

The Trade in Ancient Coins in the USA: Scale and Structure

*Nathan T. Elkins**

When one speaks about the illicit trade in antiquities and the destruction of cultural heritage, one immediately thinks of Greek vases, marble sculptures, relief fragments, frescos, and statues. However minor antiquities – coins, ceramics, fibulae, belt buckles, oil lamps, and so on – play an equally important and fundamental role in the antiquities trade. Minor antiquities are commonly found together with ‘high art’ objects when the caches of smugglers and looters are seized.

According to some recent news articles (5 Oct. 2007), five or six smugglers in Cyprus were arrested and their cache of antiquities, which they had allegedly intended to export illegally, was seized. The article in *International Herald Tribune* stated: “The antiquities, confiscated in the southern town of Limassol, include gold leaves and rings, two mediaeval gold coins and a bronze cross...Police said the suspects were trying to sell the finds for €280,000 (\$395,000).” If the smugglers were trying to sell the artifacts for such a sum, we can be confident that a complete inventory of the cache was not supplied. The article in *Cyprus Mail* provides a bit more detail

“Around 100 items were found at the Kato Polemidia house, ranging from the Paleolithic to the Byzantine period. Confiscated items include hundreds of gold coins, bronze coins, statues, gold, bronze and metal antique jewelry, bronze seals, sheets of gold and albums with pictures of archaeological finds. Approximately 40 more items were confiscated from the Ypsonas garage. An officer of the Antiquities Department is currently assessing the value of the finds. ‘The confiscated items are of great archaeological value: they are a treasure. Only part of this collection would have been sold for 280,000 euro,’ said Latropoulos. The sale would have

occurred yesterday morning, but was prevented by the police raids and arrests.”

Much of this type of material is “common” on the market, nevertheless it is clear that such materials come from archaeological sites. Some have argued that fresh supplies of ancient coins that reach the market in response to widespread collector and dealer demand only come from empty fields, devoid of any associated archaeological remains. However, this is a great misconception, which I have already rebutted in an article citing published records of the systematic looting of archaeological sites for coins and other metal objects. Clearly, in the above case relating to Cyprus, the other ‘minor art’ objects recovered are the sort that come only from historical sites or ancient tombs. Further examples also show that smugglers and looters deal in coins along with other objects looted from archaeological sites and tombs.

In 2006 Greek authorities raided a villa on the island of Schinoussa occupied by the sister of Christos Mihailidis, former partner of London-based antiquities dealer Robyn Symes, whom Italian and Greek authorities suspect of being a major antiquities smuggler. The report stated: “The hundreds of relics discovered so far in and around the Papadimitriou villa include temple parts, statues and busts, ceramic vessels, coins and Byzantine-era icons.” Another article from the *New York Times* states: “Evidence retrieved in the raid indicated that many of the items had been bought at Christie’s or Sotheby’s between 2001 and 2005, although none had been declared to the Greek authorities before entering the country, as required by law.” Clearly, these smugglers made no distinction between trading in parts of a temple and selling coins – both are profitable on the market.

In 2005 in Egypt, one smuggling ring is known to have illegally exported around 57,000 objects from the country. These individuals dealt in all classes of objects. The report states:

“Officials estimated the smuggling gang exported some 57,000 pieces worth about \$55m, including human and animal mummies, coins, statues and wooden sarcophagi. The authori-

* Wissenschaftlicher Mitarbeiter am Institut für Archäologische Wissenschaften, Abt. II Goethe Universität Frankfurt. Translated and adapted from the lectures:

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“Ausmaß und Netzwerk des Münzhandels im Internet” – Arbeitstagung: Raubgrabung und Handel mit Kulturgütern, Hessian Police Academy, Wiesbaden, 19 November 2008

ties intercepted some of the antiquities at Cairo airport, but others were smuggled all over the world, including some that were found in Australia for sale on the internet. They have been returned to Egypt.”

