

---

## Burning Season In Indonesia What have industrial plantations and the Indonesian State done to the islands' forests?

### **The Scale of Disaster**

The forest and land burning madness is going rampant again in Indonesia. Up to November 16, the Global Fire Emission Database (GFED) registered 122,568 hotspots across the Archipelago. The increase in the number of hotspots since January 2015 is the fastest compared to 2003 and 2014. (1) In terms of size, the fires reportedly burned about 21,000 square kilometers of forest and peat lands (2) in just a few months, between June and October 2015. (3)

During that period of time, the massive burnings created long-lasting health problems for more than 43 million Indonesians in the provinces. (4) During the same period, the fires reportedly killed at least 31 people. (5) Nineteen of them, many of whom were school children, lived in the provinces of Riau, South Sumatra, Jambi, West, Central and South Kalimantan. Others got trapped between fires on Java island. It is not at all clear whether the Government will pay medical expenses over the next few years to those millions of people with increased and various levels of health impacts from excessive exposure to the smoke. The government's failure to foresee and handle the fires has even been labeled as a "crime against humanity." (6) Much more could be said about the suffering on the ground.

The Ministry of Environment and Forestry has published a list of more than 286 plantation companies which are responsible in one way or another for the spread of the fire in their concession areas. (7) The number of companies on the Government list is substantially smaller than the independently identified number of involved companies, which is substantially higher than 300. The fires took place in logging concession areas as well. Out of 299 logging companies registered in 2010, 276 remain active. (8) Judging such an underestimation of the number of companies and the open unwillingness of the Government to disclose all companies involved in this year's burning, many critical groups and people in Indonesia expressed serious doubt on whether the Government is going to take any action against those plantation companies.

### **Why the Sensation of Surprise?**

Is such a massive burning unprecedented or unexpected? Not really. The 2015 fires fit a well registered, similar annual pattern of fires at least since 2003. (9) So, where exactly does the spectacular burning take place this year? The hotspot data from satellite imaging and ground observations strikingly fits the spatial distribution of plantation and logging concessions, not only in Sumatra and Kalimantan – the notorious plantation belts, but also many parts of Sulawesi (10), Maluku (11) and Papua (12).

For oil palm alone, in 2003, the Indonesian Government set the total figure of "suitable land" to 32 million hectare. That is almost fourfold of the total occupied land for oil palm plantations in 2014,

---

which is about 8.25 million hectare. (13) The problem that the industry creates entails more than the wild fires and air pollution that has engulfed Singapore, Malaysia, Brunei and most regions in Indonesia. In comparison to the costs arising from the obvious damage to human health and the land, the monetary gain government obtains from export and taxation is meaningless. Oil palm is certainly not the only crisis-perpetuator. Besides the Government allowance for massive logging, Indonesia has seen the rapid rise of other large-scale plantations. The expansion of pulpwood and biofuel plantations over the past two decades is a case in point. Both are officially classified in Indonesian as *hutan tanaman industri* ("forest of industrial plants")—a perfect translation of the FAO's oxymoronic definition of forest. Between 1995 and 2014 the Indonesian Government allocated 8.7 million hectares of forest for pulpwood plantations alone. (14) Last year the Government targeted a jump in wood production to reach 100 million cubic meters through a further expansion of the plantation area to 15 million hectares (15)

This brutality of "development in action" has its North-South dimension as well. For that, it is useful to review the correlation between deforestation and debt (16). Between 1970 and 1989, prior to the debt crisis, the forest loss estimate in Indonesia was between 12-24 million hectares (17). During this period of two-decades, the speed of deforestation increased by 83%, registering the third highest acceleration of deforestation after that of Brazil and Vietnam. (18) From 1989 up to 2011, Indonesia's external debt surged threefold, from US\$ 15.7 billions to US\$ 45.7 billions. (19) The forest cover between 1990-2010 shrank further by another 27.8 million hectares, which is higher than the loss during the previous two decades. (20) To the remedy of industrial deforestation for expansion of export crops came the new proposed remedy of keeping the jewels of forest, funded with grants and loans for REDD+ and similar initiatives that could go hand in hand with the industrial deforestation remedy without one interfering with the other. In this light, both industrial deforestation and "protection of forest carbon" have a connection with "development financing": different schemes for different fiscal regimes.

