What ASEAN Must Learn from Timor-Leste: A Tripartite Analysis on Australian Foreign Policy Related to Timor Sea Treaty 2018

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Abstract

The Timor Gap had been a hotspot of territorial dispute between Australia and Timor-Leste. In 2018, Australia finally agreed to settle a permanent maritime boundary in favour of Timor-Leste. Why was Australia willing to sacrifice the border and give a favourable outcome to Timor-Leste? The research examined the importance of the tripartite approach to Foreign Policy analysis to understand why a country may choose seemingly unfavourable options in territorial disputes. The analysis showed how Australian foreign policy was influenced by agency-structure interactions within the international system. The research demonstrated that structural constraints at the international level influenced Australia’s decision, including the South China Sea dispute between ASEAN members and China, previous agreements Australia-Timor-Leste on the management of the Timor Gap, and domestic political dynamics in Australia. The research reveals a relationship between actors’ structural and dispositional dimensions in foreign policy. In the case of Australia, there is a strong link between democratic values and respect for the international rules-based order. Altogether, this situation prompted Australia to continue negotiations with Timor-Leste over the Timor Gap and ultimately to accept an agreement for maritime delimitation in Timor-Leste’s favor.

Keywords: ASEAN, Timor Sea Treaty, Australia, Timor-Leste, Timor Gap
Introduction

Territorial disputes in Southeast Asia threaten the region’s peace, stability, and unity. Blancard (2003) notes that these disputes can foster aggressive foreign policies, particularly in domestically unstable countries. Local politicians often exploit border disputes for rhetoric and policy, leading to prolonged conflicts (Kraus, 2017). The Thai-Cambodian conflict over Preah Vihear temple exemplifies such dangers. For Cambodians, the temple is a nationalist symbol with various political implications (Ngoun, 2017). Despite a 2008 agreement symbolizing ‘long-lasting friendship’, nationalism fueled armed conflicts between Thailand and Cambodia, causing casualties and displacing thousands. This reflects a broader issue in Southeast Asia: unresolved border and maritime disputes. Even the newest Southeast Asian country, Timor-Leste, faces unresolved borders with Indonesia, including in Noel Besi-Citrana and the Oecusse-Ambeno exclave (Shofa, 2023).

Border disputes in Southeast Asia, often fueled by political, economic interests, and competition for resources, pose a significant risk of armed conflict and major wars, particularly exemplified by the volatile South China Sea situation (Avis, 2020). This major territorial dispute involves China’s assertion of maritime boundaries through the nine-dash line, provoking responses from Vietnam, the Philippines, and Malaysia, each staking territorial claims and deploying military resources (Mancini, 2013; Son, 2019). Indonesia has also been drawn into the conflict, mainly due to illegal Chinese fishing activities (Kantaprawira, Bainus, & Kusumawardhana, 2019; Anggraini et al., 2019). Despite over two decades of contention, ASEAN and China have yet to agree on a regional framework to manage the South China Sea dispute, maintaining a state of unresolved tension (Ashley, 2023).

The South China Sea dispute clearly requires innovative approaches that can lead all parties to hold back and sit together to agree on a solution for managing these waters. With tensions on the rise in recent years, observers have frequently described the waters as a “flashpoint” of competing great-power aspirations, on not only a regional but also a global scale (Jenne, 2017). As China grows stronger, this will likely make negotiations with ASEAN even more difficult. China will use all the means it has in its foreign policy and diplomatic capacity to prevent ASEAN from uniting to protest China’s aggressive activities in the South China Sea. Observers have been quick to interpret the ups and downs in Southeast Asia’s bilateral disputes in the context of ostensive great-power strategies, including but not limited to those of China and the United States (US), together with the US’ Asian allies (Storey, 2011).

ASEAN can draw lessons from Timor-Leste’s successful negotiation with Australia over the resource-rich Timor Gap. This dispute, involving significant hydrocarbon and gas reserves, was resolved with the historic Maritime Boundary Treaty, the first conciliation under the United Nations Convention on the Law of the Sea (UNCLOS) (The Conversation, 2018 Department of Foreign Affairs and Trade, 2018b). This treaty granted Timor-Leste a larger revenue share from the Greater Sunrise gas fields compared to the previous 50-50 split, with profits divided 80-20 if processed in Australia or 70-30 if in Timor-Leste (Raimundos, 2019).
Key fields in the dispute included the Bayu-Undan Field, with reserves valued up to US$7 billion, and the Laminaria-Corallina Oil Fields, with 200 million barrels of reserves (Smith, 2012; “Laminaria and Corallina oil”, 2023). The largest, the Greater Sunrise Field, was estimated to hold vast reserves with potential co-revenue up to US$65 billion (Smith, 2012; Evans, 2018; Gloystein & Paul, 2018). Initially, Australia resisted UNCLOS-based negotiations, preferring bilateral discussions. However, the final agreement was reached through UNCLOS’s Annex V compulsory conciliation, showcasing a successful model for ASEAN in handling similar maritime disputes.

This case is worthy of deeper analysis. Firstly, the Timor Sea conciliation effectively resolved a longstanding deadlock between Australia and Timor-Leste, a dispute unresolved by negotiation, litigation (ITLOS or ICJ), or arbitration (UNCLOS Annex VII tribunal) (Tamada, 2020). Secondly, the curiosity lies in why Australia, a larger country, agreed to an outcome favoring Timor-Leste, granting it the majority of future revenue from the area.

The Timor Sea Treaty notably shifted control of the Greater Sunrise from Australia to Timor-Leste, despite over two decades of Australian investment and benefits. This outcome is intriguing, given Australia’s larger size and initial control. This situation challenges the realist approach in international relations, which posits that states act in self-interest and power pursuit (Morgenthau, 1948). Realism would suggest that Australia, as the more powerful nation, would retain control over a valuable resource like the Greater Sunrise gas field. However, the Treaty deviated from this expectation, with Australia conceding significant authority to the smaller, less powerful Timor-Leste. This indicates that the realist perspective, focusing solely on power and self-interest, is insufficient to explain such diplomatic outcomes.

In the context of liberalism, which emphasizes peace, cooperation, and economic interdependence among states, the outcome of the Timor Sea Treaty raises questions (Burchill, 2005). Liberalism, valuing the role of international organizations and advocating for democratic peace theory, suggests democracies are less likely to engage in war (Doyle, 1986). It posits that states are motivated by economic prosperity, necessitating cooperation for mutual benefits, and encourages market relations as the optimal economic system (Burchill, 2005). However, this perspective struggles to explain Australia’s decision in the Treaty, where it forfeited significant economic potential by ceding control of the Greater Sunrise field. This action appears contradictory to the liberal emphasis on economic rationality and mutual economic gains, leaving the question of why Australia viewed the Treaty as beneficial to its national interests unresolved, especially considering the economic sacrifices involved.

The resolution of the Timor Sea Treaty can be more effectively understood through Constructivism, which emphasizes the influence of norms, ideas, and beliefs on state behavior. Constructivists argue that state interactions are shaped not just by material conditions but also by shared ideas and social relationships (Wendt, 1992). This perspective suggests that Australia’s decision to relinquish control over the Greater Sunrise gas field might be rooted in its respect for international norms, prioritizing legitimacy and fairness over material gains.
The research seeks to uncover the motivations behind Australia’s foreign policy regarding the Timor Sea Treaty and previous agreements, broadening the analysis beyond the usual focus on settlement outcomes. Schleich (2018) highlights the UNCLOS conciliation process as a model for resolving maritime disputes, emphasizing neutrality, quality of commission members, and parties’ willingness to compromise without political damage. Laksmana (2017) views the Timor-Leste-Australia agreement as a peaceful maritime dispute resolution, while critiquing Australia’s ‘rules-based’ order claim as inconsistent with bilateral, historical, and geopolitical contexts. Strating (2018) discusses the victory of Timor-Leste in the political struggle over sovereignty, underscoring the ideational factors in its claim. This multifaceted analysis sheds light on various aspects of the treaty and the complex interplay of factors influencing Australia's foreign policy choices.