In 2006 police in Bulgaria seized a smuggler who tried to spirit 14,440 gold, silver, and bronze coins, jewelry, and statues out of the country. The total weight of all the objects was 67 kg.

In early 2008 Bulgarian police cracked down on a smuggling ring through a simultaneous sting in several Bulgarian cities. At the time they recovered a complete chariot, over 2,800 ancient coins, dies for making fake ancient coins, ceramics, and bronze objects.

In some press interviews looters are open with their activities. One Iraqi looter reported in a newspaper interview that he was plundering archaeological sites hoping to find seals, inscriptions, lamps, jewelry, and coins.

It is curious that some dealers and collectors (whose professions are outside of archaeology and field archaeology) have tried to argue a special case that coins should not be considered archaeologically significant objects, despite the fact they come from the same places as other objects: historically significant sites with associated archaeological remains. Are not these caches further evidence that looters are not just detecting in empty fields for coins but are also systematically looting tombs and other archaeological and historical sites for material, taking everything that will fetch money on the market?

Leaders of the lobby of ancient coin dealers in the USA, the Ancient Coin Collector's Guild (ACCG), have claimed that ancient coins are most often found in isolation without associated finds and from outside of areas of occupation. This is obviously false as all of us who practice archaeology know. It is also completely counterintuitive since one would expect coins to be found where people lived, worked, shopped, and conducted their daily lives. Ancient coins are among the most common finds in ancient cities, settlements, military encampments and only in exceptions are they found in areas which were not occupied in antiquity and in complete isolation of other finds or evidence for cultural activity.

The trade in ancient coins has significant consequences for the scientific study of numismatic source material. Nevertheless, specific discus-

sion of the trade in recently surfaced ancient coins and the trade's relationship to organized and systematic looting has not yet entered the discussion about the protection of archaeological goods to a significant degree.

Today I outline the scale of the trade in ancient coins with particular emphasis on the North American trade, the sourcing of material for it, and also the structure and networks present within the trade itself. There are essentially three classes of ancient coin dealers that can be distinguished:

- 1) Large auction houses with multiple employees. Their inventories typically contain the highest quality coins available on the market.
- 2) Independent, mid-range dealerships – often operated by only one or two people. They often operate primarily online. Their material is typically moderately priced and they cater to the collector on an average budget.
- 3) Wholesalers. These often import material in astonishing quantities directly from source countries. Individual coin dealerships are the primary customers of wholesalers. Wholesalers sell their “better” material to dealers and often they sell their “worse” or more “common” material directly to collectors over the internet in bulk quantities.

1) Auction houses

At first glance it seems the auction houses are the most profitable category even though they can deal in relatively small quantities. In the USA the three largest and most important ancient coin auction houses are CNG, Freeman & Sear, and Harlan J. Berk, Ltd.

In 2007 CNG sold approximately 22,700 ancient coins in its printed catalogues alone. Of that number only 429 coins (that is 1.9%) had a provenance or collection history before 1973, which is the cut-off date for the publication of antiquities according to the American Journal of Archaeology's ethical guidelines. More than 77% of all the coins were offered with absolutely no history at all. In addition to the 22,700 coins from the regular auctions, between 10,000 to 20,000 more coins were sold in CNG'S bi-weekly electronic auctions. This estimate is based on more than 8,400 lots that were sold in this manner by CNG in 2007, many lots contained multiple coins, sometimes in the hundreds. The prices realized by CNG in 2007 alone from its printed catalogues exceeded

\$9,700,000. In addition to this, CNG would have made approximately \$1,400,00 from its buyer's fees.

The auction house Freeman & Sear sold around 3,400 ancient coins in its printed auctions in 2007. Of these only 39 coins (about 1%) had a collection history before 1973. More than 95% of all coins sold were provided with no history before being sold by Freeman & Sear. Freeman & Sear also sells many more coins through its online auctions, but these are not archived and so a study of these sales was not possible. Freeman & Sear's 2007 printed sales resulted in more than \$4,000,000. In addition to this they made \$330,000 in buyer's fees. Also in 2007, Freeman & Sear announced the opening of its German affiliate, Helios Numismatik GmbH.

