Nearly 10 million hectares were burned by fires that engulfed areas of Indonesia in 1997 and 1998. The fires were mostly ignited by plantation companies and others eager to clear forest land as rapidly and cheaply as possible.

Economic damages from the resultant breakdown of transportation, destruction of crops and timber, decline in tourism, health care costs, and other impacts have been estimated at $10 billion.

Disastrous as the fires were, they were only one symptom of a far greater disaster -- the systematic plunder and destruction of Southeast's Asia's greatest rainforests over the past three decades.

As this report details, the fires of 1997-98 were the direct and inevitable outcome of forest and land-use policies and practices unleashed by the Suharto regime and perpetuated by a corrupt culture of "crony capitalism" that elevated personal profit over public interest, the environment or the rule of law.

This report provides a detailed account of the human, economic, and environmental damage that occurred as a result of the 1997-98 fires in Indonesia. It discusses the failure of current forest policy and the Indonesian government's ineptness, destructive policies, and corrupt practices in the management of the country's forest resources.

The report concludes with recommendations for reforms that would not only reduce the likelihood of future fires disasters, but also provide more sustainable forest management.

This report comes out as a forest policy reform agenda is being designed and donor funds are being allocated to address the issues of forest loss, degradation, and community development in Indonesia.