In a closer examination on the dynamics of deforestation up to the late 1990s, the "Indonesian Working Group on Underlying Causes of Deforestation and Forest Degradation" suggested closely intertwined causes, such as the development paradigm adopted by the government of Indonesia—which is influenced by structural adjustment loans, bilateral and multilateral loans; international and regional trade pressures; and the economic growth prescription under depleted natural resources. (21)

Since the early 2000s, in the aftermath of the Asian economic crisis, a number of new factors thickened the plot. These include, among others, the spatial reorganisation of the State, in tandem with a spatial planning regime that facilitates further acquisition of large tracts of forest land for giga-infrastructure projects such as the "Indonesian Economic Development Corridors" and the "Merauke Integrated Food and Energy Estate" (MIFEE) project; the privatisation of the energy sector, which helped creating the fossil-fuel "subsidy" problem and a surge in energy and raw material consumption; as well as a further expansion of forest use for mining, biofuel plantation, smelting or large "renewable" power generation projects. These large investments in turn open up nascent markets for carbon offset projects, biodiversity offset schemes, and payment for ecosystem services. The 2015 fires, after all, are a disaster long in the making, and should not be entirely surprising.

## **Indonesian Burning and the Climate**

The 2015 fires occur on the eve of the UN climate negotiations. In the evolving climate-political context, key players in the global industrial and finance capital have managed to divert the spotlight on the effort to mitigate climate change - i.e., from curbing the global fixation on fossil fuel to the

---

financial valuation of the carbon stored in forests and its use in the fictitious offset mechanisms. In consequence, the disastrous fires in Indonesia may provide carbon traders and promoters—including state managers of countries with forests—with a twisted line of argument for more endorsement of carbon offset mechanisms from land use, land use change and forestry, such as REDD, while belittling the impacts of global fossil fuel combustion.

According to the Global Fire Emission Database analysis, this year's Indonesian fires translate into more emissions than those of Japan's fossil fuel combustion in 2013, almost twice that of Germany and more than treble that of Indonesia for the same year. (22) Throughout the months of September and October 2015, Indonesia's daily emissions from the fires exceeded emissions from the US economy. (23)

The fires, nevertheless, comprised much more than emissions. They burned land, territories and released menacing smokes. What mainstream reports do not show is the connection between the expansion of industrial plantations and the permanent damage of the indigenous lifespace and food regime, the rapid jump in the country's fossil fuel consumption for biomass import, the devastation of vital riparian systems by the enormous use of surface and groundwater for mining and real estate industry, as well as the conflicts and forced evictions. The expansion of plantations has always been a cause of deforestation, not its remedy. If plantations get touted as an example of a "low carbon economy", then we know how bad such an economy can be. The Indonesian burning season demonstrates that such overlooked problems will not get solved by incorporating carbon footprint accounting in the GDP measurement or by acquiring international financial support for voluntary offset projects.

In the *de-facto* anarchic international climate regime at present, whereby in the absence of a binding agreement for all UN member countries, each country produces its "intended nationally determined contribution" (INDC), the fate of the most precarious ecological systems, particularly the forests, largely subsumes under the imperative to maintain the liquidity of capital circuitries through economistic representation of the Earth.

The Indonesian INDC document—deemed inadequate by the Climate Action Tracker, an independent assessment of countries' commitments and actions, to address the climate crisis—mentions a moratorium on the clearing of primary forests and conversion of peat lands from 2010-2016. (24) The document fails to mention that even though such a moratorium has been prolonged for the third time since 2011, the largest plantation companies have already amassed hundreds of thousand of hectares of peat lands over time. (25) The systematic draining of the vast peat lands—which facilitated and expedited the land burning—remained untouched by such a moratorium. Likewise, carbon offset and forest financialisation mechanisms and programs such as REDD are glaringly irrelevant in the face of such an alarming level of land concentration and land-based emissions. The fact is that in the province of South Sumatra alone, industrial plantation concessions for timber extraction entail 80 per cent of all peat lands in the province. The concession areas registered 13,348 fire hot spots by October 27 this year, all in the area where the peat dome reaches the depth of 3 meters or more. (26) In fact, 46 per cent of the fires from August 1st to October 26th—which translates into 51 thousand burning events—took place on peat lands. (27) In other words, conservation and devastation of peat lands both proceed under the same legal and political framework.