2) Mid-Range Dealers

As has already been mentioned, most dealers in this category sell primarily online. The most important online selling platform for this category of dealers is VCoins.com and VAuctions.com. VCoins is fondly referred to by collectors as an "online shopping mall for ancient coins." VCoins and VAuctions are the brainchild of Bill Puetz, who is also currently the president of the American ancient coin dealer lobby (ACCG). VCoins was founded by Bill Puetz with the aim of competing with eBay's ancient coin sales and providing a sales platform where forgeries would be much less common – one reason an alternative to eBay was desired. Dealers from all over the world sell through VCoins but the majority, approximately 75%, resides in the U.S. and Canada. The second largest group is European dealers, of which German dealers are the most prominent. As of 31 October 2008, there were 125 ancient coin dealers offering a combined total of about 83,000 lots on VCoins. The cumulative value of all these items was in the neighborhood of \$15,500,000. Certainly not all the lots are ancient coins. Books, supplies, and other ancient objects (e.g. fibulae, ceramics, oil lamps, etc.) are also offered. Nevertheless, bulk lots are commonly sold on VCoins and a single lot can include hundreds or even thousands of coins.

Often times the coin dealer lobby argues that mid-range dealerships are not very profitable and that in many or even most cases dealing is a simply an extension of their "hobby activities."

However, the evidence from VCoins seems to indicate otherwise.

Another example is provided by a glance at the inventory of one of these mid-range dealerships. On 14 April 2008, 2,245 ancient coins were listed for sale by the dealership Sayles & Lavender on VCoins. The total asking price for the coins listed exceeded one quarter million US-dollars. One of the co-owners of Sayles and Lavender, Wayne Sayles, is the founder and executive director of the dealer lobby (ACCG).

3) Wholesalers

There are a number of dealers operating in the United States who can be classified as wholesalers and many of them come from Southeastern Europe or the Middle East. A recently published report by the Center for the Study of Democracy about organized crime in Bulgaria estimates that between 30 and 50 Bulgarian nationals with residences in Western Europe and the United States operate as wholesalers and organize the bulk transport of looted coins and antiquities out of Bulgaria into these market nations. These individuals will wholesale their "higher quality" material to other dealers and normally dispose of their more "common" or "less collectible" material en masse through eBay, VCoins, or other internet platforms. According to my observations eBay (USA) sees about 5,000 lots per week in the ancient coin section. This would result in between 260,000 and 280,000 lots per year. It is important to note that each lot may contain just one coin or thousands of coins, especially when wholesalers are selling uncleaned coins by the kilo or packages of 1,000 or more! Easily over 1,000,000 ancient coins are sold via eBay (USA) each year alone in the United States. This estimate excludes what will be sold through VCoins transactions, auction houses, and private bid lists from mid-range dealers. When one considers that the one of the largest and most important public collections in the world, the British Museum, contains around 340,000 ancient coins, the size of the American trade is put into perspective. The Fundmünzen der Antike project of the Mainzer Akademie der Wissenschaften has been cataloguing coin finds from old and new excavations, hoards, and local collections in the area of modern Germany since 1960 and thus far has catalogued

between 300,000 to 350,000 coins. In the United States, more than three times the number of recently surfaced ancient coins are bought and sold annually through eBay alone than German scholars identified and catalogued from recorded contexts in 50 years of full-time work!

Mid-range dealers and auction houses are secretive about the nature of their business practices, but wholesalers are much more open on online discussion lists and often seem to brag about their activities in their discussions with other wholesalers.

