

How the European Commission used bogus information to justify the new import licensing regulations for cultural property

European Commission Fact Sheet: Published July 13, 2017 (See <https://bit.ly/3jFEs8O>)

This document, entitled ***Questions and Answers on the illegal import of cultural goods used to finance terrorism***, sets out the evidence that persuaded the European Commission to proceed with the import licensing regulations.

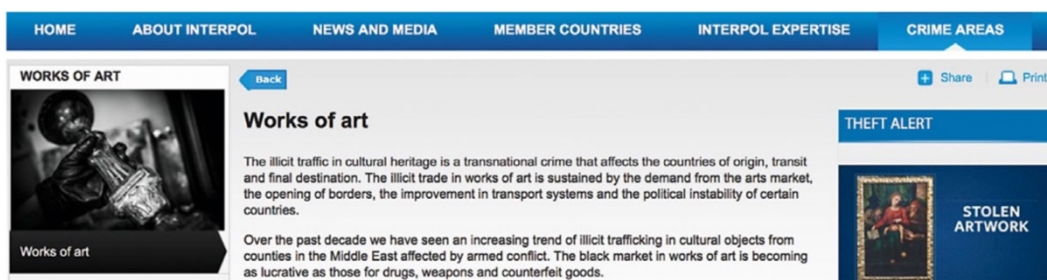
Under the heading ***What is the value of the cultural goods that are imported illegally to the EU?*** it explains the following:

The value of the illegal trade in cultural goods is difficult to assess, since it is a criminal activity. Reliable data and instruments for measuring illicit commerce are scarce. According to Interpol, however, the black market in works of art is becoming as lucrative as those for drugs, weapons and counterfeit goods. Some estimates suggest that in 80-90% of sales of antiquities, the goods have illicit origins. Another study suggests that the total financial value of the illegal antiquities and art trade is larger than any other area of international crime except arms trafficking and narcotics and has been estimated at €2.5 - €5 billion yearly.

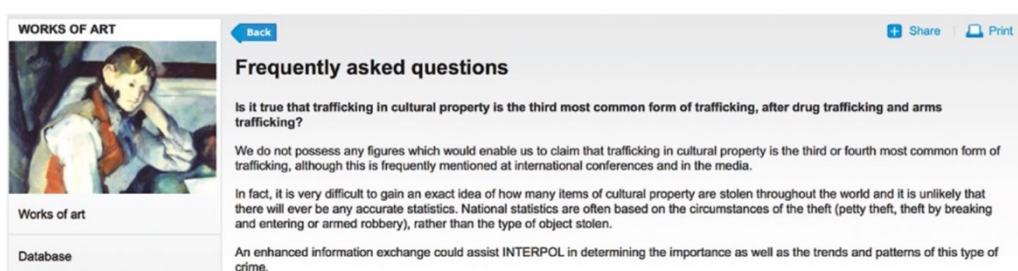
UNESCO has also stated that, together with the drugs and armaments trades, the black market in antiquities and culture constitutes one of the most firmly rooted illicit trades in the world.

Where do these claims come from?

Interpol: This claim, made on Interpol's website, is inaccurate and countermanded on the same page by Interpol's FAQs, which state that Interpol has never had any data to justify this claim nor is ever likely to have any. Interpol has now removed the claims from its site, but here they are for reference:



Above: The former Works of Art Crime home page on the Interpol website, where it makes a clear claim about the black market in works of art. This screenshot was taken on February 11, 2019. The statement was removed in March 2019. The World Customs Organisation's Illicit Trade Report 2017 demonstrates clearly that this claim is wrong.



Above: The conflicting claim under the Frequently Asked Questions on the same page of the Interpol website. This screenshot was taken on February 11, 2019. The statement was removed in March 2019.

80-90% of sales of antiquities involve goods with illicit origins.

Although not attributed, one of the sources for this figure is the November 24, 1990 article by Geraldine Norman in *The Independent*, entitled *Great Sale of the Centuries*. It has no source other than her opinion. She recently said that it was simply her opinion at the time. Here is the article for reference:

Geraldine Norman previews a unique auction of Greek and Roman antiquities

Great sale of the centuries

SOME of the finest Greek and Roman antiquities ever seen on the auction market will be offered for sale at New York's Park Lane Hotel next Tuesday.

