have very important effects, providing or limiting resources and opportunities that shift the makeup of the coalitions contesting state power. However, they are often simply intervening variables in struggles which they have no realistic hope of taming.

This analytical approach differs from that of other theorists who are critical of state-building. Critics like Bickerton and Chandler, for example, contend that state-building interventions disrupt authentic state-society relationships by imposing inauthentic, alien state institutions on uninvolved populations. The resultant 'phantom states' often fail, they argue, because they are consequently 'hollow' and disconnected from society.[18] Dichotomising foreign intervention as 'inauthentic' and domestic state-building as 'authentic', however, obscures the foreign-domestic interaction that actually constitutes the states which emerge from interventionist episodes. As noted above, some domestic

elements actively encourage and welcome foreign intervention, forming transnational alliances in order to advance their specific interests and generate particular constellations of power. Other societal groups may then perceive the resultant state institutions as alien, but this indicates a disjuncture not between state and society, but between these groups and the forces which captured state power and institutions during the interventionist period. Truly understanding the state forms which emerge from intervention requires an analysis of the different domestic and international social forces at work as they struggle to advance their interests and ideological agendas.

The sections that follow deploy this 'social conflict' approach to analyse the historical development of the East Timorese state under Indonesian rule and UN administration.

Indonesia's colonial state-building in East Timor, 1975–1999

Indonesia invaded and annexed the former Portuguese colony of East Timor in 1975. Its subsequent state-building efforts in the territory were powerfully shaped by the global social, political and economic context and by social conflict in Indonesia and East Timor itself. The Cold War context, and the social and political setting in Indonesia, was crucial in encouraging and enabling the Indonesian state project to be characterised by anti-leftism, developmentalism and authoritarianism. Resistance to this state project was led by the *Frente Revolucionária de Timor-Leste Independente* (FRETILIN), a left-wing movement agitating for a radical post-independence state. Indonesia sought to destroy FRETILIN and its social base by force, seeking to reorganise Timorese society to provide support for its own state project.

Despite its large coercive resources, however, the Indonesian state in East Timor did not achieve neo-Weberian domination over society, but was rather interpenetrated with both Indonesian and East Timorese social forces which powerfully shaped its historical development. The dominant Indonesian group in the territory was a kleptocratic military elite which monopolised the economy and state expenditure. To govern the territory, the state also had to rely on collaboration from Timorese elites, who became part of the army's patronage network. This alliance drastically undermined the developmental capacities of the East Timorese state, giving rise to a new opposition movement among Timorese youth excluded from power and employment. This ultimately contributed to the downfall of the Indonesian state in East Timor.

The form of state that the Indonesian Government sought to promote in East Timor was heavily conditioned by global and domestic Cold War dynamics. Following a period of tumultuous social conflict, the Indonesian left was eviscerated in a country-wide pogrom in 1965–1966. The state was decisively captured by a viciously anti-communist, military-dominated regime led by General Suharto, with the backing of the country's business and professional classes, students, Islamists and rural elites. Suharto's 'New Order' sought to stabilise capitalist social order through a combination of repression, economic development and an official ideology stressing mass depoliticisation, social harmony and 'consensual' decision-making.[19] This state project was sustained by oil revenues and by aid from Indonesia's Cold War allies in the West, totalling over US$ 50 billion by 1991.[20] This external support supplied the regime with resources and wide domestic latitude for coalition-making, co-optation, intimidation and outright repression.

By the mid-1970s, a very different sort of state seemed about to emerge in the neighbouring territory of East Timor. Following a left-wing revolution in Portugal in 1974, the new government in Lisbon announced its intention to rapidly decolonise its empire, including East Timor. Two political movements quickly emerged in the territory. The first, the *União Democrática Timorense* (UDT), was led by conservative, pro-Portuguese elites, including village chiefs, plantation owners and senior Timorese colonial administrators. It favoured continued confederation with Portugal and little social change in order to protect their status and property. The second, FRETILIN, was led by teachers, lower-ranking local officials and students, including some who were veterans of revolutionary movements in other Portuguese colonies. FRETILIN favoured socio-economic transformation including land reform, the establishment of co-operatives and an end to elite rule, and quickly established a lead over UDT by cultivating a mass base by organising trade unions and village-level literacy classes.[21]

The forces behind Indonesia's New Order were sufficiently alarmed by these developments that they were determined to acquire the territory and impose their own state project upon it. The fear was that an independent, FRETILIN-led East Timor would constitute a 'Cuba' in the region, funnelling Chinese communists into Indonesia, and encouraging left-wing remnants and regional separatist movements to overthrow the New Order. This paranoia was only heightened by urban unrest in Indonesia itself during 1974, and by the communist victories in Indochina in 1975.[22] Jakarta thus moved to prevent such an outcome by sponsoring a party, Associacão Popular Democratica Timorense (APODETI), to campaign for integration with Indonesia and intimidating the conservative UDT into joining forces with it.

UDT staged a pre-emptive coup against FRETILIN in August 1975, demanding the expulsion of all leftists from the colony in a desperate bid to safeguard the territory's future independence. East Timor then descended into a brief civil war, with anti-FRETILIN forces being routed and forced to retreat into Indonesian West Timor. In order to dislodge the de facto FRETILIN government, Indonesia was forced to invade in full force, alongside its hapless Timorese allies, and formally annex the territory. Backed by the West because of the Cold War context, Indonesia then sought to essentially export its state project to East Timor wholesale. Indonesia's presence was justified on developmentalist grounds; leftist political parties were banned and rigged elections were held for state institutions where decision-making by 'consensus' was emphasised.[23]

However, Indonesian state-building in East Timor was heavily conditioned by the nature of Timorese and Indonesian society. First, led by FRETILIN, many Timorese resisted the imposition of Indonesian state structures on the territory. Thus, from the very beginning the state apparatus lacked a solid social base and took a markedly coercive form that was reliant on heavy military spending from Indonesia. In neo-Weberian fashion, Jakarta attempted a 'comprehensive resocialisation' of the territory.[24] Starved and carpet-bombed down from the mountains, to which it had fled with FRETILIN, most of the population was forcibly relocated into new villages similar to America's 'strategic hamlets' in Vietnam, and existing villages were also physically reorganised to separate FRETILIN from its mass base.[25] Around 150,000 pliant settlers were also brought in from other parts of Indonesia,[26] and Timorese youth were indoctrinated through new schools into the New Order's nationalist-developmentalist ideology.[27] The centrality of coercion in Indonesia's state-building project empowered the army as the dominant social force in the territory. In order to help finance its operations and line the pockets of corrupt senior officers, the army took over much of the local economy, and siphoned off large amounts of the state's development spending.[28]