All of these studies tend to focus on ‘the secret’ behind the agreement but overlook the driving factor behind Australia’s willingness to accept the results. In other words, while existing research has successfully developed understanding of how both parties reached the agreement, this article stresses the underlying causes of Australia’s foreign policy decisions in the case of the Timor Sea Treaty. Thus, this article seeks to explain why Australia accepted the Timor Sea Treaty as an agreement to determine maritime delimitation in the Timor Sea. Using Carlsnaes’ (1992) tripartite approach in analyzing foreign policy, this research investigates the structural, intentional, and dispositional factors underlying Australia’s decision to accept the Treaty. It is believed that single causal factor is inappropriate in understanding foreign policy. Instead, it is considered important to incorporate the dynamic interplay between structural and individual level of analysis.

The research employs a qualitative method to explore the case study and support the authors’ arguments. Data are sourced from publicly available documents, including official records from Australia, Timor-Leste, the United Nations, academic publications, and online news. In-depth interviews with experts further solidified the findings. The method is chosen for its adaptability and ability to analyze complex social contexts. The research begins with Walter Carlsnaes’ tripartite approach to foreign policy, encompassing structural, positional, and dispositional dimensions. The structural dimension examines the external environment influencing actor behavior, the positional dimension considers an actor’s perception within the international system, and the dispositional dimension focuses on internal factors like attitudes and values influencing policy decisions.

The research then conducts a process-tracing study of Timor Sea treaties from 2002 to the Certain Maritime Arrangements in the Timor Sea (CMATS) in 2006, unraveling negotiation intricacies and strategies of Australia and Timor-Leste. These treaties highlight the interaction of Carlsnaes’ dimensions in Australia’s foreign policy. The final part analyzes Australia’s policy in the 2018 Timor Sea Treaty, examining the influence of structural factors like relations with ASEAN and geopolitical impacts, Australia's positional self-perception as a regional authority, and its dispositional adherence to democratic values and international law. This comprehensive analysis underscores the complexity and interplay of these dimensions in shaping Australia's foreign policy and its regional implications.
Analytical Framework: A Tripartite Approach to Foreign Policy Analysis

Before delving into the theoretical framework of this research, understanding the concept of foreign policy is crucial. Hill (2003b) defines it as the sum of a state's official external relations (Hill, 2003b). Hudson (2007) differentiates ‘international relations’, focusing on relationships, from ‘foreign policy’, which pertains to decisions. Foreign policy encompasses processes (the decision-making system), statements (official communications expressing state policy), and behaviors (actions towards other states).

Foreign policy operates in complex internal and external environments, synthesizing inputs from actors and groups within and outside state boundaries. It encompasses domestic and international political issues, involving bargaining, compromise, and trade-offs affecting various interests (Neack, 2003 in Carlsnaes, 2012). Countries must navigate actions, reactions, and interactions in international relations, understanding the types and characters of actors and environments to formulate appropriate policies (Neack, 2013; Snyder, 1991).

Social events are constructed through the interaction of agents and structures. The ‘agent-structure problem’ has been a long-debated topic in sociology. Karl Marx highlighted the influence of structure on social phenomena, famously stating, “Men make their own history... under circumstances existing already, given and transmitted from the past” (Marx, 1852). Similarly, Emile Durkheim emphasized the role of ‘social facts’ in shaping societal behaviors (Durkheim, 1982). In contrast, Max Weber focused on the role of individual agents in sociology, defining it as the interpretative understanding of social action to deduce its causes and effects (Weber in Miller, 1978). This dichotomy between agent-based and structure-based theories offers diverse perspectives on understanding foreign policy and social phenomena.

In international relations, constructivism raised the issue of the ‘agent-structure problem’ in Alexander Wendt’s 1987 article. In his research, Wendt adopted Anthony Giddens’ theory of structure, which proposes the key assumption that agent and structure is mutually constituted (Giddens, 1986; Wendt, 1987). ‘Agent’ derives from the Latin verb agree, which means “to drive, to lead, to act, to do”, while ‘structure’ is derived from the past participle of the Latin verb struere, which means “to build”, referring to something that is in the process of being built (Kubalkova, 2001). These two components are crucial because they play significant roles in forming foreign policy, with actors such as policymakers and structures as the factors that influence it (Smith, Hadfield, & Dunne. 2012).

Australia’s foreign policy in the Timor Sea Treaty is examined through the interplay of agent and structure. Australia is considered the agent, with its bilateral relations with Timor-Leste and Southeast Asian security dynamics, particularly the South China Sea dispute, forming the structure. Following Hill (2003a), foreign policy is viewed as a complex interplay of multiple actors within diverse structures. We apply Carlsnaes’ three-dimensional framework, integrating intentional, dispositional, and structural dimensions. The intentional dimension focuses on national interests and choices; the dispositional dimension examines
decision-makers' perceptions and values; and the structural dimension considers international settings and conditions. This framework aims to understand the underlying reasons or goals behind policy decisions, exploring how specific intentions emerge and influence Australia’s policy actions in the Timor Sea Treaty context.

In this context, state choices and preferences are shaped by their geopolitical environment. While national interests guide foreign policy, states must also consider the context in which they act rationally. Formulating foreign policy always involves assessing the situation to address external challenges and minimize risks. The interpretation of geopolitical environments in policy formulation is heavily influenced by elite values and perceptions. Values, as belief systems, motivate specific goals, while perceptions are worldviews shaped by how actors process external information (Waever, 1990).

On the other hand, the structural dimension does not cause states to behave in a certain way, although it certainly provides the ‘constraining conditions’ under which a contingent is to respond (Carlsnaes, 1992). Thus we need to link how the dispositional dimension is affected by structural dimensions, given factors such as domestic, international, social, cultural, economic, material, normative, and ideational (Carlsnaes, 2013). These factors need to be considered, which may constrain the decision maker in the dispositional dimension.

State actions can be analyzed through a three-dimensional approach encompassing intentional, dispositional, and structural dimensions, as articulated by Carlsnaes (1992), as seen in Figure 1. These dimensions are distinct yet interconnected, allowing for progressively comprehensive explanations of policy actions. The intentional dimension, focusing on an actor's goals and preferences, offers a basis for rationalistic analyses but can be deepened by exploring the causal factors underlying these choices and preferences. This deepening involves examining the dispositional dimension, which includes beliefs, values, perceptions, and motivations of policymakers. It connects to the intentional dimension through a 'because of' (causal) and 'in order to' (teleological) relationship, linking a specific purpose with an actor's intention.

Figure 1 Analysis Framework
Source: Authors, adapted from Carlsnaes (1992)
The dispositional dimension, analyzed through psychological, cognitive, and ideational lenses, delves into internal factors like the personalities of leaders, state political culture, and policymakers’ interpretations of international events (Carlsnaes, Risse, & Simmons, 2002). For instance, in the context of Australia’s foreign policy in the Timor Sea, one might study the individual dispositions of its political leaders, their personal beliefs, their conceptualization of national interests, and their perceptions of the dynamics in the Timor Sea. This multidimensional analysis offers a nuanced understanding of the underlying influences on state action and decision-making processes.

