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CONFLICT TIMBER: DIMENSIONS OF THE PROBLEM IN ASIA AND AFRICA—EXECUTIVE SUMMARY

THE CONFLICT TIMBER: DIMENSIONS OF THE PROBLEM IN ASIA AND AFRICA REPORT IS IN THREE VOLUMES: I-SYNTHESIS REPORT, II-ASIAN CASE STUDIES, AND III-AFRICAN CASE STUDIES.



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Conflict actors are more likely to exploit resources to which they can gain access cheaply and easily. Timber, in contrast to minerals, stands above ground in full view, and crude roads or rivers can provide access to and export routes for trees in many forests otherwise considered remote.

Conflict timber—conflict financed or sustained through the harvest and sale of timber (Type 1), or conflict emerging as a result of competition over timber or other forest resources (Type 2)—poses serious problems in many countries in Asia and Africa. While forest resources, particularly timber, are far from the only commodities that spark or finance conflicts, they have certainly played a considerable role in sustaining many conflicts in these regions.

This diagnostic analysis of *Conflict Timber: Dimensions of the Problem in Asia and Africa*, jointly commissioned by USAID/DCHA/OTI and USAID/ANE/TS, was designed in response to the growing recognition of the connection between forests, logging and conflict. The primary objective of the analysis was to provide a comprehensive examination of the economic, ecological, political, social and security dimensions of conflict timber in both Asia and Africa. In addition, the Team was also asked to conduct the analysis in a way that would broaden and deepen the understanding of conflict timber within USAID.

The Conflict Timber Task Order was implemented in two phases. Phase I focused on gathering, reviewing and analyzing a broad range of information on conflict timber incidents from across Asia and Africa. To begin characterizing the magnitude and dimensions of the problem at the global and regional scales, country-level conflict timber profiles were developed for 15 countries from Asia and Africa. To develop these profiles, the Team processed information on conflict timber from a range of sources (e.g., official and nongovernmental organization [NGO] reports, newspaper accounts, interviews with key informants and stakeholders within the US government/United Nations [UN] agencies/international finance institutions/NGOs, etc.).

As the Team gained an understanding of the magnitude and the dimensions of the problem of conflict timber, they developed an analytical framework to identify the conditions under which timber is likely to become a conflict commodity, and to categorize these conditions in an analytically helpful way. Specifically, the framework was developed to analyze the

interplay of the commodities, markets and governance characteristics of conflict timber incidents in Asia and Africa. The draft analytical framework was then presented in a workshop to a broad range of stakeholders from within USAID, and feedback from this workshop was used to revise and finalize the analytical framework (described in Section 2). This framework was then used in finalizing the country-level conflict timber profiles/regional characterizations, and in developing the in-depth country case studies.

The results of Phase I documented a broad range of Type 1 and Type 2 conflict timber incidents, in both Indonesia and the Democratic Republic of the Congo (DRC). As the two countries shared certain other similarities, i.e., large size, serious governance problems, ongoing insurgencies or, in the DRC case, a long-running civil war, the team decided to focus on these two countries for the in-depth country case studies comprising Phase II.

The study identified four interrelated characteristics common to conflict timber incidents in Asia and Africa. These are documented in Section 3 of this report—and further described in Section 4, Key Findings—but are worth mentioning here, as they will help to frame the complex problem of conflict timber for the reader.

First and foremost, **there is a direct and strong link between conflict timber and poor, inequitable systems of governance.** Conflict timber incidents almost always occur in states characterized by poor governance. In many cases, these same polities can fairly be characterized as failed states unable, in the territory they nominally control, to make and systematically apply rules that citizens will accept as legitimate and binding. High levels of corruption, often associated with poor governance, make it even more difficult to establish binding rules governing and regulating access and use of forest resources. Furthermore, when governance is poor and the state is unable to suppress insurgencies, government opponents raise claims to parts of the national territory. This may, as in the DRC during the civil war, at least temporarily discourage logging by heightening insecurity in forested areas. But if, as in Burma, such groups can set up arrangements to enable logging firms to harvest timber, they can profit from those operations and will usually collaborate in them, often condoning unsustainable harvesting methods.

Second, **governments are almost always complicit in conflict timber activities.** Governments, in the form of the military and other security forces, are almost always involved in the exploitation of timber as a conflict commodity. The difficulty of exploiting timber, particularly the infrastructure needs associated with the industrial harvesting and transport of a bulky commodity, requires both coordinated manpower and skills, and capital equipment. In addition, timber exploitation requires secure access from forests to markets. Taken together, these requirements for exploitation mean that state-based organizations, such as military units and government-backed logging companies, are more likely to engage in conflict timber operations than are rebel groups—unless the latter can both guarantee access to markets, and contract with logging firms that command the necessary equipment and skills.

Third, **loose financial oversight generates incentives for powerful individual actors (military, police, politicians) to engage in conflict timber activities.** In almost every incident of conflict timber examined in this study, there was evidence that the powerful actors involved enjoyed quasi-guaranteed access to channels for moving money out of their countries, such as unregulated “private” banks, money transfer shops (typically open to anyone), bulk cash

transfers that can be moved across very porous borders, and so forth. These individuals have the knowledge to identify safe havens in which to bank both illicit and licit proceeds of timber operations. When such officials play a lead role in these kinds of operations, it is not difficult to divert some of the proceeds to personal accounts. Being able to profit personally from conflict timber operations serves as a strong incentive to encourage some actors to **participate**.

And fourth, **ambiguous land/resource tenure promotes struggles over timber**. Ambiguous land tenure claims in forested areas strongly increases the potential for conflict timber incidents to flourish. If governments prove unable or unwilling to adjudicate conflicting claims—often because the rule of law is problematic—a test of strength becomes the only way to resolve competing claims. In such cases the stronger of the two claimants, often an agent of the state, is almost certainly destined to “win.” Furthermore, while carefully planned and executed decentralization may well improve the land/resource tenure situation in local settings, hurried devolution can create doubt as to who is in charge. In this scenario, numerous actors may come forward with claims to the same piece of land, each substantiated by some level of authority—further increasing the likelihood of conflict.

The results of this study indicate that both variants of conflict timber are significant phenomena. Both result in significant impacts on the physical, economic and social well being of individuals and communities living in and around forests affected by conflict. Conflict timber is undeniably a *crosscutting* problem. Efforts to tackle conflict timber and associated economic, social, environmental and financial issues inevitably will require solutions that address the major underlying cause of conflict timber—poor governance.

The specific commodity, market and governance characteristics giving rise to, or sustaining an incident of conflict timber differ from one location to another. There is no programmatic “silver bullet” capable of successfully addressing all incidents of conflict timber. Rather, the findings of this study show that to successfully decrease the incidence, longevity or severity of conflict timber incidents, well-reasoned and crosscutting programmatic responses need to be developed on a case-by-case basis.

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