Second, however, despite its brutally coercive aspects, Indonesian state-building failed to simply 'penetrate' Timorese society; rather, it became interpenetrated with it. In order to actually govern the territory, Indonesian officers and administrators were forced to work with and through the existing population. Timorese soldiers, police officers and administrators were required to staff the lower ranks of the state apparatus. The anti-FRETILIN elite, including leaders of UDT and APODETI, provided militias, joined the local administration and parliament and formed alliances with the

Indonesian military to retain existing or establish new businesses.[29] In rural areas, Indonesia ruled through local tribal chiefs as Portugal had before it.[30] Local socio-political forces were thus brought into the state apparatus through a 'web of patron-client relationships [which] comprised of members of the local government, distinguished military [officers], technocrats in charge of firms, influential families, political and traditional leaders and business elites'.[31] One Timorese intellectual wryly observed that: 'the worst colonisers of Timor are the Timorese people themselves: *liurai*, *dato* [local chiefs] and then the [. . .] integrationists, militias. Then there are the Portuguese and Indonesians'.[32]

It is thus mistaken to view the Indonesian colonial state as a set of alien institutions dominating Timorese society; rather, parts of Timorese society became interpenetrated with the state, and this was the only way in which Indonesia could govern. This clearly conditioned how the capacities of the state developed and operated in practice, as social conflicts became reflected in state institutions. Indonesia's reliance on local troops, militias and policemen enabled some Timorese to settle old scores with their compatriots using the state apparatus.[33] Uniquely in Indonesia, East Timor's governor was always drawn from the local population due to the need to legitimise Jakarta's annexation. Although the governors tended to rise and fall with the army's primitive accumulation strategies, at times they were able to purge corrupt army officials from the state apparatus.[34] Local Indonesian-backed chiefs were also able to manipulate elections to their continued benefit.[35] Some chiefs were actually working for the resistance, whose clandestine networks mirrored or were even identical with local governance structures.[36] The state's reliance on rural elites also thwarted Indonesian land reform efforts; agricultural output actually declined and incomes stagnated beneath the army's monopolistic shadow.[37] The whole edifice relied heavily on Jakarta supporting a state-centred, rent-dispensing economy: central funds constituted 93 per cent of local state spending.[38]

The net effect of the socio-political coalition required to sustain state power in East Timor was thus to undermine the developmental activities of the state, which generated new forms of social resistance. High levels of corruption, combined with rump guerrilla resistance, deterred investment and severely constrained economic growth.[39] Timorese youths, educated to expect development and employment, were instead left destitute as jobs went instead to the elite and trusted transmigrants. The resistance was able to establish a clandestine youth network, and by the early 1990s protests by unemployed youths

frequently erupted into anti-state riots and protests designed to prompt Western intervention.[40] The state's highly repressive response, including the infamous 1991 Santa Cruz massacre, drew a condemnatory response from Western powers, which had recently been liberated from the Cold War imperative of uncritically supporting Indonesia's state project.

In a sense, Santa Cruz was the beginning of the end of Indonesia's presence in East Timor. Western criticism was diluted and aid flows were sustained through some relatively superficial personnel and institutional changes, which largely benefited President Suharto's own cronies.[41] However, continued repression and economic stagnation gradually undermined the state's social support, as even collaborationist Timorese elites began defecting to a new Portuguese-backed alliance of opposition groups, the *Conselho Nacional da Resistencia Timorense* (CNRT).[42] When the Asian financial crisis hit Indonesia in 1997, the flows of material concessions that had sustained the New Order's rule dried up, and mass unrest toppled Suharto from power.

In an attempt to curry favour with the Western donors upon whom the Indonesian state was now entirely dependent, Suharto's successor, President Habibie, decided to offer the Timorese a referendum on independence or regional autonomy. Indonesian forces and their local allies launched a violent pro-autonomy campaign, using Timorese militias, police and army units.[43] Nonetheless, on 3 September 1999, 78.5 per cent voted for independence. The army and militia went on the rampage, precipitating a major humanitarian crisis. A UN-authorised multinational force was deployed to stem the violence, bringing the period of Indonesian rule to an end.

Indonesia's experience of state-building in East Timor illustrates the impossibility of simply importing a state project expressing the outcome of a specific social conflict into a completely different societal context, even if backed by massive coercion and material resources. Despite extensive attempts to 'resocialise' the Timorese, Indonesia's state project was modified by the newcomers' need to compromise with pre-existing powerful social groups to constitute local state power. These groups, while always junior partners to the Indonesian military, benefited from their collaboration and shaped the state's form and practices. These practices sowed contradictions within the state and new social divisions, which ironically helped revive the anti-Indonesian resistance. When combined with the economic collapse and widespread unrest of 1997, this paved the way for a final confrontation which ran right through the colonial state and secured its demise.

UN-led and post-independence state-building

The UN state-building mission in East Timor, UNTAET, was the most ambitious in the organisation's history, assuming full sovereign authority from 1999 to 2002. The UN's state project in the territory was largely financed by Western donors and involved an attempt to construct minimalist institutions and establish a functioning democratic system which complied with dominant neo-liberal ideologies of economic and political development. Initially, this test-case for international state-building was hailed as a great success. However, it is now clear that, like Indonesia before it, UNTAET was unable to simply graft its ideal-type state onto Timorese society. Instead, the emerging Timorese state became subject to emerging rivalries over power and resources in the impoverished territory. Granted different opportunities by UNTAET, various Timorese factions were differentially empowered and social conflict quickly began to express itself within the state apparatus itself. While UNTAET played a significant role, international state-builders were merely one party in the broader struggles that determined how state capacities developed and operated.