The structural dimension, crucial for understanding foreign policy actions, involves actors interacting within habitual institutions, forming structures that influence their understanding of social dynamics in international relations. This dimension interweaves with intentional and dispositional dimensions, particularly through the concept of cognitive constraint as defined by the Sproust. It implies that structural elements like institutions and external factors are processed through actors’ cognition, establishing the conditions within which they operate rather than directly causing specific behaviors (Carlsnaes, 1992). For instance, in Australia’s foreign policy context, the structural dimension might include the influence of international law, maritime treaties, global trade, regional politics, and the Indo-Pacific strategic environment.

The dynamic nature of agent-structure interactions, changing over time and influencing decision sequences, necessitates a dynamic framework for analyzing foreign policy actions like Australia’s in the Timor Sea Treaty. Carlsnaes (1992) emphasizes how previous actions influence subsequent ones. For example, the 2002 Timor Sea Treaty and CMATS created new structural challenges, affecting subsequent intentional and dispositional dimensions, leading up to the 2018 Timor Sea Treaty.

Carlsnaes’ framework underscores the importance of institutions and rules in international relations history in understanding foreign policy. This view aligns with Keohane’s (1989) and Ruggie’s (1993) perspectives, emphasizing the impact of international institutions on state conceptualizations and the intersubjective nature of institutional facts. Institutions emerging from international agreements shape state expectations and should be the basis for analyzing foreign policy actions, considering their interrelated and historical nature.

The three events that are selected as the focus of the analysis are limited to three periods: 1) In 2002, Australia and Timor-Leste signed the Timor Sea Treaty, followed by the Greater Sunrise field unitization agreement, which was made on March 6, 2003. The share of exploration proceeds is split into 20.1% for the Joint Petroleum Development Area (JPDA) and 19.9% for Australia; 2) The distribution results encouraged Timor-Leste to struggle to continue negotiations with Australia until CMATS was reached, which changed the Greater Sunrise revenue share to 50:50; 3) When the Timor Sea Treaty was finally agreed, which becomes the research focus.
Process Tracing: From the Timor Sea Treaty 2002 to CMATS 2006

After gaining its independence from Indonesia through referendum in 2002, Timor-Leste established bilateral relationship with Australia revolve around the issue of managing the Timor Gap. The Timor Gap is an area of the Timor Sea between Australia and Timor-Leste. It contains rich oil and natural gas revenue. In 2005, the area contained reserves of 987 billion barrels of oil, which is able to finance 86% of Timor-Leste’s national spending (Hananto, 2021). From the geopolitical lens, the Timor Gap is very important for the bilateral relationship between Timor-Leste and Australia, especially in managing oil and natural gas at this area. Timor-Leste’s national interest primarily lies in gaining an exclusive exploration and exploitation of rich natural resources at the Timor Gap before the Timor Gap Treaty. As an independent country, Timor-Leste uses its bargaining power to maximize its national interest at this area.

The Timor Sea Treaty, signed between Timor-Leste and Australia in 2002, continued the exploration and exploitation of hydrocarbons in the Timor Gap, replacing a 2000 Memorandum of Understanding between UNTAET and Australia (“Tinjauan ulang mengenai minyak”, 2003). It extended activities in Area A of the 1989 Timor Gap Treaty’s Zone of Cooperation, renaming it the Joint Petroleum Development Area (JPDA) (Coutinho & Gala, 2015). The Treaty, valid for 30 years with an extension option, set a provisional arrangement for continental shelf boundaries and stipulated a 90-10 revenue share in favor of Timor-Leste for resources in the JPDA (Timor Sea Treaty, 2002; Laot, 2019).

In January 2006, the Certain Maritime Arrangements in the Timor Sea (CMATS) agreement further modified the operational period of the Timor Sea Treaty to 50 years or five years after JPDA’s last production activity (Kaye, 2008). While not establishing a permanent boundary, CMATS increased Timor-Leste’s revenue share, granting it 50% of the Greater Sunrise fields once developed (Schofield, 2007). This was an improvement from the prior agreement, where the revenue split was 79.9% to Australia and 20.1% to JPDA, effectively giving Timor-Leste an 18.1% share of Greater Sunrise. In total, Australia’s revenue from Greater Sunrise, including its share from the JPDA, amounted to 81.91%, with an additional 2.01% from its JPDA ratio (“Tinjauan ulang mengenai minyak”, 2003; Parliament of Australia, 2004).

Timor-Leste, gaining independence after long periods under Portuguese and Indonesian rule, faced significant challenges in consolidating its nationhood. Economic instability was rampant, marked by a 200% increase in the poverty index and a sharp rise in manufacturing prices (Lundahl & Sjoholm, 2006). The situation worsened with extensive damage to infrastructure, including schools and medical clinics, during civil unrest and riots. Around 80% of these facilities were damaged or destroyed, severely impacting education and healthcare delivery (“Four schools or hospitals”, 2016). A 2003 World Bank report noted major disruptions to transportation and communication networks, exacerbating economic struggles in already vulnerable areas and hindering aid distribution. Furthermore, the Asian Development Bank observed that the damaged electricity and telephone systems not only caused immediate hardship but also hindered investment and economic growth (“Timor-
Leste: Country strategy”, 2004). Consequently, Timor-Leste’s early independence years were plagued by infrastructural and economic difficulties.

As one of the world’s poorest countries, Timor-Leste’s per capita income was below US$350 (Lundahl & Sjoholm, 2006). The World Bank (2024) categorized it as a lower-middle-income country, but its economic status has likely evolved since 2006. These challenges have driven Timor-Leste to negotiate for resource shares in areas like the Timor Gap, crucial for its development and improving living standards. Australian policymakers considered Timor-Leste’s instability during CMATS negotiations, influenced by their perception and values (Figure 2).

For Australia, the Greater Sunrise dispute was central to its energy security, particularly for liquid natural gas (LNG). The Bayu-Undan field provided substantial energy reserves, and the Greater Sunrise field was projected to generate about US$40 billion over 30 years, making it a potential major source for LNG and other gas-based industries (Bovensiepen, 2020). Phillips Petroleum’s US$1.5 billion project connected to the Bayu-Undan field started production in 2003, highlighting Australia’s significant interest in securing its energy resources.
The subsequent phase had a principal objective to establish a gas project and the essential infrastructure to facilitate the distribution of gas toward the gas market. According to the details furnished by Woodside Petroleum, the company also constructed a subsea pipeline from the Bayu-Undan project to Darwin, Australia, which commenced operations in 2006 (Woodside, 2022). While the Greater Sunrise field was not part of this phase, it presents substantial potential for a future connection to utilize the existing infrastructure. Despite experiencing a downturn in revenue from projects in the Joint Petroleum Development Area (JPDA) region, Australia has retained a commanding position on the project, as per a report by Technavio (2022). As of 2022, the only available processing plant was located in Darwin.

The Greater Sunrise field is pivotal for Australia's economy and energy security, offering extended natural gas supplies with potential to boost employment in related industries and create new export sectors for Liquefied Natural Gas (LNG), methanol, and other derivatives. This development could lead to spin-off industries and increased tax revenue for the Northern Territory and Australian government, enhancing the nation's economy and public finances, as Deloitte (2015) suggests. Complementing this economic interest, Australia's significant role in Timor-Leste's security, particularly during the 2006 military crisis, involved deploying forces as part of the International Stabilization Force (ISF) and providing police and army assistance in Dili. Australia's consistent security involvement, including during the referendum through operations like International Force East Timor (INTERFET), Operation Spitfire, and Operation Stabilise, has been crucial in shaping its negotiation strategy over the Greater Sunrise field (“Government statements”, 2007).