They are coming to auction, rather than being sold privately to great museums or great collectors, because of the dissolution of a partnership between Jonathan Rosen, a New York real estate tycoon, and Robert Hecht, antiquities dealer extraordinary. They have to untie joint ownership deals as they close the New York gallery, Atlantis, which they have run for the last four years.

The most remarkable offering is a complete column krater, or vase, nearly two foot high, painted with a ferocious battle between the Greeks and the Amazons. Their armour and accoutrements are lovingly delineated while blood spurts from the dying. It is the work of one of the greatest vase painters, known as the Pan painter, and dates from 470-460 BC. A price around \$600,000 to \$700,000 is looked for.

Other highlights include a Roman marble of Menelaos holding the body of his dead companion Patroklos. It is a copy of a Greek sculpture greatly admired in antiquity — at least 12 Roman copies survive. The seventeenth-century sculptor Gianlorenzo Bernini considered the copy that he knew in Rome to be the most beautiful sculpture that had survived from antiquity. Tuesday's example is estimated at \$250,000 to \$275,000.

There are plenty of wonderful lesser works in the two session sale, such as the Roman mosaic depicting a comic mask wreathed in flowers and berries (\$75,000 to \$85,000). The catalogue notes that it can be compared to the best mosaics from Pompeii in the Naples museum. Then there is a Roman silver eating kit; constructed like a penknife, it includes a knife, fork, two spoons and a toothpick (\$10,000 to \$12,000). Hecht bought it at Christie's in 1986 when it was described as unique; his catalogue points out that

Christie's had missed the report of a similar one found in Bulgaria.

It is the second time this year that Hecht's taste has come under the hammer and it is transforming the market. He provided most of the antiquities collection put together by Bunker Hunt and his brother William — the billionaires who tried to corner the silver market — which was auctioned at Sotheby's last summer for a record-breaking \$11m.

The sale was a landmark because of the superb quality of the objects. Fragmentary remains of a vase signed by Euphronios were bid to \$1.76m while a Roman bronze portrait head of around the first century made \$577,500. Sotheby's had estimated a fraction of these prices — they are not used to handling such material.

That is one reason Tuesday's auction has not gone their way. "They weren't prepared to estimate our material at its true value — we also wanted a higher standard of cataloguing," says Rosen. So he set up his own auction company for the occasion — the catalogue is a scholarly masterpiece and the estimates mind boggling.

Hesperia Arts Auction Ltd is

Eighty per cent of all antiquities that come on the market have been illegally excavated and smuggled

jointly owned by Rosen and California's most colourful antiquities dealer, Bruce McNall. He makes movies, trains racehorses — he won the Arc de Triomphe this year — and owns an ice hockey team, the LA Kings. It was he who persuaded the Hunt brothers to collect antiquities, bringing in Hecht as an advisor. Hesperia has taken in some material from other dealers, but most of the treasures on offer are owned in elaborate partnership deals between Rosen, McNall, Hecht and an investment fund called Athena II run by Merrill Lynch.

Museums, rich collectors and other dealers will, no doubt, be



Smile please: a first-century Roman mosaic depicting a comic mask

lining up to bid — antiquities are currently high fashion, especially in America. The fashion conveniently ignores the fact that 80 per cent of all antiquities coming on to the market have been illegally excavated and smuggled from their countries of origin. The treasures in Hesperia's sale are not likely to be exceptions to the rule.

The marvellous remains of the Greek and Roman civilisations — bronzes, marble sculptures, exqui-

and stress that trade in smuggled objects is legal once they have left their country of origin. These arguments ease their consciences.

As a result, smuggled antiquities fill the galleries of Madison Avenue and Mayfair, not to mention Sotheby's and Christie's auctions. But the very best usually end up in the hands of Robert Hecht, a scholar with a real passion for the material he handles.