The UN viewed East Timor as a *tabula rasa*. Its overwhelming poverty and material devastation in the wake of the 1999 crisis led UN Transitional Administrator Sergio Vieira de Mello to remark: 'we are starting from scratch'.[44] Consequently, despite much talk of Timorese 'participation', UNTAET's state project involved building a rational, efficient institutional structure designed by Western technocrats, imbuing it with administrative and coercive 'capacity', and eventually transferring control to trained Timorese administrators.[45] UNTAET also sought to create a 'neutral' political environment for democratic, multi-party elections. However, the state project inherently restricted how state power might be used. The international financial institutions and donor countries central to the project insisted that the state's economic role be restricted to facilitating a free market.[46] Given the prior historic centrality of state spending in creating the socio-political alliances necessary to achieve stable governance, however, this attempt to transplant a Western neo-liberal state project into Timor merely exacerbated the struggle for power and resources that would naturally characterise any post-occupation scenario, particularly in a context of profound poverty and material devastation. As we shall see below, it also had significant consequences for the strategies of the Timorese forces which emerged to contest state power.

For, despite UNTAET's *tabula rasa* mentality, the territory was host to a large number of significant social conflicts that would powerfully shape how the new state would take shape. The major cleavage in the territory was, for obvious reasons, between various forces laying claim to the mantle of the anti-Indonesian resistance. The resistance had split into two major and several minor factions long before UNTAET arrived. In 1984, FRETILIN's armed wing, Forças Armadas De Libertacao Nacional De Timor Leste (FALINTIL), led by Xanana Gusmão, separated from the Marxist-Leninist party following a prolonged dispute. Gusmão called for a non-ideological 'national front' against the occupation, which eventually encompassed the clandestine youth movement and the CNRT alliance mentioned above. This non-radical alternative secured Western recognition and support, while FRETILIN representatives abroad—exiled largely in Mozambique—were gradually marginalised. They were also cut off from those resistance groups within Timor which rejected Gusmão's decision and formed their own splinter movements.[47] When the occupation ended, these forces vied to acquire the reins of power and the rewards of self-rule.

Timorese society was also marked by many other struggles over inequalities of wealth and power. In rural areas, many people forcibly resettled by the Indonesians tried to return to their ancestral villages, either willingly or because they were expelled by those upon whom they had been foisted; land disputes within and between villages surfaced; and in this situation of profound flux, younger Timorese began to challenge the authority of the elders formerly backed by Indonesia.[48] In urban areas, this challenge from youths was even stronger, and conflict over land and infrastructure surfaced almost immediately as refugees grabbed what little was left standing.[49]

UNTAET therefore arrived to face not a *tabula rasa* but a field of social conflict. UNTAET's state project quickly became a focus for competition over resources, which was only heightened by its sloth in distributing aid, the vast disparity between its budget and that of the proposed Timorese state (US$ 692 million versus US$ 59 million), and by the fact that only five per cent of foreign aid actually reached the Timorese themselves.[50] Competition for jobs with UNTAET, for example, was so intense that foreign peacekeepers had to suppress two riots at recruitment centres in early 2000.[51] The very nature of state-building as a process that advances some interests over others meant that, from the very beginning, UNTAET structured the emerging rivalries and began conferring disproportionate benefits on different social groups. Elite former collaborators used their land and political connections to work as intermediaries for foreign businesses and thereby recover their dominant positions.[52] Returning refugees, initially mostly easterners, seized property

in Dili, the capital, to lease to UNTAET at inflated rents. UNTAET's effort to regulate property rights recognised many of these seizures, thereby heightening conflicts between present occupiers and others with claims to the property under previous legal regimes.[53] As many Timorese found themselves excluded, armed gangs quickly emerged in Dili to establish control over major commercial centres, transport routes, protection and gambling rackets.[54] Others protested against the UN, demanding jobs and food.[55]

Like the Indonesians before them, UNTAET officials were from the beginning dependent on local Timorese leaders to actually govern the country, and growing social unrest merely heightened this dependence. Lacking any presence below the district level, UNTAET relied on the networks of the resistance and the CNRT to administer East Timor.[56] The CNRT's elite had therefore always dominated the national-level 'consultative council', which was now transformed into a 'co-governance' model whereby CNRT leaders like FRETILIN's Mari Alkatiri and close Gusmão ally José Ramos Horta were appointed to 'cabinet' positions.[57] Many scholars have echoed these elites' complaints that they were merely rubber-stamping UN *diktat*. However, the close UN-CNRT relationship had significant effects on the distribution of resources and power among societal groups, which quickly began to affect the state's development. Perhaps most importantly, in exchange for his role in providing charismatic leadership to keep the CNRT from disintegrating, Xanana Gusmão was permitted to handle the recruitment of East Timor's new armed forces, which he promptly staffed with his FALINTIL allies.[58] The police and civil administration also filled up with Gusmão supporters.[59] The UN's procedures which were designed to prevent such nepotism merely generated further resentment from rival ex-guerrilla groups, as they systematically favoured people with experience (i.e., officials of the occupation era) or education (i.e., elite youths or former exiles) over them.[60]

FRETILIN, the other leading force in the territory, was meanwhile organising itself to seize governmental power and reverse Gusmão's emerging domination of the state. Utilising networks neglected by other CNRT parties, FRETILIN won the territory's first post-occupation elections in August 2001, taking 57.4 per cent of the vote and 55 of the 88 seats in the constituent assembly.[61] FRETILIN now sought to counteract the Gusmão faction with its own state project. Its draft constitution centralised power in a strong parliament and created a weak presidency, correctly anticipating that Gusmão would seek and win the position. FRETILIN also sought to identify itself with the state by adopting FRETILIN's flag and anthem as national symbols, and renaming the army from *Forças de*

Defesa de Timor Leste (FDTL) to FALINTIL-FDTL. To the annoyance of many Indonesian-educated youths, the constitution also made Portuguese the national language.[62]

