



Joseph Coplin R.I.P

We regret to announce the death of Joseph Coplin, who passed away in November 2022 after a brief and sudden illness.

As a Principal in Antiquarium for more than 35 years, he was very active in the trade and was a member of IADAA for many years.

He enjoyed working with collectors, museums, scholars and curators throughout the world in the pursuit of knowledge and the study of objects as well as art history, philology, connoisseurship and the passion of collecting.

His energy and zeal were boundless, his enthusiasm catching, and he shared all with those he encountered.

As his obituary in the *New York Times* recorded, he forged



deep relationships with those who he encountered, never took the easy path, and always held to that which was difficult, saying anything, even doing the dishes, could be a form of art.

Joseph was a family man at his core. "He was not always easy, but lived by a code, cultivating safe spaces around him where he could be himself and support others."

In the course of completing five marathons, he raised funds for cancer research with Fred's Team, Project ALS (amyotrophic lateral sclerosis), as well as his philanthropic efforts for Brooklyn Heights Montessori School and pancreatic cancer.

He had a passion for all things old from history to philology and a lifelong love of learning. He will be sorely missed by everyone who knew him, most of all his family and friends.

More on the Financial Action Taskforce Report

Money Laundering and Terrorist Financing in the Art and Antiquities Market

At three points in the *Financial Action Task Force's report, Money Laundering and Terrorist Financing in the Art and Antiquities Market*, published last month, it states clearly that the vast majority of market professionals are honest brokers:

- “Most are relatively small and the vast majority of participants have no connection to illicit activity.” (Executive Summary, page 3)
- “The majority of participants involved in selling, purchasing, or holding cultural objects - whether large auction houses, small antique dealers, institutional investors, or amateur enthusiasts - do not have a connection to illicit activity.” (Introduction, Background, 2, page 5)
- “Nevertheless, the vast majority of market participants like auction houses, art and antique dealers and investors do not have a connection to illicit activity.” (Conclusions, 111, page 41).

This triple emphasis could not be clearer, and its positioning early in the Executive Summary, Introduction and Conclusion underlines its importance. Despite this, however, it did not warrant inclusion in the FATF’s [promotional video for the report](#), which leaves the viewer with a distinctly different impression: that the art market is awash with criminals and bad faith actors.

It is easy to show that this is the impression given from the responses [in the media](#) and on social media to the video, notably on Linked In, where comments are largely sympathetic to the view that the market is a hotbed of crime.

Looking to the report itself, several factors stand out:

- While its main objective is to show where potential risks for crime arise involving the market, it gives the impression (again evident in the reactions of social media commentary) that breaches of the law along these lines are widespread, an impression not supported by the report’s content or the FATF’s actual claims.
- Although details of case studies included are largely redacted, it is possible to identify many of them. On page 12, under the heading *Vulnerabilities Linked to Cultural Objects*, it states: “The majority of cases associated with money laundering provided for in this report involved art.” This is immediately followed by: “Criminals may also directly purchase high-value art with illicit proceeds, and simply keep them in storage facilities or at home as a means to store value.” What is striking about the report, however, is that while many of the case studies they cite involve art, they do not involve the art market at all. Instead, they involve drug dealers (Box 2 Case Study), a banker (Box 3 Case Study), corrupt officials and others.
- The Box 4 case study clearly refers to the Rotenberg case, but even here claims regarding the market are not accurate. It was claimed that in the US Treasury report into money laundering that auction house staff colluded in the Rotenberg scandal. However, when checked, the source cited by the report did not show this at all. Nonetheless, the FATF appears to be quoting the report rather than checking its source. The FATF makes the same mistake in quoting the UNODC on page 5. The UNODC figure of \$6.3 billion is wrong, as a check on its source shows – the figure has nothing to do with laundering illicit cultural goods and its source (largely linked to estimated insurance losses over domestic burglary and similar incidents) is over 20 years old.
- The Box 5 case study involves cyber fraud surrounding NFTs, but again, not the art market. Box 6 is the Malaysia Development Bank embezzlement case, where the criminals were bank officials. Some of the money was spent on fine art, but the key issue here was the use of shell companies, a priority problem recognised by the US Treasury investigation, which identified the art market as comparatively low risk.
- Another key factor is that where the market has been involved, it is in relatively minor markets, with Brazil, India and Russia the focus. Although not named, where the FATF report quotes cases in Paris and Barcelona, these involve investigations that are ongoing, in one case years after the initial arrests, with no discernible outcome.
- The reliability of the FATF’s intelligence is again called into question where it does quote sources. On page 28, it states: “The lack of reliable statistics concerning looting activities, especially from conflict zones, makes it difficult to assess the scale of the phenomenon. However, taking into account the volume of looted archaeological goods seized in certain

