

Are You Helping to Kill Parrots?

by Stewart Metz, M.D.

Killing Parrots?

Yes, your dollars are helping to kill parrots every time you use your CitiBank credit or debit card, or buy CitiBank stock, or purchase stocks and bonds of certain other large financial corporations, or have a portfolio with certain investment firms, or buy certain wood products. If you do any of these things, you are contributing to illegal logging and decimation of forests in Indonesia (and elsewhere). You are thereby contributing to the possible extinction of parrot species. (While I focus here on parrots, of course other birds and animals—including most notably the orangutan—are seriously endangered as well).

The Hard Facts About Illegal Logging

Indonesia has more than 10% of the world's old-growth rainforests and 40% of those in Asia. Although it occupies less than 1.5% of the earth's land mass, Indonesia possesses 12% of all mammalian species, 17% of all reptiles and a similar percentage of all bird species. Yet Indonesia has lost an estimated 70% of its primary forests, the favored habitat of most parrots. Some trees are felled by illegal logging—mostly softer woods converted into plywood, but sometimes the more precious hardwood ramin, which is converted into furniture, snooker cues, and window blinds. (Sadly, much of the illegally cut ramin comes from the Tanjung Putting National Park, home of many of the world's remaining orangutans).

An estimate places 60-70% of logging in Indonesia is illegal logging. Further, most of the wood comes from clear-cutting forest; only 8% coming from plantations. At current rates, high quality forest will be totally depleted in Sumatra by 2005 and Kalimantan by 2010. About 80-90% of forest adequate for the Citron-crested Cockatoo on Sumba is gone. The World Bank estimates that an area the size of Belgium is being harvested each year. Such activities not only destroy biological areas for specific species, but can lead to soil erosion and, in combination with mining effluent, can seriously affect water sources. Roads used to access mining areas further destroy animal habitats.

Palm oil plantations pose additional problems. Forest is being felled at a frightening rate for conversion to large palm oil plantations. Oil palms produce a trendy vegetable oil for food and non-food uses. In addition to destroying forest, the process requires use of large amounts of fertilizers and insecticides (which leech into the water) and it contributes to land erosion. Some 8 million acres of these palm oil plantations exist, with 50 million more acres (10% of Indonesia's land base) applied for, for investment purposes. LonSum is the central "bad boy." As with illegal logging, palm oil plantations receive large scale funding from Western corporations.

In addition, such biological rape has a devastating effect on indigenous people, who are already being moved from over-populated to under-populated areas on Indonesia in a process known as "transmigration." For example, land was seized from local Sakai people resulting in serious clashes. In Serawak (Malaysia, on the island of Borneo) 20,000 indigenous Iban people were forced to leave their land. In Sumatra, thousands of Batak people were displaced from the Lake Toba region, leading to conflicts with the military, which did nothing other than arresting some of the protesters. The large-scale clearing of forest is felt to have caused a severe drop in the water level of the Lake, contributing to depressed rice harvests, and resulting in landslides and deaths. In the Riau district, fish catches have fallen. Additionally, the indigenous people typically get paid astonishingly poorly for the unsustainable use of their forests (just as they do for birds they trap). Villagers get paid only \$5-6 for even the tallest of trees! Companies like PT TEL pay little or nothing to the landowners. (It is in PT TEL that AT&T and banks in Sweden, Finland, Canada, Scotland, Japan, Korea and others are alleged to have made investments; see below).

Who Are the Bad Guys?

Most of this destructive activity is carried out by three or four large corporations. The Indah Kiat Mill is the arm of the infamous Asia Pulp and Paper Company (APP) and is responsible for 40% of Indonesia's overall pulp output. In the year 2000, about 75% of Indah Kiat's timber came from clear-cutting forest, which of course resulted in scenes of absolute desolation. APP works especially in Sumatra. Arara Abadi is an affiliated company which provides many logs to APP. Sadly, most of these activities occur despite the presence of presidential decrees forbidding them. Tacit admission of guilt is further seen in the fact that little of APP's product is sold under the name of APP (or Sinar); often it is repackaged and sold (say, to wholesale stationery distributors) as "source unknown," or under the proprietary labels placed on it by middlemen. This practice is especially well documented in the UK, where nearly half of the supply of stationery may follow that crooked trail.