Posters plastered around Paris this autumn, advertising an exhibition of the Greek vase painter Euphronios at the Louvre, provided a reminder of one of his greatest coups. The Louvre had a picture of a vase on their poster painted with the death of Sarpedon which Hecht sold to the Metropolitan Museum in New York in 1972 for \$1m — a price level which at the time had only been achieved by one or two Impressionist paintings. The vase bears the signature of both Euphronios and the potter Euxitheos.

All hell broke loose after the Metropolitan's purchase. The Italian government claimed that the vase had been found at Cerveteri and smuggled to America. But no proof was forthcoming and it remains at the Met, accepted as one of the greatest painted vases to have survived from antiquity — and worthy of loan to the Louvre.

Another source for the figure is the UNESCO 2011 report, entitled *The fight against the illicit trafficking of cultural objects. The 1970 Convention: Past and Future*.
(See <https://bit.ly/3jFRMd6>)

On page two it states: “80% of Etruscan and Roman antiquities on the market today have an **illegal provenance**”, estimates Maurizio Fiorilli, Deputy General Advocate of the Italian State, who chaired the Ministry’s Commission for the restitution of illicitly exported artifacts”.

Obviously, this does not actually refer to all antiquities. It is also possible that this statistic arises from the survey of a single Etruscan cemetery in 1962, although this needs confirming. It is also possibly the basis for the Norman claim, although this cannot be confirmed. In any case, there appears to be no basis at all for the claim that 80% of all antiquities that come onto the market are illegal. If that could be confirmed, then they would be able to give a fairly accurate value for illicit trade, something that all parties agree cannot be given.

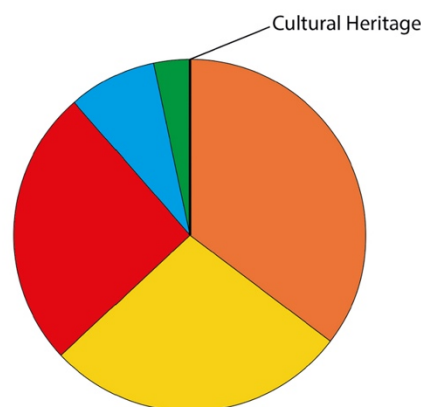
Another study suggests that the total financial value of the illegal antiquities and art trade is larger than any other area of international crime except arms trafficking and narcotics and has been estimated at €2.5 - €5 billion yearly.

- The study is not named.

However, the latest WCO figures show that this is not true. The WCO 2019 Illicit Trade Report, published in June 2020, clearly shows that cultural goods barely register on the scale by whichever of the four measures are used: number of cases being investigated, number of seizures, volume of material seized, or value of material seized. The WCO has argued that low levels of reporting at national level may hide the true figures, while also admitting that any apparent increase in cases and seizures may be due to improved reporting, but the gap between cultural property trafficking and all other sectors of trafficking is so great that it could not come anywhere close to them. The pie charts here illustrate the point. The full analysis of the WCO Illicit trade Report 2019, including sources of all data quoted can be read here:

<https://bit.ly/2JhSZLn>

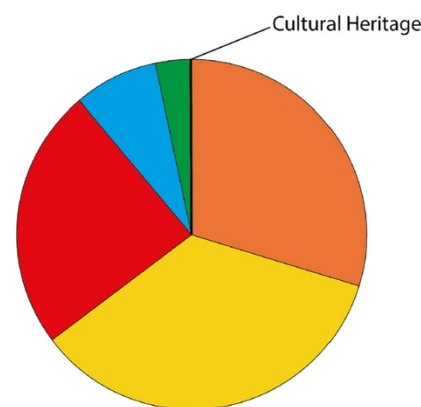
Share of cases by risk category



Number of cases	
Total:	102,214
Drugs:	36,264 (35.48%)
IPR + H&S:	28,203 (27.59%)
Revenue:	26,285 (26.72%)
Security:	8,190 (8.01%)
Environment:	3,045 (2.98%)
Cultural Heritage:	227 (0.22%)

Drugs
IPR + H&S
Revenue
Security
Environment
Cultural Heritage

Share of seizures by risk category



Number of seizures	
Total:	133,453
Drugs:	40,017 (29.98%)
IPR + H&S:	46,386 (34.76%)
Revenue:	32,426 (24.30%)
Security:	10,469 (7.84%)
Environment:	3,884 (2.91%)
Cultural Heritage:	271 (0.20%)

€2.5 billion to €5 billion. The source is not given, but if you consider the WCO figures above, which cover all art, antiques and collectables, not just MENA antiquities, which account for about 0.5% of the annual market, the claim does not stand up. Nor does it, whichever primary source you refer to.