international or national police operations, it appears that this is a large-scale activity.”

However, the footnote this statement links to involves an estimated 520,000 artefacts looted annually within France and its jurisdiction, so nothing to do with MENA countries, or terrorism, and far more likely to be linked to [France’s flawed laws on treasure finds](#), which do not reward the discoverer.

- The FATF also reports arrest (407) and seizure (147,050) figures under Operation Pandora; but as IADAA and others have so often noted, without figures for ensuing successful prosecutions and confirmation that the seizures were valid, these statistics have no meaning.
- As anyone who has followed the subject of ISIL financing from cultural objects closely will know, the only hard evidence came from documents captured in the Abu Sayyaf raid in May 2015. These did not separate antiquities from precious metals and minerals when it came to values, but a close analysis of the documents showed the sums involved overall to be very low indeed. While the FATF report includes a section headed *Exploitation of Antiquities as a Source of Financing*, on page 30, it is unable to expand on figures at all, admitting: “there are no accurate estimates about funds obtained by ISIL through this scheme.” Instead, it highlights risks associated with ISIL’s control of territories and the existence of UN sanctions, but the latter are *preventive* measures anticipating risk, not evidence of an active problem. In paragraph 88, the report concludes: “It is unclear whether ISIL continues to benefit from facilitating the excavation, smuggling, or sale of cultural objects following its loss of territory in Syria and Iraq.”

The report continues in this vein, mingling potential risk with supposition to create an impression of global crisis in the absence of evidence to show this.

It should be noted that art crime does exist, and some of it even involves market professionals, but study after study also demonstrates that the expected evidence to show widespread criminality within the market just isn’t there. The FATF report even falls into the trap of claiming that the lack of evidence is, of itself, evidence of a problem: under reporting (See Challenges, page 35). Taken to its conclusion, this means that there are no circumstances under which the FATF is prepared to consider that cultural property crime is anything but a massive problem.