However, FRETILIN's bid to decisively shape the emerging state was undermined by the contours of the UN's state project, particularly the neo-liberal constraints placed on economic policy. With the post-Cold War evaporation of international support for its previous socialist programmes, FRETILIN's 1999 party congress had adopted a 'pragmatic' line on economic policy. Its 2001 election campaign appealed less to promises of social transformation and more to feelings of nostalgia, relying heavily on clan networks to mobilise voters.[63] Once in government, FRETILIN largely followed IMF and World Bank guidance, reflecting the importance of these institutions in the UNTAET state project.[64] Contrasting East Timor to Cambodia, Caroline Hughes argues that FRETILIN's adoption of neo-liberalism severely damaged its chances of building popular support through state spending.[65] Certainly, any attempts to do so were quickly curtailed by international agencies. For example, FRETILIN's plan to build infrastructure to create local agricultural co-operatives was squelched by the World Bank's flat refusal to fund it since it 'would inhibit private entrepreneurship'.[66] Furthermore, while expenditure on the military and police was capped at 20 and later 25 per cent of the state budget, initially just one per cent was allocated to agriculture, which supported over 70 per cent of the population.[67]

FRETILIN's lack of solid social support led it to seek alliances with other social forces, with significant consequences for the development of the Timorese state. Following the 2001 elections, veterans of the ex-FALINTIL splinter groups launched protests against Gusmão's monopolisation of the armed forces. Seeing an opportunity to widen their support base and weaken Gusmão, FRETILIN appointed their leader, Rogerio Lobato, as interior minister. FRETILIN then supported Lobato's bid to build up the police force (PNTL) as a rival power-base to the F-FDTL.[68] UNTAET's state-building strategy was vital in enabling this. Following an institutionalist approach, the UN tried to construct the PNTL in isolation from Timorese politics and society to ensure its 'professionalism', even to the point of recruiting 350 officers from the Indonesian-run police force and retaining control over the PNTL until 2004, two years after East Timor regained independence.[69] This attempt to insulate the institution from social conflict lasted only as long as the UN retained control; after it was handed over to Lobato, he quickly established a 'state [...] within a state', packing new paramilitary units with his supporters.[70]

These developments meant that social conflicts over power and resources became expressed within the state apparatus. The police and army quickly entered into rivalry over

their respective roles, and Gusmão's faction complained that donors were spending too much money on the PNTL and not enough on the F-FDTL. The police were also internally divided as Indonesian-era veterans were bypassed.[71] Violence between PNTL and F-FDTL members broke out soon after control of the PNTL passed to the government.[72]

Festering resentment and squabbles over scarce resources were for a while kept within tolerable bounds, but they gradually, and dangerously, became mapped onto an east/west regional divide. This divide has long operated as a mild prejudice wherein westerners are seen as temperamentally placid while easterners are seen as more fiery.[73] However, by historical accident, the spoils of independence have accrued to social groups which crudely correspond to this division. For example, the best F-FTDL posts went to easterners, since FALINTIL was based in the east; land in Dili was seized by easterners since they returned more quickly after the 1999 crisis; many PNTL posts went to westerners since that was where Lobato's supporters had been based, and so on. Some easterners tried to justify this situation by painting westerners as collaborators with Indonesia.

However, rather than representing an 'ethnic' conflict as some analysts imagine, the east/west divide is merely a 'vehicle' to mobilise support and lay claim to scarce resources in an extremely competitive environment.[74] The coalescing of grudges along this line nonetheless produced the spark for the collapse of state institutions in 2006. Early that year, western army personnel claiming to have suffered discrimination launched protests against the government, apparently winning President Guusmão's support.[75] Anti-FRETILIN forces converged on this opportunity, including veterans' groups, Western-backed opposition parties,[76] and youth gangs linked to opposition elites.[77] The protests erupted into violence.

Reflecting the way the state apparatus was shot through with these wider social conflicts, it rapidly disintegrated. The PNTL and F-FDTL divided into factions supporting their allies beyond the state, joining the violence and attacking each other, with the F-FDTL commander arming 'eastern' and Lobato 'western' civilian groups.[78] Youth gangs seized the opportunity to displace rivals from their properties in Dili, with landlords supplying them with lists of people to evict in some instances.[79] The violence spread well beyond the capital, along fault-lines opened up by established rivalries over land and local state patronage.[80] Unable to re-establish order, the Timorese government was forced to call on international peacekeepers to return to the territory; they remain there still. The political repercussions have been severe. Lobato and FRETILIN Prime Minister Mari Alkatiri were both forced to resign over the distribution of arms to civilians. Gusmão ally Jose Ramos-Horta

took over temporarily as prime minister until elections were held in 2007. FRETILIN's electoral support was nearly halved and Gusmão became prime minister at the head of an anti-FRETILIN grand coalition, with Ramos-Horta succeeding him as president.

The development of the post-occupation Timorese state has therefore been powerfully shaped not simply by the plans of international state-builders, but by the international political economy, neo-liberal ideology and the strategies of domestic social forces. Despite UNTAET's technocratic attempts to insulate state institutions from society, the emerging state was influenced from the beginning by the need to compromise with actually-existing power centres on the ground, and by the expression of social conflict in state apparatuses. At best, UNTAET was but one player, tilting the balance of forces and aggravating distributional conflict. Its very presence and attempt to regulate life in the territory created scarce resources—aid, land rights, jobs, administrative and political positions—which were unevenly distributed and thus empowered some social groups over others. The UN could not prevent the emerging Timorese state being profoundly shaped by rivalry for power and control.

'Fixing' fragile states: institutional fixes versus hegemonic strategy

The dramatic collapse of state institutions in East Timor in 2006 has led many scholars to ask what went wrong, contributing to the voluminous 'lessons learned' literature on state-building. Despite the way in which international state-builders shaped conflicts over state power, some scholars nonetheless exclusively blame the Timorese for ruining their own state through their 'divided leadership', 'authoritarian' behaviour and 'ethnic conflicts'.[81] Others recognise that international state-builders played a role, criticising UNTAET as an authoritarian 'kingdom' or a 'benevolent dictatorship' which 'missed opportunities' to ensure proper institution-building.[82] This section critiques this institutionalist response. It argues that to believe that social conflict can be evacuated from state institutions via some sort of institutional fix is simply deluded. State institutions are not stabilised by designing them more cleverly but by establishing a stable socio-political coalition capable of dominating and cohering them. This is fundamentally a political task, not a technical one.

