Jakarta, Indonesia — Corruption in Indonesia's police and military has contributed to a surge in illegal logging that has destroyed much of the country's forests, an environmental group said in a report released Tuesday.

The London-based Environmental Investigation Agency called on foreign donors to consider tying future assistance to proof that the Indonesian government is cracking down on illegal logging. It urged President Megawati Sukarnoputri to take the lead in fighting corruption.

"The president must give leadership and support to those in her government who are trying to stop illegal logging by proactively tackling the blatant corruption that blocks all progress," said Dave Currey, director of the EIA.

Until now, illegal logging has gone mostly unchecked in Indonesia, despite repeated assertions by foreign donors and environmental groups that the country's virgin rain forest could be destroyed by 2005. Environmental groups estimate that as much as 70 percent of the logs exported are illegal, including an increasing number from the country's national parks, and that 70 percent of the country's forests has been destroyed.

The report, titled "Above the Law: Corruption, Collusion, Nepotism and the Fate of Indonesia's Forests," comes a week before a key meeting of international donors known as the Consultative Group on Indonesia that will discuss future assistance. Among the topics on its agenda is the management of the country's remaining forests.

The report alleges that the military — through its private businesses — has logged illegally and operated saw mills to pay the daily expenses of troops. The military has long denied being involved in illegal logging. It says the police and the courts have failed to prosecute illegal loggers, even when other Indonesian agencies, including the Ministry of Forestry and navy, intervened.

Indonesia has taken steps to curb illegal logging, including an export ban announced last year and discussions of swaps of outstanding national debt for money that would go to environmental programs. But most of the efforts have been derailed by corruption, the report says. It says investigators from the EIA — an independent group which investigates environmental crime — have complained since 1999 about illegal logging in Tanung Puting National Park, but nothing significant has been done beyond promises from local government officials.

"Loggers have always returned to the park and destruction continues today," the report
says. "Vast tracts of the park have been affected and a commercial infrastructure of log rails, logging camps and log ponds have been developed across the park. The situation is worse today than it was in 1999."