The signing of CMATS in 2006 represented the urge to elevate a more secure Timor-Leste amidst the crisis and a better taking for the Timorese compared to the previous treaty. The intention to maintain a secure region was the utmost objective for Australian government. Although a decrease share in revenue was inevitable in CMATS, Australia still played an important role in processing and continue to hold the major venture. The agreement was essentially made as a form to maintain a conducive bilateral relationship with Timor-Leste. As stated, Hill (2003a) argues that foreign policy is a crucial thing to determine the survival and prosperity of a country. The signing of CMATS can thus be seen as an action to help reduce tensions in Timor-Leste and improve relations between the two countries, which can facilitate Australia in fulfilling its needs in the future in the era of globalization. Maintaining good relationships with its neighbours is a policy direction that will protect national interests and the image that Australia perceives itself to hold.

The CMATS agreement represented a significant shift from previous treaties, offering more favorable terms to Timor-Leste and reflecting a commitment to enhancing the stability of the newly-independent nation amidst its economic and political challenges (Schofield & Arsana, 2012). For Australia, CMATS was a strategic decision aimed at maintaining regional security. Despite yielding a reduced revenue share, it allowed Australia to remain a key player in exploiting the Timor Sea's resources and bolstered its bilateral relationship with Timor-Leste. This aligns with Hill's (2003a) assertion that foreign policy is crucial for a country’s survival and prosperity. CMATS was thus a strategic initiative to ease tensions and improve relations, enabling Australia to secure its future needs in a globalized world. Furthermore, it
allowed Australia to uphold its national interests and cultivate its desired international image, resonating with the constructivist perspective that highlights the influence of norms, identities, and perceptions in state behavior (Wendt, 1992). This agreement underscores the intricate balance of national interests, regional stability, and international relations in foreign policy decision-making.

**Australia and the 2018 Timor Sea Treaty**

In March 2018, Australia and Timor-Leste signed the 2018 Timor Sea Treaty. The Treaty settled that the maritime boundaries are to be set by the median line, and its signing marked the end for Australia’s struggle to maximize its border in the area. This, in fact, placed most of the oil and gas fields in the IPDA under Timor-Leste’s territory, leaving Greater Sunrise for another discussion since it was yet to be developed due to prolonged disagreement over the boundaries of the fields (Ramani & Xu, 2019). Since discussions over resource management were still to be carried out, both states agreed to establish Greater Sunrise Special Regime. The abundant resources and strategic value of the Timor Gap are strong reasons for the two countries to want to maintain jurisdiction in this region. The potential for substantial mineral resources in this region would contribute significantly to both countries’ economic sectors, as well as secure the nations’ energy needs. In addition, the location of processing plants would also benefit the local community. For example, at the Darwin LNG plant, ConocoPhillips has a 100% residential workforce policy, supporting 350 direct jobs in Darwin. Approximately AU$100 million is spent annually in the Darwin community on wages and local contracts to support ongoing operations, with 50% of Darwin LNG third party contracts spent with businesses in the Northern Territory (“Building on our legacy”, 2019).

This treaty was especially crucial for Timor-Leste, a nation heavily reliant on its oil and gas sector, which accounts for approximately 80% of its national income (Ensor et al., 2018). The sector is a major contributor to government funding, with the Bayu-Undan Field alone generating billions in tax revenues and other payments (“Treaty between the government”, 2017). The 2018 agreement increased Timor-Leste’s revenue share significantly, allocating 100% of upstream revenue from the Greater Sunrise field to the country, contingent on local processing (Bevege, 2019). This advancement solidified Timor-Leste’s control over Timor Sea resources and promised major financial benefits. However, the reliance on oil and gas poses risks due to fluctuating global prices and the finite nature of these resources, underscoring the need for Timor-Leste to diversify its economy and pursue sustainable development.

So intense were the negotiations, allegations emerged in 2013 that Australia had spied on the Timorese government in 2004 when the CMATS negotiation was under way and Australia had joined the UN peacekeeping mission in Timor-Leste. This revelation led to the Timorese challenging CMATS and initiating the compulsory conciliation process with Australia under UNCLOS. The move, supported by massive demonstrations in Timor-Leste, caused relations between the two countries to become tense. The demonstrations mobilized thousands of Timorese outside the Australian Embassy, Dili, with estimates ranging from
40,000 to 70,000 participants, influencing public opinion in both Timor-Leste and Australia (Lane, 2016). Timor-Leste alleged that Australia’s act of espionage disadvantaged Timor-Leste during the negotiations.

Allegations from a former ASIS agent, known as Witness K, claimed that Australia spied on Timorese officials during the CMATS negotiations, leading Timor-Leste to challenge the treaty in The Hague due to perceived bad faith. Australia, embarrassed by the exposure, focused on maintaining the treaty and its revenue-sharing arrangements, despite Timor-Leste advocating for permanent boundaries based on their claim that most oil and gas fields lay on their side of the median line. This situation did not significantly damage Australia’s reputation, which can be attributed to two main factors. First, Timor-Leste, despite its grievances, chose not to publicly embarrass Australia, possibly influenced by a warning from Australia’s former Foreign Minister, Alexander Downer, to Timor-Leste’s then Prime Minister, Mari Alkatiri. In this episode, Timor-Leste, not Australia, upheld the principles of fairness and respect in international relations. Second, the discovery of Australia’s covert wiretapping operation, involving Witness K and his lawyer Bernard Collaery, led to demands for treaty renegotiation, resulting in a more equitable agreement aligned with international norms (McGrath, 2020). Both Witness K and Collaery now face legal challenges for their roles in the operation, which has been widely condemned by the Australian public. These events underscore the significance of trust, transparency, and adherence to international norms in shaping bilateral relations and treaties.

Timor-Leste’s anger over the issue significantly increased elements of strong political sensibility and issues of sovereignty. The resentment evoked Timor-Leste’s demand to renegotiate for a fairer outcome (Strating, 2017). On 11 April 2016, the Timorese demanded negotiations be re-examined. (Lane, 2016). This issue was brought up in mandatory mediation concerning Article 298 and Annex V UNCLOS 1982, with Timor-Leste proposing the Chief Negotiator, Xanana Gusmao, and the agent in procedures, Minister Agio Pereira. Meanwhile, Australia sent John Reid, a lawyer as an agent, and a Representative Minister, then-Minister of Foreign Affairs Julie Bishop.

After going through a negotiation process for two years, the 2018 Timor Sea Treaty was born. From this agreement, there were three main results. First, the delimitation of boundaries. Second, the new revenue share in Greater Sunrise. Third, the establishment of the Greater Sunrise Special Regime to facilitate joint development and manage exploitation in Greater Sunrise (Parliament of Australia, 2018). In contrast to the previous arrangement, this arrangement involve a presence of the institutional setting with the participation of the Permanent Court of Arbitration (PCA) under the UN body since the settlement used conciliation proceedings.