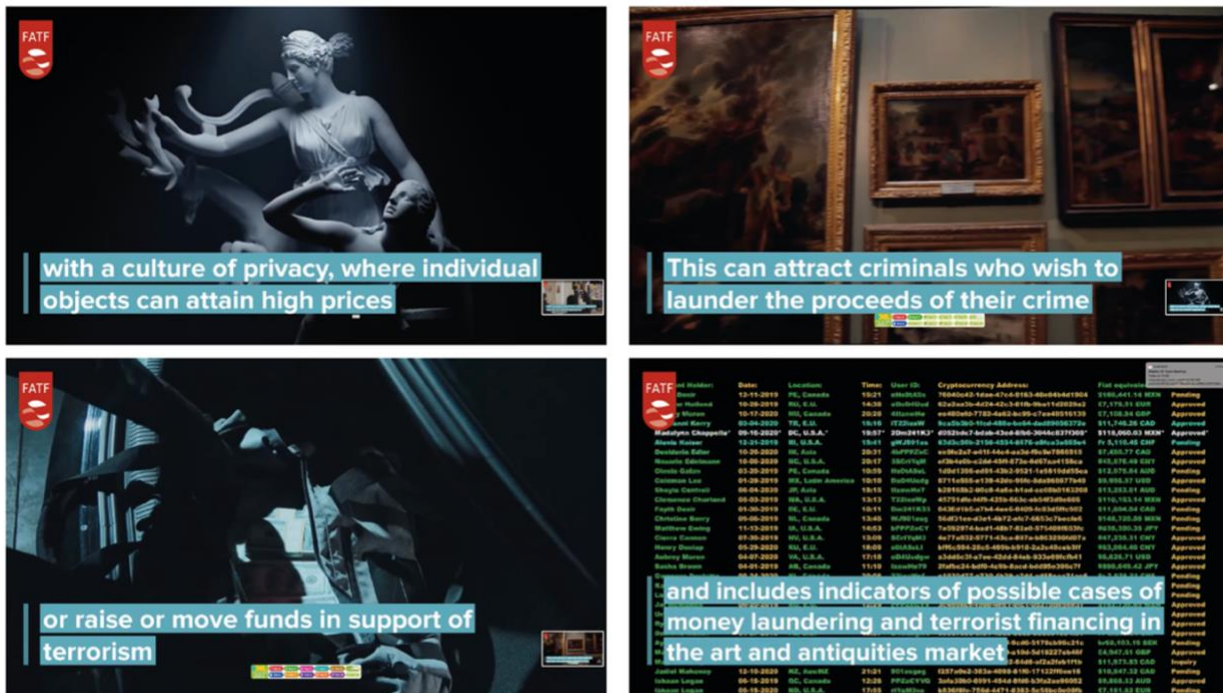
Despite all the flaws, the FATF report does produce a useful checklist of risk factors (page 44). However, the unreliable nature of some of its claims and data raise serious concerns about what else has not been checked and verified, especially among the redacted material used to build its arguments.

As reported in the February newsletter, even the FATF recognises important reasons why the art market is not attracted by crime or criminals: in para 32 of its report, *Vulnerabilities Linked to Market Participants: Dealers in Cultural Objects*, it acknowledges: “The risk of negative publicity from involvement in a sale linked to money laundering or other criminality is, however, a strong deterrent for dealers given the importance of reputation and integrity in the industry.” And in para 37: “The risk of negative publicity from involvement in a sale linked to money laundering or other criminality is, however, a strong deterrent for dealers given the importance of reputation and integrity in the industry.”

It also mentions AML regulations and other self-imposed compliance duties in the world’s biggest markets, such as the UK, EU and US. And it notes the role played by banks in policing transactions (see para 54): “In addition, a large part of the transactions carried out in the sector are routed through the banking system, which generally has mature and long-standing AML/CFT controls.”

The problem across the report is that all these points showing the art market acting responsibly are entirely missing from its associated marketing campaign, which creates a very different impression.

As a global independent body whose data is crucial to the formation of policy, the FATF needs to be taken seriously, but with this power comes an equal responsibility to get it right and not to mislead. A positive start would be to add its firm belief that the ‘vast majority’ of market players are honest to its [marketing video](#).



Above: Some of the slides from the FATF video promoting its new report.

One of the World’s Most Expensive Coins Was Sold Using Fake Provenance and the Seller Has Been Arrested

ARTnews: March 11: The owner and managing director of Roma Numismatics, one of London’s leading coin auctioneers, is reportedly facing multiple charges in New York relating to the faking of provenance of a coin his company sold for millions of dollars.

ARTnews reports that, according to Homeland Security, Richard Beale has admitted to running a scheme to falsify documents relating to an exceptionally rare “Eid Mar” (Ides of March) coin – only three are known to exist – minted by Brutus two years after the murder of Julius Caesar. The coin set a world record for an ancient coin when it sold at auction in 2020 for nearly \$4.2 million. The reported revelation is thought to be part of a plea deal. It is further reported that Beale had attempted to sell the coin, along with a Sicily Naxos Coin, minted around 430 BC, to an unnamed party during the 2015 edition of the Annual New York International Numismatics Convention.