Neo-liberal institutionalists blame the weak record of state-building interventions on the UN's failure to build adequate institutional 'capacity', and therefore demand that international experts return to create the right policies, procedures and capacities.[83] This is

the policy actually adopted by the UN and Australian forces in East Timor after 2006. The PNTL has essentially been dismantled and reconstructed, with officers undergoing extensive (re)training. However, the PNTL has 'remained weak and unstable, not assuming even full localised responsibility until early 2008'.[84] This is because this technocratic approach continues to try to build institutions independently of social relations. At some point, state institutions must become embedded in a broader social framework, and foreign agencies simply cannot guarantee against their (re)capture by dominant groups. They frequently cannot even prevent this in the short term: many of the people involved in the 2006 violence remain in the security sector, and UN reform efforts have frequently been thwarted.[85]

Neo-Weberian institutionalists take a more sophisticated line, recognising that popular engagement is actually necessary for successful state-building. They identify the problem as one of inadequate engagement between state-builders and local populations, resulting in the imposition of alien institutions dominated by isolated elites. Neo-Weberians like Chopra and Hohe therefore counsel 'participatory intervention' to foster local 'ownership' of state institutions.[86] They suggest that international state-building frequently fails because it attempts to impose a 'Western paradigm' of political authority and institutions that clashes with 'indigenous paradigms' derived from traditional social norms. They therefore recommend trying to incorporate traditional governance structures like tribal and clan authorities into state institutions, using sustained intervention to combine the two 'paradigms'.[87] This proposal deserves consideration, not least because embattled Western state-builders have been pursuing accommodations with tribal authorities in countries like Iraq and Afghanistan,[88] and because the current Timorese government is planning to decentralise democratic governance to bring the state closer to local communities.

First, it is important to point out the contradiction within the 'participatory intervention' approach. On the one hand, it is the fact that 'there is never a vacuum of power on the ground'—because local governance structures survive—that makes 'participatory intervention' necessary. On the other, it is still assumed that a UN-led 'social engineering project' can adapt these structures to modern statehood.[89] Moreover, this adaptation is still expected to produce a state conforming to international (read: Western) notions of legitimate statehood. In cases where local structures do not conform to 'international standards of human rights and democratisation' or are 'factionalised and serve as the core engine for continued conflict', Chopra and Hohe still advocate their total

'reinvention'.[90] As the above analysis suggests, international state-builders simply do not have the capacity to achieve such a task.

Moreover, it is doubtful whether any social institutions can be found that are not 'factionalised' and 'conflict'-ridden. Many scholars advocating an accommodation with 'traditional' governance appear to assume that 'tradition' offers some sort of pure reference point for political authority, unsullied by 'modernity' or power struggles. In reality, even apparently 'primitive' societies have been shaped by the forces of global capitalism, imperialism and other state projects. The use of local chiefs in state projects does not simply harness traditional 'paradigms' but transforms local power relations and even creates 'tradition' out of whole cloth.[91] The neo-Weberian dichotomisation of 'tradition' and 'modernity' is therefore quite unhelpful. As one anthropologist notes, what counts as 'tradition' is itself a site of conflict:

> *much that is thought of as belonging to the realm of 'custom' (adat) (and therefore assumed to be ancient habit) is in fact the glossing of an inherited practice that may only be a generation or two old [...] [Appeals to adat are really appeals for] the recognition of the legitimacy of the current practice than a statement of reality. Equally [...] custom [...] can be used just as forcefully as a basis for challenging current practices and their legitimacy as much as for justifying them.[92]*

The discovery of any pure reference point uncontaminated by struggles and contestation is therefore likely to be impossible.

Returning to the East Timor case illustrates that local governance is not a static, placid set of arrangements based on 'tradition', but can be just as conflict-ridden as 'modern', national governance. Consider the World Bank's Community Empowerment Project (CEP), which distributed small rehabilitation grants through locally-elected councils. Belying Hohe's static view of the norms of Timorese rural life as having survived 500 years of colonialism intact,[93] the CEP councils were shot through with social conflict. Since village elders were formally excluded, youths often dominated the councils and used them as a 'tool to express their wishes and revolt against the traditional powers'. In turn, elders and chiefs sought to manipulate elections and decision-making, often dominating apparently democratic, participative processes. Where villages were divided between competing resistance factions, 'CEP was used to express political divisions'. Reflecting their subordinate social status, women were marginalised, despite comprising 50 per cent of

council membership, as were victims of Indonesian resettlement. Villages established under Indonesian rule resisted being placed under the authority of 'traditional' ones for the purpose of aid distribution, and chiefs used the councils to intervene in land disputes with their rivals.[94] As Chopra and Hohe admit, those in charge of participatory interventions like CEP face a dilemma. Either they back the young CEP councillors—which would either have 'been conducted brutally or, if done humanely, might simply have failed'—or they back the traditional elders, which 'would have simply reinforced existing power structures' that were illiberal, 'inequitable and gender biased'. Unable to resolve this conundrum, they limply suggest that 'a more sophisticated approach was necessary'.[95]

The reason they are unable to resolve it is straightforward. In societies divided by class, ethnicity, gender, age, religion and so on, struggles for power and resources are perfectly normal and will always express themselves in any institution, 'participatory' or otherwise. The introduction of even small amounts of potential power resources exposes and accentuates societal cleavages, and foreign agencies cannot but become party to these rivalries. 'Traditional' governance is not uncontaminated by such struggles because all governance involves the exercise of power by some people over others. Such power relations are constantly open to challenge, particularly given that 'tradition' is never hermetically insulated from broader social developments. Decentralising democratic institutions is not a magic bullet, either. The experience of Indonesia itself, and of other post-conflict societies like Cambodia, suggests that decentralised institutions have simply been captured by local elements of entrenched socio-political elites or entrenched their already-existing rural dominance.[96] Localised democracy in East Timor will likely give vent to the same conflicts expressed on the CEP councils, meshed with attempts by national-level forces to exert control over local authorities.

The weakness of both the neo-liberal and neo-Weberian institutionalist approaches lie in the continued quest for an institutional fix to what are fundamentally social and political problems. Neo-Weberians are misguided in believing that 'modern' state institutions can somehow be bolted onto societies wrongly conceived as static and 'traditional'. Neo-liberals are equally misguided in believing that better institutional design, such as better oversight mechanisms for the police, could have prevented the collapse of state institutions in East Timor. Simply put, this approach assumes that institutions have magical powers that they simply do not possess. Consider the fate of democratic institutions anywhere on Earth. They only work when social forces capable of nullifying the outcome of elections using violence or other means are willing to accept the

ballot box as the means of allocating governmental power. This crucial condition has evaporated on many occasions, in both Western and non-Western states, leading to the collapse of democratic institutions. By the same logic, police oversight mechanisms would only have worked in East Timor if the dominant social forces capable of perverting them had wanted them to work.