**Why Australia Nod to Timor Sea Treaty 2018**

Analyzing Australia’s Foreign Policy in the context of the 2018 Timor Sea Treaty using Walter Carlsnaes’ three-dimensional framework provides a comprehensive understanding of...
the motivations and consequences of Australia’s actions. Structurally, the renegotiation occurred amid global maritime sensitivities, especially due to China’s assertive actions in the South China Sea. These actions did not only present new challenges to regional stability and maritime laws but also directly impacted Australia’s foreign policy (Strating, 2019). As a nation with significant exports traversing the South China Sea, Australia is a staunch proponent of freedom of navigation, recognizing that disruptions in this area could severely impact its economy and trade, particularly with key economic partners like China (Green & Cooper, 2014).

Secondly, Australia is a strong advocate for the principle of freedom of navigation. Given that nearly two-thirds of Australia’s exports pass through the South China Sea, any disruption to this route could have substantial economic consequences (Green & Cooper, 2014). This includes trade with China, which is a major economic partner for Australia. Hence, it would not be in China's interest to interrupt this trade flow, further highlighting the complexity of the strategic landscape. Lastly, Australia’s foreign policy is anchored in a commitment to a global rules-based order. This commitment underscores the importance of international law, including maritime boundaries, and respects the sovereignty of all nations (Department of Foreign Affairs and Trade, 2018a). Thus, the treaty renegotiation with Timor-Leste aligns with this policy commitment and sends a strong signal about Australia’s adherence to these principles.

Furthermore, the 2018 Timor Sea Treaty, resolving a long-standing maritime dispute between Australia and Timor-Leste, offers a compelling illustration of the United States’ (US) enduring influence on Australia’s approach to the world. This treaty, negotiated and signed with the US playing a crucial behind-the-scenes role, reveals the multifaceted ways in which the US alliance shapes Australia’s strategic outlook, foreign policy priorities, and engagement with the Indo-Pacific region.

Prior to the 2018 treaty, the maritime boundaries in the Timor Sea remained contested for decades, generating significant tension and uncertainty (Pereira-Coutinho & Gala, 2011). This dispute not only hampered economic development in the region but also strained relations between Australia and Timor-Leste, two key regional players (Schofield, 2005). The 2018 treaty, however, marked a significant turning point. Facilitated in part by the US’s behind-the-scenes efforts, including direct diplomatic engagement and intelligence sharing (Narizny, 2012; Murdoch, 2017), the treaty provided a framework for the joint development of resources and addressed a major source of tension.

The US’s involvement in this case extended beyond mere diplomatic support. Through intelligence sharing and the presence of US military assets in the region, the US provided Australia with a strategic advantage, bolstering its negotiating position and deterring potential spoilers (Murdoch, 2017; Mishra & Smyth, 2017). These actions underscore the alliance’s commitment to maintaining regional stability and its willingness to support Australia in achieving its strategic objectives. Beyond the immediate benefits of resolving the maritime dispute, the Timor Sea Treaty exemplifies the broader implications of the US alliance for Australia’s global engagement. The treaty demonstrates how Australia can leverage its
alliance with the US to Advance its interests in the region, the treaty secured Australia’s access
to valuable resources in the Timor Sea, estimated to be worth up to US$65 billion (Beeson &
Chubb, 2021).

Additionally, it fostered closer ties with Timor-Leste, a key partner in the region, and
facilitated bilateral cooperation on a range of issues. In this context, it will promote regional
stability and cooperation in the region, the resolution of the long-standing dispute paved the
way for enhanced regional cooperation in areas such as security, resource management, and
environmental protection. It reduced the risk of conflict and instability in the Timor Sea,
contributing to a more peaceful and prosperous region.

The case of the Timor Sea Treaty provides valuable insights into the complex interplay
between alliance dynamics, regional politics, and international law. It highlights how the US
alliance remains a cornerstone of Australia’s foreign policy, enabling it to navigate the
challenges of the Indo-Pacific region while promoting its national interests and contributing
to a more stable and prosperous world. As Australia continues to chart its course in the
complex geopolitical landscape, the enduring influence of the US alliance will undoubtedly
continue to shape its approach to the world.

Our discussions with Ambassador Damos Dumaui Agusman, Indonesia’s chief
negotiator for maritime delimitation in the Timor Sea with Australia and Timor-Leste, it was
evident that the situation in the South China Sea was a source of significant concern for
Australia. This issue came to the fore when, on 22 January 2013, the Republic of the Philippines
initiated arbitral proceedings against the People’s Republic of China under Annex VII to the
United Nations Convention on the Law of the Sea (UNCLOS) (Permanent Court of
Arbitration, 2022). China, however, firmly dismissed these proceedings through a diplomatic
note issued on 19 February 2013. The contention was seemingly resolved on 12 July 2016 when
the Arbitral Tribunal in the South China Sea Arbitration (The Republic of the Philippines vs
The People’s Republic of China) delivered a unanimous verdict, largely favoring the
Philippines. Despite China's dismissal of the ruling, this decision still holds significance. As
Medina (2017) suggests, it could serve as a crucial stepping stone towards a peaceful
resolution of the conflict in the South China Sea. These complex dynamics surrounding the
South China Sea issue, and their potential implications for regional stability, significantly
shaped Australia’s stance in its negotiations with Timor-Leste.

The other structural constraint for Australia is the urgency to begin maritime boundaries
negotiation with Indonesia. In 1997—when Timor-Leste was part of Indonesia—an
agreement was signed between Indonesia and Australia, known formally as the Treaty
Unlike the 1972 agreement, the 1997 one did not leave a gap, dividing the sea between the two
countries. Interestingly, the location of the 1972 and 1997 borders are not coincident lines,
meaning the division of water is different from the division of seabeds. Consequently, there
is space in the Timor Sea where the seabed is for Australia while the water above it falls within
Indonesia’s jurisdiction (Arsana, 2018). After the independence of Timor-Leste in 2002, the
1997 agreement no longer reflected geopolitics in the area. It was not surprising that the line
segments drawn in the Timor-Leste-Australia agreement run closely with the 1997 Indonesia-Australia boundary lines. Some segments of the 2018 line even coincide with the 1997 ones. This confirms that certain segments of the 1997 line need to be revised, especially around area that is now dealt with by Australia and Timor-Leste.

The 1997 Perth Treaty, designed to establish Exclusive Economic Zone (EEZ) and Seabed As shown in Figure 3, Boundaries between Australia and Indonesia, remains unratified by both countries, primarily due to its implications for Timor-Leste, a key area in the Australia-Timor-Leste conciliation efforts (Molloy, 2003). This treaty, following equidistance principles under UNCLOS, allows Indonesian fishermen access to certain areas but reserves oil and gas extraction rights exclusively for Australia. Its significance lies in the strategic importance of maritime delimitation for both countries.

For Australia, renegotiating the Perth Treaty with Indonesia could secure access to valuable oil and gas resources around the Ashmore and Evan Shoal areas (Parliament of Australia, 2020). Conversely, Indonesia’s interest in the treaty is tied to protecting the Abadi gas field, a crucial future energy resource expected to be operational by 2028. Located in the Masela PSC block in the eastern Timor Sea, the Abadi field, discovered in 2000, lies within Indonesian waters but is geographically closer to Australia, being just 400 kilometers off the Northern Territory (Wood Mackenzie, 2023). Its proximity and potential overlap with the maritime boundary highlight its strategic value to both nations. This complex scenario underscores the intricacies of maritime negotiations in the region, where economic interests, resource control, and national sovereignty intersect (Figure 4).
It is understandable, after Australia signed the Timor Sea Treaty, Indonesia proposed a revisit of the existing agreement between the Indonesia and Australia. It is a matter of logical consequence that the 1997 agreement needs to be revised, for it no longer, once again, reflects the geopolitical situation in the region. Obviously, Australia responded to Indonesia’s proposal enthusiastically. In a meeting between Indonesia’s and Australia’s foreign ministers in Sydney on 15 March 2018, both sides shared a view that Indonesia and Australia need to revisit the 1997 agreement (Arsana, 2018). Based on this development, it can be seen that Australia has a stake beyond the cost-benefit reality of the Greater Sunrise. The researcher understands that there is a structural urgency to consolidate maritime boundaries with Indonesia and Timor-Leste, and this aspect makes Australia’s attitude in agreeing with the results of the Timor Sea Treaty reasonable. In essence, the negotiations among Australia, Indonesia, and Timor-Leste over maritime boundaries illustrate the multifaceted nature of international diplomacy, where national interests, economic benefits, regional stability, and international norms converge. Hence, these negotiations should proceed in a manner that respects all parties’ interests, promotes regional stability, and complies with international law.

