

A Swirl of Foreboding In Mahogany's Grain

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After a month in the Amazon, feeding on spider monkeys and wild pigs, tormented by infected feet and mosquitoes, José Valderrama was about to see his efforts pay off.

He and his partners had ventured into the deepest reaches of Peru's rain forest, a region off limits to loggers. Under the jungle canopy, with parrots squawking nearby, they felled one mahogany tree after another, majestic giants that take 75 years to mature.

With the wood sawed into planks and lashed into a makeshift raft, Mr. Valderrama, 27, stood barefoot atop a cargo that would fetch \$6,000 once he navigated it downriver, but be worth \$300,000 by the end of its journey, most likely as furniture, home fixtures or high-grade paneling in the United States.

"I do not know who will exactly end up with it," he said.

Mr. Valderrama's voyage is but the first stage of a murky multimillion-dollar trade that government officials and environmental groups say is whittling away the Amazon, endangering isolated indigenous groups and threatening the commercial future of an ever-scarce tree.

Environmentalists' greatest fear is that the presence of loggers here, deep in the jungle on the edge of an Indian reserve, could presage the arrival of settlers, who would bring the kind of slash-and-burn agriculture that already consumes a swath of the Amazon the size of Maryland each year.

The mahogany trade remains legal within stringent international rules. With a recent crackdown on illegal logging in Brazil, for years the world's mahogany king, Peru is in the midst of a decade-long boom, and is now the largest producer.

Last year, government figures show, Peru exported 45,000 cubic meters of the wood to American ports -- 20 times the total in 1992. The equivalent of 50,000 trees has wound up in the United States, according to one estimate by the World Wildlife Fund.

Conservation groups and even some government officials say that as much as 90 percent of that mahogany is logged illegally, like Mr. Valderrama's.

Such timber moves through a chain of corrupt officials and exporters who buy or forge documents, through customs agents, importers and lumber yards who cannot be certain of the wood's origin, and finally into American homes.

Peru is taking new steps to combat the trade, having passed a modern forest management law, and by November it must also meet new United Nations guidelines to ensure that all mahogany has been extracted legally. But some environmentalists and government officials question whether the government has the resources to enforce the law fully or to apply the United Nations rules.

Much of the blame for the corruption has been placed with the Peruvian agency that regulates flora and fauna, the National Institute for Natural Resources, or Inrena.

"All of the wood, to get out, needs authorization from Inrena," said Fabiola Muñoz, chief government adviser on illegal logging. "And if you know the wood going out of the country is illegally obtained, it means that someone from Inrena is papering over."

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Exposing and Challenging Rainforest Consumption

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Treasured for its exquisite color, workability and durability, mahogany from the tropical Americas has been traded for nearly 500 years. That history of demand has already made Caribbean mahogany too scarce to log.

Now it is the mahogany found in the Amazon -- Big Leaf Mahogany, *Swietenia macrophylla* -- that is readily sought. It is so valuable that one tree, once crafted, can be worth more than \$100,000.

A recent report by Traffic, the wildlife trade monitoring program of the World Wildlife Fund, reads like a high-end catalog to satisfy the tastes of America's wealthiest homes.

Mahogany from Peru, it said, was used to craft the \$9,241 writing desk offered by the Kittenger Company, a 137-year-old manufacturer in Buffalo. It made the \$13,515 entertainment system sold by Henkel Harris. It was used to make \$3,700 acoustic guitars, the decks of suburban homes, even coffins.

Interviews with company representatives made clear that the origin of the mahogany was rarely raised, either by manufacturers or customers. Many furniture makers and retailers said they simply did not know where their mahogany came from.

"We purchase our lumber through a distributor," David Hamm, production manager at the furniture maker Kittenger, said by phone from Buffalo. "We just place an order and it's shipped to us."

At its origins, here in Madre de Dios State, in southeast Peru, the tree is valued as a banner species, as magnificent in the world of botany as the panda is in the animal kingdom. Growing to 120 feet high and 6 feet in diameter, its crown peeks above the treetops, overlooking a swath of land considered among the most ecologically diverse on earth.

While once plentiful along waterways like Los Amigos River, mahogany trees have already been stripped from riverbanks easiest to reach. Still, grizzled men looking for a payday keep coming.

Contracted and equipped by middlemen, the loggers earn about \$7 a day to sink into the jungle for up to half a year. Many come out with malaria or tropical infections. Some die from disease or accidents.