### **Some Lessons from the 2015 Indonesian Fires**

What can we learn from the 2015 burning season in Indonesia? First, the Indonesian fires revealed that the problem did not start at the first flare of fire. The burning is bound to happen again—probably

---

with the same or worse results—any year in the future, because it is a much cheaper method to prepare the land for crop planting. Think of it as a corporate slash-and-burn.. Second, the same prescription for disaster has been evolved over more than four decades, at the expense of the self-regenerating capacity of the islands' terrestrial and marine ecological systems and the human security of Indonesian citizens. While forest dependent peoples across the Archipelago have been hit the hardest, the fires dramatically reduce the resilience of the islands' ecological systems and the unborn generations. The absence of adequate corrective actions runs contrary to the country's pledge to contribute to climate change mitigation and adaptation. In the light of what the State has/has not done since the early years of the UN climate negotiations, the mention of "targets" of emission reduction in the Indonesian INDC document hardly veils the "show us the money" attitude of the state managers in dealing with their mitigation responsibility, and in anticipating a larger flow of international funds for a long track-record of abysmal commitment.

*Hendro Sangkoyo*

*School of Democratic Economics, Indonesia*

(1) <http://www.globalfiredata.org/updates.html>

(2)

<http://qz.com/538558/indonesias-fires-have-now-razed-more-land-than-in-the-entire-us-state-of-new-jersey/>

(3)

<http://nasional.kompas.com/read/2015/10/30/13070591/LAPAN.Tahun.Ini.Dua.Juta.Hektar.Hutan.Hangus.Terbakar>

(4) Ministry of Environment and Forestry, various dates.

(5)

<http://www.jpnn.com/read/2015/10/28/335432/Ini-Jumlah-Korban-Meninggal-karena-Kabut-Asap-versi-Mensos->

(6)

<http://www.theguardian.com/world/2015/oct/26/indonesias-fires-crime-against-humanity-hundreds-of-thousands-suffer>

(7)

<http://www.thejakartapost.com/news/2015/09/19/govt-looks-suspend-licenses-forest-burning-companies.html>

(8)

[http://www.hutan-aceh.com/system/publications/documents/000/000/059/original/Daftar\\_IUPHHK-HA\\_tahun\\_Mei\\_2014.pdf?1416937132](http://www.hutan-aceh.com/system/publications/documents/000/000/059/original/Daftar_IUPHHK-HA_tahun_Mei_2014.pdf?1416937132)

(9) <http://www.globalfiredata.org/>, *ibid.*

(10) <http://manado.tribunnews.com/2015/10/14/luas-hutan-sulut-yang-ludes-terbakar-capai-5683-hektar>

(11) <http://www.antaraneews.com/berita/524055/menteri-siti-nurbaya-konfirmasi-kebakaran-hutan-di-seram>

(12) <http://pusaka.or.id/potret-kebakaran-hutan-dan-lahan-di-merauke-2/>

(13) USDA Foreign Agricultural Service (2009). *Indonesia Palm Oil Production Growth To Continue*. Commodity Intelligence Report.

(14) FWI, Jikalahari, WALHI Jambi, WBH (2014). *Lembar Fakta 2014*.

(15) *Ibid.*

(16) George, Susan (1992). *The Debt Boomerang: How Third World Debt Harms Us All*. Pluto Press, particularly *Ch. 1*, pp.1-34.

(17) Sunderlin and Resosudarmo (1996), quoted in in Anne Casson; Muliastira, Y.; Obidzinski, K. (2014). *Large-scale plantations, bioenergy developments and land use change in Indonesia*, Working

(18) *Ibid.*, p.11.

(19) Current USD. <http://www.indexmundi.com/facts/indonesia/external-debt-stocks>

(20) Miettinen et al (2011), quoted in Anne Casson; Muliastira, Y.; Obidzinski, K. (2014). *Ibid.*

(21) <http://wrm.org.uy/oldsite/deforestation/Asia/Indonesia.html>

(22) [http://edgar.jrc.ec.europa.eu/overview.php?v=CO2ts\\_gdp1990-2014](http://edgar.jrc.ec.europa.eu/overview.php?v=CO2ts_gdp1990-2014)

(23) <http://www.vox.com/2015/10/30/9645448/indonesia-fires-peat-palm-oil>

(24) <http://climateactiontracker.org/indcs.html>

(25) <http://sains.kompas.com/read/2015/05/13/18530831/Moratorium.Hutan.Positif.Diperpanjang>

(26) <http://www.mongabay.co.id/2015/10/30/jokowi-cegah-kebakaran-lahan-gambut-akan-dihutankan/>

(27) [http://www.bbc.com/indonesia/berita\\_indonesia/2015/10/151029\\_indonesia\\_data\\_perusahaan](http://www.bbc.com/indonesia/berita_indonesia/2015/10/151029_indonesia_data_perusahaan)