One of the largest and most prolific wholesalers of ancient coins and antiquities in the United States is also a U.S. Customs Broker who works at JFK-Airport in New York. It is known he clears other dealers through customs, he has assisted other dealers in importing material, and on online discussion lists he has provided free advice on how to arrange for the import of ancient coins and antiquities while avoiding problems with customs officials. Much of this dealer's own stock comes from the Balkan and "Holy Land" regions. In a message from 2006 this dealer indicated that he had a standing inventory of about 50,000-60,000 coins and that he sold approximately 15,000 coins per week in bulk to collectors and wholesale to other dealers. According to online correspondence, it seems new supplies are always on their way to his inventory. In 2005, he mentioned going on vacation to Bulgaria where he stayed in small villages and "got to meet a lot of interesting people in the business."

In 1999 German customs officers seized a shipment of 60 kg of ancient coins (approx. 20,000 coins) at Frankfurt airport. The coins were falsely declared by a Bulgarian national living in New Jersey who operates as a wholesaler in the United States and supplies other dealers. The coins were destined for an airport in New York City. Further research by German customs officials indicated that the individual in question had sent about one metric ton of material through the airport in previous weeks and months which had not been inspected. All of these shipments can be assumed to have been ancient coins and antiquities. If these were all ancient coins, one metric ton would be about 350,000 ancient coins. Shortly after these shipments had arrived in the United States, there was much chatter on online ancient coin discussion lists about "a new source of ancient coins," naming the dealer personally. That same year

he also exhibited at a coin show in Chicago where he sold coins wholesale to other dealers and to collectors by weight. Later that year he hired extra help to manage his large stock. Bulgarian authorities also believe this individual may have been involved in a museum theft in Bulgaria in which numismatic objects were stolen. This wholesaler is still an active supplier to other dealers in the United States and he still sells bulk lots directly to collectors via eBay.

Other wholesalers and importers have reported that Munich, as we all know, is an important center for the trade and exchange of ancient coins and also that Eastern European "suppliers" often meet there to sell their stock to other dealers. Rising prices and decreased availability of fresh supplies of coins from Balkan countries as the result of price control by dealers or the over-detecting of sites is a common theme on online discussion lists.

Some coins in the trade are naturally resold and "recycled," but fresh material – and there are massive quantities of it and great demand for it – come directly from source countries, especially in the Balkans and the Middle East, and are directly imported in the United States by wholesalers and/or through the assistance of customs brokers. Afterwards it is sold to other dealers to stock their inventories or directly to collectors who crave large quantities of "uncleaned" coins. It is important to study the network and structure of the coin trade further and, in my opinion, to follow the activities of wholesalers in particular. It is also important that we educate the public and collectors about these activities: laws are being broken and there are severe intellectual consequences for the understanding of our past. The dealer lobby in the United States has already started campaigning for public-recognized legitimacy, a battle most viciously waged on the internet, and actively lobbies American lawmakers to support their interests. The lobby currently has a pending suit against the U.S. Department of State alleging a lack of transparency on the decision to include coins in Cyprus' request for important restrictions. A recent "benefit auction" the lobby hosted indicated the goal was "to raise funds for anticipated legal expenses in opposition to State Department imposed import restrictions on ancient coins." One of the ACCG's lobbyists is also trying to persuade lawmakers that current emergency import restrictions on Iraqi antiquities are unjust as it could hinder the coin trade.

It is also important to address problems in source countries where corruption among government officials and local law enforcement exacerbates criminal activities. I think also that

transit markets, such as Germany, and market nations, such as the USA, ought to consider their role in the illicit trade and make proactive efforts to curb their contributions to it.

**Universitätslehrgang Kunst und Recht
an der Karl-Franzens-Universität Graz, Österreich**

*Armin Stolz**

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Kompetenzzentrum für Kunst- und Kulturrecht

Heinrichstrasse 22

8010 Graz

Österreich

Tel.: ++43/ 316/380 8420

kunstrecht@uni-graz.at

* Ass. Prof. Dr. Armin Stolz, Leiter des Kompetenzzentrums für Kunst- und Kulturrecht an der Karl-Franzens-Universität Graz.