On the Positional Dimensions, Australia’s position as a key regional actor and upholder of the rules-based international order (RBIO) is evident in its approach to the 2018 Timor Sea Treaty. Adhering to the UN Convention on the Law of the Sea, the treaty set permanent maritime boundaries, reflecting Australia’s commitment to global stability, respect for sovereignty, and rule of law (Rothwell, 2018). This stance, as reiterated in Australia’s 2017 Foreign Policy White Paper (Department of Foreign Affairs and Trade, 2017), influences its engagement in initiatives that promote peaceful negotiation and adherence to international standards.
In ratifying the treaty, Australia sought to maintain its international reputation and demonstrate its dedication to resolving disputes peacefully and lawfully. This action aligns with its strategic interests in the ASEAN region, potentially setting a precedent for resolving similar maritime disputes, thereby strengthening regional security architecture and bolstering Australia’s ASEAN standing. The treaty also represents a proactive measure to manage geopolitical implications in the strategic Timor Sea, ensuring regional stability and preventing external powers from exploiting unsettled disputes, thus maintaining a favorable regional power balance.

Australia’s commitment to human rights norms, integral to its national identity and international reputation, significantly influenced its foreign policy approach, including the handling of the 2018 Timor Sea Treaty. As a signatory to all major international human rights treaties, Australia has demonstrated a strong dedication to these principles, both domestically and internationally (Australian Human Rights Commission, 2021). This commitment was evident in the negotiations of the 2018 Timor Sea Treaty, where Australia’s engagement in peaceful negotiation and pursuit of a fair agreement reflected its adherence to human rights norms. The treaty, encompassing economic benefits and respecting Timor-Leste’s rights to maritime resources, was consistent with principles of self-determination and economic sovereignty as outlined in the International Covenant on Civil and Political Rights (ICCPR) and the International Covenant on Economic, Social and Cultural Rights (ICESCR) (United Nations, 2021). Australia’s approach in these negotiations showcased its dedication to upholding human rights in its diplomatic engagements.

Australia’s role as a key regional player and its adherence to human rights norms set a precedent in the Asia-Pacific, a region with varied commitment to these principles. Demonstrating fair negotiation and peaceful resolution, Australia promotes these values in the region. Since Timor-Leste's 2002 independence, it has garnered international support, notably from Australian lawyers and human rights advocates, for its claim to Timor Gap resources. Aware of Timor-Leste’s potential to seek international adjudication, Australia recognized the significant support Timor-Leste received, including from Australian lawyers and public human rights defenders (Barnett & Duval, 2005).

Australia’s democratic nature demands public accountability, with its citizens particularly attuned to human rights, including the government's impact on Timor-Leste’s development and the Timor Gap management (Baker & Myllylahti, 2019). This public sensitivity subjected the Australian government to heightened scrutiny over its involvement in the Timor Gap. The strong Australian support for Timor-Leste, especially concerning Australia’s influence on its development, added complexity to the Timor Gap negotiations (Wallis, 2016). Consequently, Australia's approach in these negotiations was influenced by both internal public opinion and its desire to uphold human rights standards, reflecting the multifaceted nature of its foreign policy decision-making.

On the one hand, Australia’s foreign policy supports the Philippines, which has won with the PCA decision and calls on the international community to ensure China complies with the UNCLOS mechanism. However, on the other hand, Australia is somewhat reluctant
to complete maritime delimitation negotiations in Greater Sunrise using UNCLOS, especially at the trijunction point in the Timor Sea, which requires tripartite negotiations involving Indonesia as well (Agusman, 2022). If Australia shows inconsistency, such as supporting the UNCLOS mechanism in the South China Sea, but not in the Timor gap negotiations, it can be seen as though it is withdrawing from UNCLOS. In that case, this attitude can strengthen Timor-Leste's potential to file a lawsuit against Australia to the PCA with the support of Australian lawyers. The image of Australia is an important aspect here that turns the dispute between ASEAN countries and China regarding maritime delimitation in the South China Sea, which is not even directly related to the Australian border, into a structural constraint. In effect, Australia’s actions towards Timor-Leste seem to be a total paradox. It certainly a contradicting situation for Australia, who always desire rules-based settlements for conflict and use international law and other rules and norms, as stated in the 2017 Australian White Paper.

Australia’s steadfast commitment to the rules-based international order (RBIO), international law, and human rights is a fundamental aspect of its foreign policy, driven by more than mere reputational concerns. While maintaining a strong international standing is strategically beneficial for Australia, facilitating free trade and access to resources crucial for economic prosperity, there is also a genuine belief in these principles. This commitment to the rules-based order serves to create a stable and predictable global environment, crucial for Australia’s economic interests. Additionally, it helps to attract foreign investment and fortify relationships with other nations sharing similar values. The widespread political consensus within Australia on the importance of the RBIO, reflecting the public’s desire for a strong and principled image on the world stage (Wesley-Smith, 2021). However, a purely realist explanation is insufficient. Australia’s commitment predates the rise of the RBIO discourse, suggesting deeper motives. Constructivism highlights the role of shared identities and norms in shaping state behavior. Australia's history of adherence to international law and human rights, its active participation in international institutions, and the incorporation of these principles into its domestic legal system demonstrate a genuine belief in their importance (Hill et al, 2018; Ravenhill et al, 2019; O'Connell & Williams, 2019). A constructivist perspective acknowledges that reputation and norms are not mutually exclusive. Reputational concerns can incentivize adherence to the RBIO, further solidifying the legitimacy and power of these norms. Conversely, a genuine belief in these norms motivates Australia to promote them, even when it entails reputational costs, such as criticism.
from major trading partners for upholding human rights standards. This highlights the importance of these values for Australia’s national identity (Watt, 2019).

Furthermore, the RBIO provides a framework for Australia to project its identity as a responsible and principled global citizen. By actively promoting and upholding the RBIO’s norms, Australia seeks to influence the behavior of other states and shape the international order in line with its values (Hill et al, 2018). This pursuit of normative power reinforces Australia’s own self-image as a leader and advocate for the RBIO, further strengthening its commitment to these principles. Understanding Australia’s stance requires appreciating the intricate interplay between reputational concerns and genuine belief. These factors are not mutually exclusive; rather, they reinforce each other in a symbiotic relationship. Reputational considerations incentivize Australia to uphold these principles, further solidifying their legitimacy and normative power. Conversely, a genuine belief in these principles motivates Australia to promote them even when it entails reputational costs, highlighting the importance of these values for its national identity.

