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## Indonesia: a depredatory economic "miracle"

Indonesia's forests occupy about 120 million hectares. Although at least 2-3 million families of indigenous peoples live in or around the forests and many of the 220 million inhabitants of the country depend directly or indirectly on forests for their livelihood, the government's approach has been to consider forests as "empty" land. Logging and plantation companies are responsible for the high deforestation rates (1 million hectares a year according to the World Bank, but 2,4 million according to Indonesian NGOs). The depredatory activities of such companies are a token that Indonesia's economic "miracle" has been driven by ruthless exploitation of natural resources and by the use of cheap labour.

In the last 20 years logging and associated industrial plantations -for pulp, plywood and palm oil- have been increasing in Sumatra, Kalimantan, Sulawesi, Moluccas and West Papua. The whole of the timber, pulp and oil palm industry has been closely tied to the political situation. Former President Suharto, his family and the military have controlled the economy and benefitted from it.

According to the Industrial Plantation Scheme (HTI) companies are supposed to establish plantations in degraded forest areas. But what really happens is that once they get the concession they clear forests, extract the valuable timber, set fire to the rest and then plant introduced species, as acacia, eucalyptus and pines. The government itself has recently accused several logging-plantation companies for the destructive fires that affected the country's forests this year. The present crisis in South Asia has diminished the international demand for Indonesian timber, plywood, pulp and minerals. But in the long run, the economic crisis can mean that more people are going to be pushed into becoming spontaneous migrants, relocate in other islands and possibly establish tree plantations to supplement their incomes.

During the 1990's there has been a boom in the creation of oil palm plantations as Indonesia plans to replace Malaysia as the first South East Asia's producer in the XXI century. Private palm oil plantations are dominated by big conglomerates. The economic crisis is pushing smallholder transmigrants to establish oil palm plantations hoping to receive the benefits of the so called Nucleus Estate Smallholder or PIR-trans System.

The case of Indonesia shows clearly that the much publicized myth that plantations help to alleviate pressures on native forests and consequently helping to preserve them is totally false. On the contrary, they are a major factor for their destruction. Forests are actually being cut and set on fire to make way for pulpwood and oil palm plantations. From an environmental point of view, the increasing substitution of forests by plantations means a loss of biodiversity, in this case coupled by the atmospheric pollution produced by the heavy smoke arising from forest fires. Socially, plantations are having the effect of destroying indigenous and forest-dependent peoples' livelihoods, by usurping their land and undermining their means of living derived from their biodiverse forests. For many other Indonesian people, forests have always been a valuable survival resource in times of crisis. In the current situation, where many people are suffering from a crisis they are not responsible for, much of the original forests have been depleted, many of them to make way for monoculture plantations, which provide practically nothing in terms of useful products for survival.

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The changes that occurred in May 1998 -which led to Suharto's resignation- could mean the beginning of a reform period. Indigenous peoples and local communities openly oppose plantations. A recently formed alliance of NGOs is calling to stop any new plantations and to carry out a review of the social and environmental impacts of the existing ones and of the concessions already granted. However, the problem of industrial plantations is part of the wider issue of land reform, that can possibly be discussed in the near future, and therefore it is expected that plantations will be analysed under such wider approach.