Our Role in All This

So where do we come into this picture? The loggers must be supported by financing, which to date has come from over 300 financial institutions. Of APP's total assets, which at one time came to \$17.5 billion, 25% came from shareholders, 38% from bondholders, and 20% from banks including Barclays Bank (UK), which holds or held 8 million shares in APP, NatWest (UK), Morgan Stanley Dean Witter, Credit Suisse First Boston, Goldman Sachs, Merrill Lynch, Salomon Smith Barney, Bank of America, Deutsche Bank, possibly AT&T, several Dutch banks, and most of all, our CitiGroup. Morgan Stanley has underwritten bonds for APP and provides \$2 billion in financial support. These bonds have considerable risk, as shown by the fact that APP is over \$13 billion in debt and has halted debt repayments. In 2001, the New York Stock Exchange stopped all trading in APP. Quite an investment! Citigroup (Citi) is the largest financial organization in North America. It has financed,

and continues to finance, illegal logging, plus new mining and oil projects on huge scales. Citigroup also has heavily supported (since 1994) the infamous palm oil company London Sumatra (LonSum), which (in addition to illegal logging) has allegedly been involved in human rights abuses and setting deliberate forest fires in 1997. The burned areas were given to forest corporations to help repay debt to Citigroup and other corporations. The world's largest palm oil plantation is Sinar Mas, whose subsidiary is APP!. Sinar Mas, as well, has holdings in financial institutions and hotels.

Hundreds of corporations (e.g., Home Depot, Lowe's, IBM, Hewlett Packard) are slowly turning away from buying illegally sourced timber, but even as of now, Boise Cascade, Georgia Pacific, Lowe's and Home Depot are alleged to still be buying some Indonesian wood.

Relationship of Illegal Logging to Bird Smuggling

First, the two are related in indirect ways in that both are associated with massive corruption and nonenforcement of existing laws. This corruption and impotence frequently involves the TNI (Indonesian army) and Polri (Indonesian police).

More directly, the massive loss of primary growth forest contributes in a highly significant way to declines in bird and parrot populations via negative effects on breeding and food sources. One can see this through comparison with the New World, where habitat loss has been estimated to be the major cause of decline in 40% of involved species; only 17% is due to trapping alone; and 36% is a combination of both factors; with 7% being miscellaneous. Thus, habitat loss is involved in the risk to 76% of endangered species in that region of the world (see Collar and Juniper in References). These percentages have not been established in Indonesia, but clearly both factors (habitat loss and trapping) are operative.

Most logging to date has been in Sumatra and Kalimantan. These are not the parrot-rich areas of Indonesia, possibly because they are West of Wallace's line and the Australasian interface.

However, Sumba, West Papua and the Moluccas are increasingly and dangerously affected by illicit logging, and along with it, their parrots. Transmigration only exacerbates these problems. The Eclectus is not "vulnerable," yet deforestation and hunting have rendered them locally extinct on Saprua and Haruku, adjacent to Seram; likewise the Salmon-Crested Cockatoo is now extinct on these islands. The Citron-Crested Cockatoo is extremely imperilled on Sumba, with perhaps less than 3000 remaining in the wild. Populations of Seram Cockatoos (*C. moluccensis*, "Moluccan Cockatoos") are vulnerable, but not to the degree that the Citron-Crested has been over the past decade, perhaps largely because logging—while a serious problem—has been limited to concessions in a National Park. Yet even on Seram, concessions for new logging are currently present which overlap Manusela National Park (by now largely devoid of cockatoos). Thus logging represents, if anything, an increasing hazard even in until-now relatively unaffected areas.

Efforts like those of Damian and Djuna Ivereigh to prevent local villagers from selling the rights to their forest at ridiculously low prices to logging companies—along with eco-tourism—the potential to slow habitat destruction. Recently, they were able to prevent sale of 650 hectares of virgin forest on Seram to loggers at least for a time. Populations of Triton and Palm ("Raja") cockatoos are at risk in the bio-rich Raja Ampat islands off the northwest coast of West Papua (Waigeo, Misool, Batanta and Salawati) where reports of rampant corruption and recent illegal logging have appeared. Sadly the endemic Birds of Paradise also also at high risk.