This implies that successful state-building involves not just the construction of institutions but, more crucially, the construction of viable socio-political alliances that can agree on how state institutions and capacities are to be created, developed and prioritised.[97] Whatever the institutional setting, it will always be necessary for key socio-political forces to find a workable compromise among themselves. This process cannot simply be managed out of existence by institutional design, no matter how 'sophisticated'. Social relations may be institutionally mediated, but not institutionally determined. Achieving a workable compromise arguably requires successful strategies to achieve political hegemony and pursue economic accumulation. Hegemony, in its Gramscian sense, involves a leading social force organising a broad coalition that spans the state and civil society, into which other societal groups are 'consensually' incorporated as subordinate partners, with force being used as a last resort. When a viable economic accumulation strategy is also pursued, the coalition is maintained by a flow of material and symbolic concessions to these subordinated groups. Under such conditions, the state is relatively cohesive and social order is maintained in the interests of dominant forces.[98]

Success or failure in articulating hegemonic and economic accumulation strategies arguably tells us much more about the development of state forms and the sustainability of democracy than an institutionalist approach. Consider Weimar Germany, whose state apparatus had 'capacity' and successfully delivered 'public goods': according to institutionalist assumptions, it ought to have been stable. In reality, the Weimar state was interpenetrated with a society experiencing severe class conflict, which intensified greatly following the Wall Street Crash. Germany's crises of hegemony and accumulation were only resolved, through a process of trial and error, by the turn to fascism.[99] The struggle for hegemony, in Western democracies as much as in post-colonial settings, has thus frequently been violent and tumultuous.[100] However, after the Second World War, a more sustainable arrangement between capital and labour, shaped by the bipolar world order, was reflected in the institutional materiality of the state, producing a long period of relatively stable social democracy. More recently, however, the replacement of Keynesian with neo-liberal economic accumulation strategies across the world has undermined the capacity of

dominant social forces in Western states to maintain hegemony by, for instance, weakening welfare states and making national economies more vulnerable to serious crises.[101]

Arguably, it is only through progressing towards more viable hegemonic and accumulation strategies that the Gusmão government has been able to organise a grand alliance and maintain relative stability within the Timorese state since 2006. Gusmão has promoted a pro-business, conciliatory ideology and made shrewd use of Timor's oil revenues, which came on-stream after the 2006 crisis, to widen government employment, and, using state resources and contracts, bring NGOs, gang leaders, disgruntled veterans, business groups and even the Church into his patronage network.[102] In part, Gusmão has succeeded where FRETILIN failed because, rather than adopting wholesale the international donors' neo-liberal prescriptions, he has used state spending for explicitly political ends. The Gusmão alliance has also undoubtedly benefited from the heavy electoral losses inflicted on FRETILIN in the 2007 elections, and from the violent defeat in 2008 of the group of soldiers led by Major Alfredo Reinado, which had remained in rebellion against the government after 2006.[103] Hegemony may be attained by anything from peaceful compromise to the violent destruction of opposed forces, but the process will always be conflict-ridden and difficult, producing winners and losers.

Conclusion

This article has argued that international state-builders operate with a flawed image of states as institutional apparatuses standing apart from societies. In reality, all states and societies are deeply interpenetrated and state forms consequently express social conflicts over power and resources, which are affected by the international political economy and geopolitics, and by dominant ideologies about legitimate statehood. The case of East Timor illustrated the transnational nature of this conflict, which is shaped by external economic and geopolitical transformations. The period of Indonesian rule revealed that even brutally coercive states cannot simply dominate society in a neo-Weberian sense, but are constituted by accommodations reached between different social groups, which introduce new contradictions both within and without the state. The period of UN-led state-building exposed the folly of seeking to transplant a neo-liberal state project into a society in profound flux where the state was even more likely than usual to constitute a focus for rivalry over power and resources. The final section suggested that attempts by state-builders to escape the dynamic of social conflict—whether by even more

capacity-building or by 'participatory intervention'—cannot substitute for the task of building political hegemony, backed by a viable economic accumulation strategy.

The critique advanced here suggests that 'lessons learned' type approaches, which merely counsel a tweak of methods here or an institutional innovation there, are inescapably flawed, because they either continue to try to build the state in abstraction from society, or they seek to bolt it onto a society conceived as static and 'traditional'. Western attempts to transplant the structures of market democracy have been unsuccessful not because of flawed institutional design but because formal structures are always liable to be captured and distorted by local forces, or simply bypassed by informal power relations. Understanding why state-building encounters so many difficulties, despite decades of experience and a vast proliferation of 'lessons learned', requires that we transcend the dichotomisation of state and society, and appreciate the struggles for power that constructing a state necessarily implies.

Perhaps, therefore, the very 'problematique' of state-building also needs revision. The mainstream literature takes societal stability for granted once the correct institutional structure is in place, assuming that state 'failure' or social strife is the 'problem' to be explained. But if social and political conflict is normal, the question then becomes: how have some societies constrained these conflicts within the bounds of stable day-to-day politics, and why do they sometimes return to violence? Section four gestured, albeit in a necessarily brief and compressed fashion, towards a research agenda focused on the political-hegemonic and economic-accumulation strategies used by dominant social and political coalitions to achieve and maintain stability within states.