In the three-dimensional framework of foreign policy analysis as proposed by Walter Carlsnaes, the dispositional dimension refers to the beliefs, capabilities, and intentions of a state and its policymakers. This dimension significantly shapes foreign policy decisions, acting as a cognitive filter through which states interpret their external environment. Australia’s commitment to international law and regional stability is a core belief influencing its foreign policy. This steadfast dedication to peaceful dispute resolution and adherence to a rule-based global order is deeply embedded in Australia’s foreign policy ethos (Department of Foreign Affairs and Trade, 2017). Considering then-Prime Minister Malcolm Turnbull’s tenure (2015-2018), the Liberal Party’s focus on economic value as a primary national interest played a significant role in shaping Australia’s approach. Despite John Reid’s expertise in maritime borders, Turnbull’s leadership and policy directions were influential. The negotiations between Australia and Timor-Leste over maritime delimitation around Greater Sunrise thus present a complex picture of Australia’s normative consistency. While Australia professes commitment to international law and peaceful resolutions, the dynamics of these negotiations reflect the multifaceted and sometimes contradictory nature of national interests and foreign policy execution.

The 2017 Australia Foreign Policy White Paper explicitly outlines how Australia’s development assistance program is a reflection of its values and also serves its strategic interests (Department of Foreign Affairs and Trade, 2017). The program aims to bolster stability and resilience in developing countries, thereby improving Australia’s own security and prosperity. A crucial aspect of this policy is the emphasis on maintaining stability in the Indo-Pacific region. According to the White Paper, the capacity-building efforts led by Australia play a significant role in the structure of regional arrangements. In other words, Australia’s influence and strength are, to a great extent, determined by the stability of its neighbouring countries, such as Timor-Leste and Papua New Guinea (Euan, 2018). Maintaining regional stability is, therefore, of paramount importance in the protection of Australia’s national interest. This strategic approach, grounded in mutual cooperation and
development, highlights the importance Australia places on building strong relationships with its neighbors (Tow & Kersten, 2017).

However, Australia’s interests in establishing permanent maritime boundaries through the 2018 Maritime Treaty go beyond immediate concerns. Firstly, this treaty is expected to yield economic benefits for both Australia and Timor-Leste, as it fosters sustainable exploitation of Timor Sea resources, creating a stable environment conducive to potential investments (Parliament of Australia, 2020). Secondly, defining permanent maritime boundaries is likely to significantly enhance Timor-Leste’s economic prospects, aligning with Australia’s national interests given its role as a key development and security partner for Timor-Leste. Thirdly, Australia’s commitment to peaceful resolutions of maritime disputes is a consistent element of its foreign policy. This was exemplified in Australia’s stance on the 2016 South China Sea dispute between China and the Philippines. Following the Permanent Court of Arbitration’s ruling against China’s claims under the United Nations Convention on the Law of the Sea (UNCLOS), then-Foreign Minister Julie Bishop urged China to respect the decision and called for peaceful negotiations in accordance with international law (Sharma, 2019). This dedication to peaceful, law-abiding resolutions also influenced Australia’s approach in resolving maritime disputes with Timor-Leste, reflecting a broader commitment to stability and adherence to international norms in maritime affairs.

Australia’s approach to the 2018 Timor Sea Treaty, and its broader foreign policy strategy, illustrates a balancing act that aims to maintain its international reputation. Should Australia replicate its 2001 stance of eschewing international arbitration in maritime boundary matters, it risks tarnishing its global image. This predicament is evident in the treaty decision, which appears as a strategic public relations effort to capitalize on the international situation while preserving revenue shares and potential onshore plant locations, despite potential concessions in territorial claims. This strategy aligns with the principles outlined in the Australian Government’s White Paper, emphasizing collaboration with emerging global powers and supporting reforms in multilateral institutions, underlining the importance of global partnerships (Department of Foreign Affairs and Trade, 2018c). The treaty decision demonstrates how Australia navigates the structural and dispositional dimensions of foreign policy (‘because of’) and the intentional dimension (‘to’), the latter being key to understanding the national interest guiding state policy. In this context, Australia’s actions in international diplomacy and maritime negotiations reflect a calculated effort to balance national interests with global norms and partnerships.

The escalating tensions in the South China Sea, coupled with China’s significant economic influence and strategic use of debt diplomacy, present considerable challenges to Australia’s interests (Jennings, 2020; Hurley, Morris, & Portelance, 2018). This complex geopolitical situation makes it imperative for Australia to avoid strained relations with Timor-Leste, as such tensions could heighten risks associated with economic dependencies and regional stability. Timor-Leste’s ongoing large-scale projects, particularly the Tasi Mane Project—a state-led investment of US$2.1 billion for infrastructure development aimed at enhancing its control over natural resources (McDonald, 2016)—highlight these risks. The possibility of China exerting influence in Timor-Leste, especially in the context of such
development initiatives, poses potential challenges for Australia. Maintaining cordial relations with Timor-Leste is thus crucial for Australia to safeguard regional stability and protect its strategic interests, considering the evolving dynamics and China’s growing presence in the region.

Australia’s ratification of the 2018 Timor Sea Treaty was a strategic move to avoid political embarrassment and secure a favorable regional position, as it helped avert negative outcomes like strained bilateral relations and regional territorial disputes, while leveraging the international context (Smith, 2019). Historically adopting constructive approaches, such as aiding neighboring countries, aligns with Australia's values of promoting peace and mutual economic and political benefits (Huisken, 2019). The 2018 maintenance shutdown of the Bayu-Undan Field, injecting US$17 million into the local economy (ConocoPhillips, 2018), exemplifies Australia’s ability to generate positive economic outcomes. The future of the undeveloped Greater Sunrise Field remains a crucial negotiation area, posing opportunities and challenges for both Australia and Timor-Leste. In essence, the dispositional dimension of Carlsnaes’ framework sheds light on why Australia engaged in the 2018 Timor Sea Treaty. It demonstrates Australia’s commitment to international law and regional stability, its capacity as an influential and economically strong nation, and its intent to balance economic interests with maintaining regional stability and upholding its global standing. This multifaceted approach underlines the complexity of Australia’s foreign policy objectives and strategies, particularly in the context of maritime negotiations and regional relations.

While the interaction between structure, disposition, and intentionality helps explain Australia’s varying adherence to human rights and international law, it is crucial to recognize that the alignment of these factors can lead to a strong commitment to these principles, as exemplified by the Timor Sea Treaty. However, when these factors are misaligned, as seen in the case of asylum seeker policy, domestic political pressures and concerns about national security can overshadow Australia’s commitment to international human rights norms, resulting in inconsistencies in its foreign policy.

The global rules-based order provides an incentive for upholding human rights principles by offering a framework for stability and facilitating free trade, both of which are vital for Australia's economic prosperity (Beeson & Chubb, 2021). However, this structure can become misaligned when domestic political pressures diverge from these principles. In the case of asylum seekers, a significant portion of the Australian public expresses concerns about national security and border control, leading to a misalignment with the global structure (Lewis, 2015). This domestic pressure can result in stricter policies, such as offshore processing centers and temporary protection visas, which may violate human rights standards (Fitzgerald, 2019).

While Australia seeks to project itself as a responsible global citizen, its self-perception as a geographically isolated "fortress" can contribute to a further misalignment with its positionality (Watt, 2019). This perception can lead Australia to prioritize national security concerns over international obligations when dealing with issues like asylum seekers. This
misalignment is exacerbated by the lack of regional pressure on Australia to uphold human rights standards due to its relative isolation (Wesley-Smith, 2021).

