
Burma: Forests for Export to China

Asia's forests are being destroyed at a staggering rate. China, which has become, virtually overnight, the second largest importer of logs in the world, trailing only the United States, has a lot to do with it. (The volume of uncut logs arriving in China has more than tripled since 1998 to over 15 million cubic meters.).

Domestic consumption is growing fast, as China's burgeoning middle class buys new homes and Beijing undertakes huge civil-construction projects. China's entry into the World Trade Organization has also driven tariffs for most timber imports down to zero, fueling imports as well as a rapidly expanding export industry in everything from pulp and paper to furniture and decorations, most of it destined for the United States and Europe.

In 1998, after the People's Republic was hit by devastating floods caused by deforestation, Beijing banned logging along the upper reaches of the Yangtze and Yellow rivers and called for a drastic reduction in other provinces. But there is growing evidence that it has merely exported this problem. To make up for the shortfall in timber, and to meet the consumption needs of its booming economy, China is devouring the forests of neighbouring countries, much of it in the form of illegal logging leading to the destruction of huge swathes of pristine old-growth forests.

As its extraordinary economic boom gains momentum, China is now the world's fastest-growing market for tropical timber. Its forest-product imports soared by 75 per cent last year, reaching \$11.2 billion (U.S.). Its furniture factories are expanding by as much as 40 per cent a year.

The timber trade to China is so massive that it is provoking remorse even among those who are doing the selling. "It's the biggest mistake we've made," said Bao Youxiang, head of the United Wa State Army, a former guerrilla army that has become a regional authority in northeastern Burma. "We've destroyed our environment," he said. "Because of a lack of income, the local authorities were forced to sell this resource to China. It's the only resource they had."

Until recently, Burma was one of the most thickly forested countries in the world. Its vast ancient forests were among the richest and most biodiverse in the world. It still contains more than 80 per cent of the world's teak trees, along with many other rare hardwoods. But its old-growth forests, which used to cover 60 per cent of the country as recently as 1960, now cover less than 30 per cent. And the percentage is falling fast.

When economic sanctions were imposed on Burma's military dictatorship in the 1990s, the regime responded with a dramatic increase in logging concessions and timber exports to bolster its revenue and maintain its power. Today it has one of the world's highest rates of deforestation.

More than 9 per cent of Burma's legal foreign earnings came from logging in 2002, according to official data. But the actual amount of timber revenue is believed to be more than twice the official figure, with huge amounts of the logging trade illegal or unrecorded.

Even as a ban was supposedly being imposed in the Wa territory, Burma's forestry ministry was giving new logging concessions to the Wa and other regional authorities on its northern and eastern borders. According to local media reports, the Burma authorities are aiming to double their earnings from timber exports.

The problem is compounded by the heavy involvement of Burma's drug lords and military authorities in the timber business. Drug traffickers have often invested in logging companies as a way of laundering their profits. And the military regime has awarded valuable logging concessions to its business cronies and political allies in exchange for their support.

According to a detailed report on the booming trade published by Global Witness, "The local population has benefited little in economic terms, but the powerful have enriched themselves."

Article based on information from: "Myanmar mired in a deforestation crisis", Geoffrey York, Globe and Mail,
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