The experience of both Western and post-colonial countries is of relevance here. However, such analysis must always recognise and be sensitive to concrete social and historical conditions. While state-society interpenetration is common to all societies, these conditions vary widely and to try to impose any 'ideal-type', analytically as much as practically, is doomed to failure. Western societies developed under conditions that compelled landed elites and business classes to compromise with the demands of organised labour and the political left, which was critical in generating stable, democratic states.[104] By contrast, non-Western societies have been profoundly shaped by imperialism, Cold War interventions, and the vicissitudes of globalisation. During the Cold War, for example, Western intervention repeatedly helped anti-communist forces to disorganise and suppress the left. Consequently, the social compromises which produced Western social/liberal democracy were never struck in most post-colonial states. Rather than

attaining true hegemony, which is principally 'consensual' and based on a flow of material and symbolic concessions to subordinated groups, ruling socio-political coalitions in many parts of the Third World have relied instead on neo-patrimonialism, money politics and violence to sustain their domination.[105] Ayubi even argues that some Third World social formations are now such that attaining hegemony is effectively impossible.[106]

Finally, in terms of the practice of state-building, if constructing a stable state involves the attainment of hegemony, it might be argued, as Rosser does, that interveners must seek to construct not just institutions but 'a set of relationships between competing coalitions of interest that enables state capacity to emerge in relation to particular objectives'.[107] Rosser concedes that this may not always be possible, but the foregoing discussion suggests it may never be so. Although Ayubi's bleak assessment may be overstated, international interveners arguably lack the capacity and legitimacy to bring about successful hegemonic coalitions. Even the East Timor case, whose internecine conflicts are relatively mild, suggests that intervention may inflame rather than tame social conflict. Western attempts to forge stable coalitions in Iraq and Afghanistan have empowered some of the most predatory, violent and retrograde forces, a form of 'social engineering' which recalls the worst Cold War-era interventions. This makes a mockery of the liberal justifications for such intervention, and may be unable even to deliver a limited goal of 'stability' and security. The cultivation of hegemony fundamentally remains a task for domestic actors. Arguably, international state-builders would do better to recognise the limits of their power, and withdraw.

Acknowledgements

Endnotes

1. See, for example, Rotberg, 'Failure and Collapse', 31–42; Ghani and Lockhart, *Fixing Failed States*.
2. Hameiri, 'Failed States'.
3. See, for example, Tilly, *Coercion*; Mann, *Sources of Social Power*; Spruyt, *Sovereign State*.
4. Hameiri, 'Failed States'.
5. See, for example, USAID, *Fragile States Strategy*; DfID, *Eliminating World Poverty*.
6. Rosser, 'Rebuilding Governance', 169.
7. Hameiri, 'Failed States', 131.
8. Migdal, *Strong Societies*. Migdal has subsequently adopted a very critical stance on neo-Weberianism. See Migdal, *State in Society*.
9. Zartman, *Collapsed States*; Chesterman et al., 'Introduction'.
10. See, for example, Fukuyama, *State-Building*; Rotberg, 'Failure and Collapse'.
11. Jayasuriya, 'Beyond Institutionalism Fetishism', 383.

12. Migdal, *State in Society*; Jessop, *State Power*.

13. Harvey, *Brief History*; Hameiri, 'Capacity and Its Fallacies'.

14. See, for example, Carter, *Inventing Vietnam*.

15. Rosser, 'Rebuilding Governance', 172.

16. Veltmeyer et al., *Neo-liberalism*; Dixon and Kilgour, 'Vietnamese Transitional Economy'; Hameiri, 'Capacity and Its Fallacies'.

17. See, for example, Robison and Hadiz, *Reorganising Power*.

18. Bickerton, 'State-building'; Chandler, *Empire in Denial*.

19. Antlöv, '*Demokrasi Pancasila*'.

20. INFID, 2007. Profile of Indonesia's Foreign Debt. Available at: http://www.jubileeaustralia.org/Literature Retrieve.aspx?ID=22291 [Accessed 9 September 2009].

21. Capizzi, Elaine, Helen Hill, and David Macey, 1976. 'FRETILIN and the Struggle for Independence in East Timor'. Race and Class 17(4), 381–395. Hoadley, J. Stephen, 1976. 'East Timor: Civil War – Causes and Consequences'. In Southeast Asian Affairs 1976. ISEAS, Singapore, 411–419. Jolliffe, Jill, 1978. East Timor: Nationalism and Colonialism. University of Queensland Press, St Lucia. Dunn, James, 1983. Timor: A People Betrayed. Jacaranda Press, Adelaide. Evans, Grant, 1975. 'Portuguese Timor'. New Left Review I/91, 67–79.

22. Anderson, 'East Timor and Indonesia', 138–141.

23. Budiardjo and Liong, *War against East Timor*, 96–97.

24. Aditjondro, *In the Shadow of Mount Ramelau*, 10.

25. Kohen and Taylor, *Act of Genocide*: Indonesia's Invasion of East Timor. Tapol, London, 88–89; Budiardjo and Liong, *War against East Timor*, 76ff.

26. Carey, 'Forging of a Nation', 13.

27. Budiardjo and Liong, *War against East Timor*, 111; Gunn, *East Timor*, 13ff.

28. Retbøll, Torben, ed. 1980. East Timor, Indonesia and the Western Democracies: A collection of Documents. IWGIA, Copenhagen. *Documents*, 50; Aditjondro, *In the Shadow of Mount Ramelau*, 57–58; Saldanha, *East Timor*, 105–128.

29. Aditjondro, *In the Shadow of Mount Ramelau*, 57; Pedersen and Arneberg, *Social and Economic Conditions*, 38.

30. Ospina and Hohe, 'Traditional Power Structures', 52–60.

31. Pedersen and Arneberg, *Social and Economic Conditions*, 116.

32. Ospina and Hohe, 'Traditional Power Structures', 61.

33. Timorese personnel were responsible for a third of conflict-related deaths, over a third of torture and forty per cent of cases of ill-treatment, while 29 per cent of 'unlawful killings' were carried out by the resistance. Timorese militiamen also perpetrated most of the violence preceding and following the 1999 popular consultation. CAVR, *Chega!*, 44, 59–60, 63, 84, 103. This clearly indicates a state reflecting a society divided against itself.

34. Saldanha, *Political Economy*, 112–128.

35. Ospina and Hohe, 'Traditional Power Structures', 52–60.

36. McWilliam, 'Customary Governance', 132–133.

37. Saldanha, *Political Economy*, 217; Soesastro, Hadi, 1989. 'East Timor: Question of Economic Viability'. In Unity in Diversity: Regional Economic Development in Indonesia since 1970, ed. H. Hill. Oxford University Press, Singapore, 207–229. Mubyarto, Loekman Soestrisno, Hudiyanto, Edhie Djatmiko, Ita Setiawati, and Agnes Mawarni, 1991. East Timor: The Impact of Integration – An Indonesian Socio-Anthropological Study. Trans. Indonesia Resources Information Programme. Indonesia Resources Information Programme, Northcote.