"The jungle makes you old -- the heat, the worry, the work," said one logger, Pedro Rojas, who is 37 but looks decades older.

Even these small bands of loggers need trails, food and supplies. A multinational team of biologists recently estimated that in just one month loggers along Las Piedras River had killed enough animals for 90,000 pounds of meat. The team also found 231 logging camps, 176 of them in areas set aside for Indians.

Some of these native groups, hunter-gatherers from the Mashco Piro and Yora tribes, are so isolated they are known as "the noncontacted." They are particularly susceptible to influenza and other diseases.

"For Indian people, this is a serious threat against their lives, a threat that raises the possible dangers of extinction," said Victor Pesha, president of the leading Indian federation in Madre de Dios.

Increasingly, too, loggers enter national parks like Manu, Peru's ecological jewel, the government says. This year, in the Pacaya Samiria National Reserve in the northeast, \$500,000 worth of illegally logged mahogany was confiscated.

Still, the future of an antilogging police unit that has been celebrated for recent interdictions is uncertain. In an unusual arrangement, the World Wildlife Fund pays the team's operating costs, about \$700 a month, as well as hardship bonuses.

But the financing is not guaranteed past the end of the year, and the government cannot afford the costs alone. It also lacks money to send inspectors on the waterways used to transport the timber.

That transport requires government permits, which are used by exporters to obtain a United Nations document certifying that the wood was legally logged, as mandated by an international convention.

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But government officials and environmentalists say the permit system has been deeply corrupted. The documents can be obtained for a price, sometimes as low as \$120, or they can be doctored. Permits often overstate the timber available in legal areas, allowing loggers to cut from adjacent tracts that are off limits.

In just the first seven months of the year, Peru's National Institute for Natural Resources found that 14 of its 29 administrators had probably been involved in corruption, said Marco Romero, chief of the agency's forestry service.

The corruption runs so deep, he said, that even confiscated wood is often sold back to the same logging companies. "It has been legalized through the auction system," he said.

The Brazilian government tried to address similar problems by requesting the help of inspectors from the United States Department of Agriculture, who verify export documents at their end.

But Peru's government has not requested such a crackdown. Nor has it issued a moratorium on mahogany logging, as Brazil has. Without it, environmentalists warn, mahogany -- exact origin unknown -- will continue entering the United States.

There, it winds up in lumber yards like the 10-acre lot of a 26-year-old company in Evergreen, Ala., called South American Lumber Imports.

For the last three years, the company has been contracted exclusively to store, dry and sell wood logged by Bozovich Lumber, the largest exporter of mahogany in Peru. Last year alone, Bozovich, a Peruvian-owned company, shipped nearly \$20 million in wood to the United States, according to Peruvian export data.

The operations manager at South American Lumber Imports, Leonard W. Price III, said Bozovich's managers were "the most honest people I had ever met in South America."

On its Web site, Bozovich hails its "new selective logging techniques" that allow "for natural and spontaneous reforestation."

But Peruvian officials, the police and environmental groups say the company has generated much of Peru's illegal logging, relying on middlemen who contract freelance loggers. Its president, Drago Bozovich, did not return half a dozen calls to his Lima office seeking comment.

But Alfredo Biasevich, the company's Lima-based partner in Forestal Riopiedras, dismissed the charges. Peruvian government officials and documents identified Mr. Biasevich as an associate of Mr. Bozovich.

"We want an eternal forest; that's our business," Mr. Biasevich said. "We are conscious that each day, the mahogany is farther away, that each day it's under tighter control. We are investors, not opportunists."

Environmental groups like World Wildlife and Greenpeace have leveled similar charges at many other logging companies and importers.

Brigid Shea, spokeswoman for the International Wood Products Association, representing American importers, said the onus was on Peru. "It's really incumbent upon them to make sure before the product leaves Peru that they're comfortable with its legality," she said.

Once in the United States, no more certification is required, and demand for the wood does not encourage scrutiny.

Ken Fuhrmann, customer service representative for Henkel Harris, said that in 30 years on the job, perhaps eight people had asked about the origins of the wood.

"I would say they don't really care," he said. "They just want a good product."

At Classic Galleries, a fine furniture store in Huntington, N.Y., the unmistakable rippled grain of mahogany gleamed on ornately carved dining tables, bureaus and headboards throughout the showroom.

But no one knew where the mahogany came from, said Barbara Marcone, a saleswoman at the store for 19 years. "Nobody asks," she said.

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