In 2013, the FBI art crime unit estimated all art crime globally concerning everything from Contemporary art to stamps, not just antiquities, at around \$4 billion to \$6 billion (See <https://bit.ly/2ALcxQY>), but that includes crimes such as domestic burglary, vandalism, fraud and so on.

UNESCO. The link in the European Commission Fact Sheet takes you to the 2011 UNESCO report entitled *The fight against the illicit trafficking of cultural objects. The 1970 Convention: Past and Future* (See <https://bit.ly/3jFRMd6>). Created by the Italian journalist Fabio Isman and still published on the UNESCO website eight years later.

On page 2, it states: “The illicit trafficking of antiquities is estimated to be superior to US\$6 billion per year according to a research conducted by the United Kingdom’s House of Commons on July 2000¹.”

This turns out to be a reference to the House of Commons Culture Select Committee Seventh Report into crime associated with cultural property.
(<https://publications.parliament.uk/pa/cm199900/cmselect/cmcmums/371/37104.htm>)
Chapter II *The problem of illicit trade, The nature and scale of illicit trade* includes paragraph 9, which reads: “The scale of the illicit trade taken as a whole is said to be very considerable. According to the Museums Association, “as an underground, secretive activity, it is impossible to attach a firm financial value to the illicit trade in cultural material. Estimates of its worldwide extent vary from £150 million up to £2 billion per year.”^[21] Detective Chief Superintendent John Coles of the Metropolitan Police Service identified a similar range of estimates—from \$300 million to \$6 billion.^[22] The European Association of Archaeologists attributed to Interpol an estimate that the worldwide trade in cultural property was worth about \$4.5 billion annually, compared with about \$1 billion ten years ago.^[23]”

- **Footnote 21:** The Museums Association. This talks about “cultural material”, i.e. all art and antiques, not antiquities, gives a range of figures from £150 million to £2 billion a year and attributes it to the Geraldine Norman article (See above). 21: See <https://publications.parliament.uk/pa/cm199900/cmselect/cmcmums/371/0032305.htm>
See para 5: This shows that the source is Geraldine Norman’s Independent article from November 24 1990, which shows no such figures, leading to the conclusion that they have actually taken this from the This come from the Brodie, Doole and Watson report Stealing History, 2000.

Evidence submitted March 23, 2000

- **Footnote 22:** DCS John Coles of the Met Police: \$300 million to \$6 billion
See <https://publications.parliament.uk/pa/cm199900/cmselect/cmcmums/371/0052305.htm>
The answer given by Coles is as follows: “(Detective Chief Superintendent Coles) I anticipated a question along these lines before I came here. I conducted some research, going back over 10 years, to try and find out where particular figures that have been bandied around about this subject emanated from. One of the figures is **\$3 billion**. I have found reports going back 10 years where there is an estimate as high as **\$6 billion**. At the other extreme of the scale the suggestion is that it could be as low as **\$300 million**. In order to try and put some definitive figure upon this scale, my colleague, Miss Stevenson, has conducted some research in the last

few days, and it might be better if she explained her research to you.