Furthermore, despite Australia’s historical commitment to human rights, the issue of asylum seekers exposes a potential misalignment with its disposition. The intense public debate and politicization of the issue can contribute to a climate of fear and suspicion, eroding public support for a more humane approach to asylum seekers (Goot & Rowse, 2019). This misalignment between Australia’s historical commitment and its current disposition towards asylum seekers can lead to policies that are inconsistent with its broader human rights principles.

Our analysis enhances the theoretical understanding of Australian foreign policy by applying Carlsnaes’ three-dimensional framework, a method infrequently used in this specific geopolitical context. This multifaceted approach, incorporating structural, positional, and dispositional perspectives, reveals the complexities of Australia’s policy-making process. The structural dimension underscores the impact of global trends and geopolitical influences, including economic imperatives, regional power dynamics, and international norms, particularly considering China’s rise and the South China Sea disputes. The positional dimension sheds light on Australia’s self-image and its commitment to international norms, highlighting how its perceived global role influences its foreign policy. Finally, the dispositional dimension examines internal factors like values, capabilities, and intentions, showing their practical impact on policy decisions. This aspect reveals how Australia's historical relations, commitment to human rights, and economic priorities have shaped its stance on the Timor Sea Treaty, offering a comprehensive view of its foreign policy formulation.

Lessons for the troubled waters: ASEAN countries and China

The peaceful settlement of the long dispute between Australia and Timor-Leste over the Timor Gap provides several lessons for ASEAN countries. First, the negotiations between Australia and Timor-Leste were resolved due to the normative dimension that constrains Australia’s compliance with the ruled-based order in the management of the international community. When the Philippines initiated a legal case against China in an international arbitral tribunal in January 2013, Beijing suddenly started to retake an interest. When the UNCLOS ruling happened, Australia called on “the Philippines and China to abide by the ruling, which is final and binding on both parties”. Australia has repeatedly reaffirmed this position, as have the Philippines, the United States, and Japan (Cook, 2021).

This position of Australia is clearly understood by Timor-Leste. Timor-Leste forced Australia to open negotiations over the maritime boundaries, even though, following Timor-Leste’s independence, Australia declared it was closing the door to arbitration regarding maritime boundary disputes. However, any disputes are subject to compulsory conciliation if any party requests it. On 11 April 2016, Timor-Leste initiated the proposed conciliation and in just two months, a five-member conciliation commission was constituted. Although Australia
responded to this maneuver with a strong objection, with sheer confidence, the commission used UNCLOS to produce an outcome. This agreement forced the two countries to negotiate to resolve their maritime boundary disputes (Phan, 2018).

However, if a negotiation fails, parties must submit the dispute ‘by mutual consent’ to binding adjudication or arbitration. At this point, Australia’s political stance (of firmly supporting the Tribunal’s decisions) becomes a powerful weapon to pressure Australia to respect the clauses in UNCLOS consistently. Timor-Leste’s shrewdness in taking advantage of the international situation, which was a structural constraint for Australia, made it possible for negotiations to be finally agreed upon per Timor-Leste’s national interests. ASEAN countries should be able to find structural conditions that can force China to negotiate and agree on a Code of Conduct in the South China Sea. This can be achieved if ASEAN can maintain its unity and centrality.

Second, democracy in Australia means civil society is very strong, making it a force that influences Australia’s behaviour in the international world. Our analysis shows that Australia has the potential to be sued by Timor-Leste with the support of Australian lawyers, and recent events show that the Australian public protested the actions of the Australian Government in the Witness K case. Protesters supporting Witness K gathered at the federal parliament to decry his treatment as he faces possible sentencing and "a genuine prospect" of being jailed for speaking out about Australia's misconduct abroad (Knaus, 2021). The former Australian Secret Intelligence Service officer and his lawyer, Bernard Collaery, are considered heroes by Timor-Leste leaders, including José Ramos-Horta (Knaus, 2021). The prosecutions of Collaery and Witness K have been criticised by leading legal figures and a growing chorus of members of parliament (MPs) from across party lines. For instance, Labor MP Andrew Leigh is among a handful of federal MPs who have spoken out about this case. He said,

"The government’s unexplained decision to spend millions of dollars and many years on the prosecutions of Witness K and Mr Collaery, and the Morrison government’s attempts to have the trials conducted in secret, are part of a broader shift towards more secrecy and less accountability in government," he said. “That shift began with the election of the Abbott government over seven years ago and has escalated rapidly under prime minister Morrison, who, despite multiple scandals on his watch, has never held any of his ministers to account. The double standards are breathtaking.” (Knaus, 2021).

It is concluded that the South China Sea dispute remains far away from resolution. China does not have an open civil society nor does it comply with a rules-based international order. This resonates with Carl Thayer's observation that "China’s internal politics remain opaque and unpredictable" in handling maritime disputes (Blumstein et al., 2012). Additionally, scholars such as Ely Ratner have critiqued China's selective adherence to international law (Ratner, 2013), others like Wang Jisi argue for a nuanced understanding of China's unique approach to international norms (Wang, 2014). Meanwhile, ASEAN countries are challenged to unite their positions and make a joint manoeuvre to force China to negotiate
seriously in resolving the South China Sea dispute. It also seems unclear whether discussion over the Code of Conduct in the South China Sea will continue.

**Conclusion**

In examining Australian foreign policy through a Tripartite Approach, we can extract valuable lessons for ASEAN in resolving maritime territorial disputes. Our analysis reveals a strong connection between the structural and positional dimensions of actors in foreign policy. Each dimension – structural, positional, and dispositional – provides critical insights into Australia's decision-making process. The structural dimension, defined by the broad international environment and systemic constraints, underlines Australia's need to balance its economic interests with geopolitical considerations in the South China Sea. Its alignment with ASEAN countries and the broader geopolitical implications of its decisions played a crucial role. In this context, we see a firm link between Australia's chosen policy actions with a series of structural determinants, such as its bilateral relations with Timor-Leste, China's increasing assertiveness in the South China Sea, and its political position towards the ASEAN-China dispute in the same region. The positional dimension, concerning Australia's status and influence in the global arena, highlights the importance of its international reputation as an upholder of the rules-based order. Australia's desire to maintain its image as a key regional player committed to peaceful dispute resolution and international law significantly impacted its decision to ratify the treaty. This intricate matrix led Australia to formulate a foreign policy response aimed at preserving its reputation as a promoter of the 'rules-based order'. Finally, the dispositional dimension, reflecting the beliefs, capabilities, and intentions of Australia as a state and its policymakers, underscores the influence of the nation's values on its foreign policy. Australia's commitment to international law and regional stability, its substantial economic and diplomatic resources, and its intention to maintain regional influence while also benefiting economically from the resources in the Timor Sea all contributed to its decision. Another intriguing intentional factor that motivated Australia to conclude the negotiations with Timor-Leste was the pressing need to begin maritime boundary discussions with Indonesia. Within this dynamic interplay, it is discerned there is a similarity between the dispositional level of the 2018 Timor Sea Treaty and CMATS; in both instances, the actors in charge demonstrated a strong alignment with economic-based values. However, after a balanced examination of each dimension, this research indicates that the structural dimension was the primary driver of Australia's foreign policy action in the Timor Sea Treaty. This structural dimension propelled Australian foreign policy action beyond its interests in the Greater Sunrise, underscoring the multidimensional nature of policy formulation. In sum, the 2018 Timor Sea Treaty is a product of interplay among these dimensions. The treaty reflects Australia’s continuous endeavor to align its foreign policy decisions with its national interests and international obligations, even when faced with complex geopolitical challenges. It reiterates the nation's commitment to uphold the rules-based international order, peacefully resolve disputes, and maintain regional stability.
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