38. Gunn, *East Timor*, 22.

39. Singh, *Myths and Realities*, 247–248.

40. Saldanha, *Political Economy*, 146–147; Singh, *Myths and Realities*, 145–151, 335; Pinto, Constâncio, and Matthew Jardine, 1997. East Timor's Unfinished Struggle: Inside the Timorese Resistance. South End Press, Boston. Carey, Peter, 2005. 'Third World Colonialism, the Geraçao Foun and the Birth of a New Nation: Indonesia Through East Timorese Eyes, 1975–99'. Journal of Romance Studies 5(1), 37–51. Robinson, Geoffrey, 2001. 'Indonesia: On a New Course?'. In Coercion and Governance: The Declining Political Role of the Military in Asia, ed. M. Alagappa. Stanford University Press, Stanford, 225–256.

41. Taylor, *Indonesia's Forgotten War*, 126–127; Inbaraj, *East Timor*, ch. 5; Singh, *Myths and Realities*, 179; George Aditjondro, 'ABRI, Inc.'. *Sydney Morning Herald*, 8 May 1999; Robinson, 'New Course', 238.

42. Aditjondro, 'From Colony to Global Prize'.

43. Pedersen and Arneberg, *Social and Economic Conditions*, 119–121.

44. Viera De Mello, 'Remarks'.

45. Beauvais, 'Benevolent Despotism'; Chopra, 'Building State Failure'.

46. Anderson, 'Self-Determination'.

47. Shoesmith, 'Timor-Leste', 235–241; ICG, 'Resolving Timor-Leste's Crisis', 3.

48. Ospina and Hohe, 'Traditional Power Structures', 65–66, 70, 93, 120.

49. Harrington, 'Ethnicity, Violence, and Land'.

50. Beauvais, 'Benevolent Despotism', 1125; La'o Hamutuk, 'How Much Money'.

51. Beauvais, 'Benevolent Despotism', 1125.

52. Aditjondro, 'From Colony to Global Prize'.

53. Harrington, 'Ethnicity, Violence, and Land'.

54. Scambary, 'Anatomy of a Conflict', 267.

55. Aditjondro, 'Mapping the Political Terrain'.

56. Hohe, 'Clash of Paradigms', 579–582.

57. Chopra, 'UN's Kingdom', 31–33.

58. Hood, 'Missed Opportunities', 148.

59. Matsuno, 'UN Transitional Administration', 66.

60. Ibid.

61. Hohe, 'Clash of Paradigms', 580.

62. This is often criticised as an anachronistic move by individuals in FRETILIN who had spent decades exiled in Lusophone ex-colonies. However, 80 of the 88 assembly members backed the policy, and none opposed it, indicating a wide degree of elite consensus. Aside from the practical benefits of integration into an international Lusophone community, and an ideological desire to reject Indonesian as the basis of an independent 'nation-building project', this can perhaps also be understood as an attempt by a Portuguese-educated generation of elites to ensure their privileged access to the state.

63. Hohe, 'Clash of Paradigms', 580.

64. Rosser, 'Rebuilding Governance', 178.

65. Hughes, *Dependent Communities*.

66. Anderson, 'Self-Determination', 7.

67. Burton, 'Security Sector Reform', 104; Fox, 'Repaying the Debt', 124.

68. Sahin, 'Building the State', 265; OHCHR, *Report*, 19.

69. Hood, 'Missed Opportunities'.

70. Sahin, 'Building the State', 265.

71. OHCHR, *Report*, 57–60; see also Goldsmith and Dinnen, 'Transnational Police Building', 1097–1104.

72. OHCHR, *Report*, 53.

73. Aditjondro, *In the Shadow of Mount Ramelau*, 26–27.

74. Harrington, 'Ethnicity, Violence, and Land'.

75. ICG, 'Resolving Timor-Leste's Crisis', 6–7.

76. Anti-FRETILIN parties have been supported by US 'democracy-promotion' institutions. See Ben Moxham, 'Taming the "Banana Republic": The United States in East Timor'. *Zed Magazine*, January 2005.

77. Scambary, 'Anatomy of a Conflict', 272–273.

78. OHCHR, *Report*.

79. Harrington, 'Ethnicity, Violence, and Land'.

80. Scambary, 'Anatomy of a Conflict', 279–280.

81. Shoesmith, 'Timor-Leste'; Simonsen, Sven Gunnar, 2006. 'The Authoritarian Temptation in East Timor: Nationbuilding and the Need for Inclusive Governance'. Asian Survey 46(4), 575–596.

82. Chopra, 'UN's Kingdom'; Chopra, 'Building State Failure'; Beauvais, 'Benevolent Despotism'; Hood, 'Missed Opportunities'.

83. See, for example, ICG, 'Resolving Timor-Leste's Crisis'; OHCHR, *Report*; Hood, 'Missed Opportunities'.

84. Kingsbury, 'East Timor's Political Crisis', 8.

85. Wilson, 'Smoke and Mirrors'.

86. Chopra, 'Building State Failure'; Chopra and Hohe, 'Participatory Intervention'.

87. Chopra and Hohe, 'Participatory Intervention', 292–303. See also Mearns, *Democratic Governance*.

88. See, for example, Kilcullen, *Accidental Guerrilla*.

89. Chopra and Hohe, 'Participatory Intervention', 298, 289.

90. Ibid., 298–302. In this sense the scheme is only interested in 'participation' to the extent that it allows external interveners to impose their goals more successfully on the target society.

91. Hobsbawm and Ranger, *Invention of Tradition*; Mamdani, *Citizen and Subject*.

92. Mearns, *Looking Both Ways*, 31.

93. Hohe, 'Clash of Paradigms'.

94. Ospina and Hohe, 'Traditional Power Structures', 115, 109, 16, 93, 138–142, 153, 117–120.

95. Chopra and Hohe, 'Participatory Intervention', 297.

96. Hadiz, 'Decentralization and Democracy'; Sedara and Öjendal, 'Decentralization as a Strategy'.

97. See Rosser, 'Rebuilding Governance'.

98. Jessop, *State Theory*, esp. 9, 156, 161–167, 199–201, 207–210, 268, 363–364.

99. Ibid., 41–47, 156–160.

100. Tilly, *Coercion*.

101. Harvey, *Limits to Capital*.

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