(Detective Constable Stevenson) **I think what we have to actually state from the start is that the cases are really anecdotal. There are no statistics kept. We have to bear in mind that the whole trade, whether illicit or legal, actually encompasses jewellery, works of art and antiquities, and as there is no actual Home Office information that is kept we have had to turn to the insurance companies and the insurance industry to get the figures we have.**

A loss adjuster I spoke to estimated that this trade is costing the public between **£300-£500 million** per year in the United Kingdom alone. I can break that down to where he got those figures from. **The Association of British Insurers on average record losses by theft in both domestic and commercial as being somewhere in the region of about £600 million per year. Out of that figure they assume that roughly half relates to domestic theft. So leaving aside your office break-ins or something like that and computer thefts, they would say that approximately £300 million goes on domestic burglaries, and out of the domestic thefts, roughly, in the settlement, two thirds of the items in that category are jewellery, silver, collectibles and fine art. That accounts for the first £200 million of insured losses. Secondly, they state that Lloyds is excluded from the total and, of course, the majority of very high value fine art and antiques are insured through Lloyds. We do know that worldwide Lloyds pay out in the region of about £100 million into the fine art and jewellery category. So it is possible to estimate that between 40 and 50 per cent of that is attributable to the United Kingdom. That takes the figure to roughly £250 million.** Then they looked at the area of uninsured loss, which is extremely difficult to estimate. This would include properties such as National Trust properties, English Heritage and churches, but they reckon that is somewhere in the region of £75 million per annum. Then there are those losses which go entirely unreported, which, of course, you can only guess at, but they arrive somewhere in the region of £300, £400 or £500 million per year.

Evidence submitted May 23, 2000

• **Footnote 23:** The European Association of Archaeologists attributed to Interpol: \$4.5 billion. Evidence p 264

See <https://publications.parliament.uk/pa/cm199900/cmselect/cmcumeds/371/371ap12.htm>

The text reads: "As the illicit trade is largely clandestine it is not open to systematic quantification and estimates of total value are usually extrapolations from what few official statistics are available. Interpol suggests that the illicit trade in cultural property is third only in value to drugs and arms, and is worth about \$4.5 billion annually, compared to about \$1 billion 10 years ago. This increase is thought to be due to the emergence of a large European black market (Kouroupas 1996: 11, 1998: 4)."

Memorandum submitted by the European Association of Archaeologists, Appendix 11

In summary, these sources reveal that the figures cited are either entirely made up or do not refer to antiquities, nor to trafficking nor to terrorism links.

In fact, the figures come from a mixture of anecdote, assumption and error. Where detailed figures are given, they do not apply to the antiquities trade at all, but the entire culture sector. It is also notable that where figures do apply to the wider culture sector, they are decades old.

This complete information trail shows how what is effectively fake news has directly influenced the European Commission and Parliament to introduce the new import licensing regulations.

The ILLICID Study

IADAA has completed a detailed analysis of the official report published into this four-year, €1.2 million study into alleged trafficking within Germany and purported links to terrorism funding. The study failed to find any evidence of these phenomena despite such discovery being its primary objectives. The full analysis is available here: <https://bit.ly/3mwfP02>

The Ecorys Report

The second of two studies commissioned by the European Commission to provide evidence of trafficking and terrorism funding in order to justify the proposed import licensing regulations. As the report itself concluded:

- It failed in its primary objective of measuring the size, scope and nature of illicit trade in antiquities.
- It also failed to find any reliable statistics pointing to trafficking patterns or routes.
- It also failed to find any evidence of trafficking funding terrorism.

<https://bit.ly/37TDKm7>

The RAND Corporation report

Published in May 2020 by the arguably the leading independent research organisation in the United States, with a 75-year pedigree of study, this report claims that current thinking on the trafficking of antiquities is mostly wrong. Its findings have prompted it to propose a radical change in direction in the search for solutions.

IADAA's analysis of the report, along with its major findings and quoted highlights – all with sources referenced – is available here:

IADAA reports about it in this article:

“RAND Corporation report demolishes current thinking on antiquities trafficking” (See <https://bit.ly/3l2cSDW>)

Most widely held assumptions are wrong, it argues, and this has led to poor policy in tackling the problem.

IADAA put the main findings of the Rand report on an A4: **Main findings of the RAND report (See <https://bit.ly/380lgru>)**

IADAA sorted the findings of the Rand Report by theme with quotes and source pages:

EVIDENCE BY THEME (<https://bit.ly/34PdHud>)

Direct link to the Rand Report **Tracking and Disrupting the Illicit Antiquities Trade with Open-Source Data” (<https://bit.ly/362bIT0>)**

Latest update November 2020