With the presidency of Megawati Soekarnoputri, some hope has emerged. In April of 2002, the UK government signed an memorandum of understanding with the Indonesian government (including Mohammed Prakosa, the Minister of Forestry) to try to reduce illegal logging. Some licenses would not be renewed. This is no mean task because (as with animal smuggling from Indonesia), there is a logging "mafia" led by timber baron Abdul Rasyid, who thus far has avoided any significant penalties. But this agreement seems to be a step forward compared to the corruption and hand-in-the-cookie-jar approach from Pres. Suharto's years. In turn, the British government pledged to step up efforts to improve detection of illegal imports reaching the UK without proper identification of their derivation.

Recent appeals to Pres. Soeharnoputri has brought extensive worldwide pressure on her to clamp down on extensive and illegal logging. Therefore I am hopeful that this pressure can be coupled to an appeal to enforce existening laws to limit smuggling of Indonesia's remarkable parrots and avifauna.

Indonesia, as we all know, is blessed with some of the most spectacular birds on Earth, especially perhaps its parrots, lorries, cockatoos and Birds of Paradise. Unfortunately, their beauty and rarity make them the frequent targets of smugglers, a fact which only compounds the harmful effects of illegal logging. It is still considered socially acceptable, if not socially admired, to keep captured, wild birds as pets in Indonesia and the rarer and more beautiful the bird, the more prized is the bird as a pet. But as KSBK (the Indonesian conservation and investigative agency) says in its slogan: "Lebih indah di alam"—"They are more beautiful in Nature."

Laws to protect these birds exist, but are only rarely or poorly enforced. In North Maluku province, the local conservancy unit itself (SBKSDA) has issued many permits for white cockatoos which have a "zero quota" for trapping. In Western Papua, according to police and environmentalists, Indonesia's own military contains the biggest smugglers. The calls of captured lorries and other birds have been heard within the holds of Indonesian warships. The Natural Resources Conservation Department has far too few officers to effectively enforce the law, and they risk their lives to do so. On remote Seram island, soldiers frequently remove endangered Salmon-Crested Cockatoos as souvenirs, even though that bird is found nowhere else on earth.

KSBK ("Animal Conservation for Life"), an undercover investigative team in Indonesia, recently provided an extensive report based on one and a half years of underground

investigation. They have provided the identities of specific parrot suppliers, areas of rampant smuggling, exporters, and bird markets in Java and Jakarta filled with illegal birds (many held under terrible conditions). Nearly 50% of the birds on sale at these markets are on the list of "protected" birds. And to make matters worse, the birds are treated inhumanely and often die during capture or shipping or at market. The birds are trapped sometimes with gum or nets, their necks are clamped using tree branches, their feathers are pulled out to prevent them from flying (a procedure which is very painful and traumatic), and then they are placed in tiny wire cages or plastic bags. More than 15,000 parrots and lorries were poached during the 18-month KSBK investigation, including "umbrella" cockatoos, Eclectus parrots, Great-billed parrots, *C. sulphurea* (including the Citron-crested cockatoo) and Moluccan (Seram or Salmon-crested) cockatoos.

General Sources

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2. www.foe.org (Friends of the Earth)
3. www.eia-international.org (Environmental Investigation Agency)
4. www.ksbk.or.id (KSBK, Indonesia)
5. www.PetitionOnline.com/cockatoo/petition.html
6. "Flying Without Wings." KSBK Investigation on Parrot Trade in Indonesia. May, 2002
7. www.indonesian-parrot-project which is directly linked to www.projectbirdwatch.com—our website for projects in the Moluccas, West Papua, and Sumba
8. Collar, N.J., Juniper, A.T. "Dimensions and Causes of the Parrot Conservation Crisis" in Beissinger, S.R. and Snyder, N.F.R., *New World Parrots in Crisis*. Smithsonian Institution Press, 1992, pp. 1–24
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