

There is Still Military in the Forest

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Security forces have become one of the parties profiting from various national forestry policies. The military/police have played an important role in consolidating and attempting to maintain New Order power, as well as their business interests, resulting in a conflict of interest in the enforcement of laws passed to regulate industry.

There has been no significant decline in the involvement of the military/police in the forestry/plantation sector since the New Order ended. The notion of the importance of developing oil palm plantations in border regions has been persistently maintained by military circles, involving military units that have long been established in those regions. The security forces in the extensive oil palm regions act as if they are trying to defend the country against enemy attack¹.

Previously, most military involvement in the forestry sector was quite secretive. Relationships were restricted to meetings between logging concession owners or timber factories and the local military commanders. These connections cannot be proven because company documents don't refer to the relationships. They can only be proven by witnesses either in the logging concession itself or from the community residing around the logging concession region. However, military and police involvement is operationally very important for the local timber factories or logging concessions.

Since the beginning of the Soeharto Government, the army was heavily involved in commercial forestry as concession holders, business partners, forest company executives, and as financial supporters and protectors of illegal logging. In the late 1960s and early 1970s, a number of logging permits were given to generals. For Soeharto, this was a very effective means of garnering political support for the New Order as well as a way of silencing resistance that could emerge within the military and police ranks.

On top of this, military and police involvement in business was also a way to make up for insufficient budget and wages. The involvement of senior officials, both institutionally and privately, was not only permitted, but indeed recommended². Brown estimates that more than 62 million hectares of forests were surrendered without any tendering process to the logging concessions of 51 conglomerates and national forest companies that had ties with the military and Soeharto family³.

Because they did not have the capital or expertise to develop a logging enterprise, military officials worked in collaboration with investors by forming a "charitable foundation", limited company, cooperative or company dominated by military interests. In 1995, more than one million hectares of logging concessions were held by companies which were wholly owned by military foundations⁴. This does not include several companies that had minority military ownership or that operated without official permits or concessions.

An analyst calculated that in 1999, the military forces of Indonesia and several of their companies were collectively the seventh largest timber concession holder in



Indonesia, and the eleventh biggest plank and plywood producer.⁵

The capital contribution of the military in these various enterprises was generally very small. Despite this, the "charitable foundations" received a large portion. Military contributions were not only financial, but also included the political capital necessary to obtain access to forest lands and pressure Government officials into issuing national investment policies that benefited them.

At the local level, the army and police routinely acted as law enforcers who benefited companies. They suppressed protests and were available for hire by the companies to "empty" the land of any local communities. For example, in October 1997, police attacked demonstrators from Delik Village, who were protesting the seizure of their land for the construction of the second largest pulp and paper factory in Riau, by the Riau Andalan Pulp & Paper and APRIL group. Police shot at demonstrators who blocked the road construction, injuring two people and arresting one of the community organizers, Marganti Manaloe, a journalist⁶ attending the protest, was sentenced to three years imprisonment for provocation and sabotage.

Similar military involvement is found in the oil palm plantation industry. In 1996, an oil palm plantation company, PT Tor Ganda in Rokan Hulu Regency, cleared more than 10,000 hectares of forests and local rubber orchards without community permission⁷. In 1999, when the local community from Mahato and Dalu-Dalu villages protested the loss of their land, they were attacked by police and gangsters who burnt 100 homes in three villages and shot at demonstrators, killing one person and injuring thirty others.

The military and police have strong economic reasons to protect the forestry industry, even during the post-Soeharto era. Little has been done to improve the accountability of national security or their formal and informal involvement in forestry business.

The approach of Indonesian President, Megawati to the military became an obstacle to efforts to improve accountability for human rights abuses. Megawati gave supreme military authority to individuals who were previously part of Soeharto's circle, and had many charges concerning human rights violations in the East Timor before the courts. Human rights legal advisors stated that the failure to address transparency in the various military businesses and operational budget was a major obstacle to attempts to improve accountability and reduce armed conflict in several **resource-rich areas**, such as Aceh, Papua, Maluku and Poso⁸. This is despite it being a **commonly-known 'secret' that military involvement in several illegal sectors is an old strategy applied to increase the military budget as well as private profit, particularly through the mining and forestry sectors.**

Common forms of illegal practices include logging in protected forest areas and national parks, and logging either without permits or outside the permitted area. All of this is done to meet demand for legal and illegal exports to Singapore and Malaysia, as well as to meet rocketing domestic demand. Meanwhile, the military agents, police and local Government officials act as financial supporters and protectors at the respective stages of the illegal logging operations, including timber extraction, transportation and processing. This deep involvement has been well-documented in protected forests in Aceh and Central Kalimantan⁹. In 1998, DFID documented 23



illegal sawmills around the Bukit Tiga Puluh National Park in Riau, 12 of which had military support, 1 that had police support, and 5 that had Department of Forestry support.

The deep involvement of the Government in illegal logging has been openly acknowledged by the former Director General of Forestry, Suropto¹⁰. Suropto then submitted hard evidence of corruption by the main business leaders and 18 illegal logging syndicates to the Supreme Court Office and Police. Those involved included the timber boss and Soeharto's crony, Prajogo Pangestu, and Soeharto's daughter, Siti Hardijanti "Tutut" Rukmana. Suropto strongly suspected that they were involved in deception and misuse of reforestation funds (because the estimation of land for reforestation was too high, with the objective of getting greater reforestation funds), tax evasion, and deliberate burning of land for plantations, which violates laws prohibiting burning. Until now, there has been no formal charge or accusation against them.

The military has long benefited from national forestry policies that allowed the State to seize lands claimed by local communities on a massive scale. The military held the main role in consolidation and maintenance of New Order power, at the same time as having business interests in the national economy.

Footnotes:

[1] Developing Disasters on Borneo Ground, Syumanda, 2006.

[2] According to sources, these included the former Minister for Defense; military income additional to the official budget was 65-75% of their total budget. From this total, about 65% was siphoned off by several individuals.

[3] David Brown, "Addicted to Rent: Corporate and Spatial Distribution of Forest Resources in Indonesia," Indonesia U.K. Tropical Forestry Management Programme: Jakarta, September 1999, http://www.geocities.com/davidbrown_id/Atr_main.html (accessed 3 October 2002).

[4] Brown, "Addicted to Rent."

[5] Ibid., 4.

[6] Marganti Manaloe, Penjaraku: Ironi Penegakan Hak Asasi (Pekanbaru, Riau: Posi, 2001).

[7] Not one piece of licensing documentation can be found in the Rokan Hulu Regency Forestry and Plantations Regional Office that relates to permission for PT Tor Ganda to clear land, WALHI Riau, 2003.

[8] "The Stagnation of Reforms in Indonesia's Armed Forces," Munir, INFID position paper.

[9] EIA Telapak Indonesia, "Timber Trafficking: Illegal Logging in Indonesia, South East Asia and International Consumption of Illegally Sourced Timber," Jakarta, September 2001; and Environmental Investigation Agency and Telapak Indonesia, "Illegal Logging in Tanjung Putting National Park: An Update," Jakarta, July 2000.

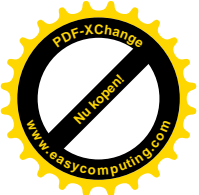
[10] Suropto received death threats because of his efforts to reduce the involvement of military and officials in the illegal logging. Suropto was dismissed from his position.

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