An unnamed billionaire collector, who investigators said had bought the coin in good faith, reportedly surrendered it to the authorities earlier this year. The New York DA’s office and Homeland Security have handed it over to Greek officials after it was decided that it had been looted and fraudulently put up for sale at auction in 2020. Unnamed experts were said to believe that the coin had probably been discovered more than a decade ago in an area of current-day Greece where Brutus and his civil war ally, Gaius Cassius Longinus, had been encamped with their army.

The handover ceremony included 28 other artefacts, notably a bronze calyx krater, dating from 350 B.C., figurines, marble, silver, bronze and clay vessels, as well as gold and bronze jewellery. Their total value was estimated at \$20 million. Among the items was the \$3 million Neolithic family group on loan to the Met from Shelby White until seized by the

Antiquities Unit of the DA's office in February. The DA's press release gives details about how it says the group was looted in Greece prior to 1982.

ARTnews reports that Homeland Security also claim Mr Beale was joined in the scam by Italo Vecchi, a British-based Italian coin dealer who now consults for Roma Numismatics. Mr Beale is reportedly charged with grand larceny in the first degree and other felonies and released on his own recognizance.

New York court rules against repatriation of Turkish artefact

The Art Newspaper: March 11: As reported in IADAA's [September 2021 newsletter](#), Turkey failed in a New York District Court plea to reclaim the celebrated Guennol Stargazer, an Anatolian marble figure dating to around 3,000 B.C. from the collection of Michael Steinhardt.

At the time, the judge ruled that despite the figure being widely publicised over decades, Turkey had failed to make a timely claim on it. Turkey had also failed to provide sufficient evidence that the figure had been looted or exported illegally.

Now Turkey has lost its appeal against the earlier ruling, with the judge in this case also ruling that Turkey had not provided sufficient evidence to establish its ownership of the figure.

At the heart of the claim is Turkey's 1906 decree ruling that all antiquities sourced in the country be considered state property. If the Stargazer was discovered after that time, then it would be automatically Turkey's property. The problem is that no clear provenance for the figure exists prior to 1961.

The appeal was based on Turkey's belief that the original ruling misallocated the burden of proof. New York State law contains provisions to protect the interests of the true owners of stolen property, which include one relating to the burden of proof. This establishes a threshold to show that a claimant, such as Turkey, has an arguable claim on the property before the burden of proof shifts to the possessor of the property to show that they have title to it.

Turkey argued that it had met the threshold by showing that the Stargazer had been crafted in Turkey and had originally been sold by a notable antiquities trafficker, with no record of it on the market prior to that, pointing to the Stargazer being found in Turkey after 1906.

Whilst the appeal court found that the District Court had made an error in holding Turkey to the wrong standard of proof (a preponderance of evidence standard rather than the threshold showing, as required by New York law), it could not "squarely address whether Turkey met its threshold burden".

The [Institute of Art and Law](#), noted: "What is most helpful about the appeal decision is that it clarified the evidentiary burden in relation to claims for the recovery of property brought in conversion and replevin... a court should only require of the plaintiff a 'threshold showing' of an 'arguable claim', a substantially easier bar for plaintiffs like Turkey to meet". The IAL concluded that "this approach seems logical, as it would otherwise be nearly impossible for a country of origin to prove that a particular object had been the subject of clandestine excavation and removal".

While that may be true, it tips the balance of justice away from the defendant in cases where evidence is simply not forthcoming, thereby moving the law closer to the perilous undemocratic premise of reversing the burden of proof.

The appeal court also ruled that Turkey was privy to enough information to make a claim on the Stargazer much earlier (the 1990s) than it did (2017). While Turkey argued that it did not have the information to suggest the Stargazer was illicit earlier, the appeal court concluded: "Because Turkey had reason to know the Stargazer was its cultural patrimony in the 1990s, it had reason to investigate the artifact and assert its claim to ownership."

The targeting of Asian Art by academics and law enforcement

For years now, the antiquities market has faced close scrutiny from politicians, law enforcement, academics and NGOs. The results have included sanctions, widespread restrictions including legislation, industrial levels of propaganda and fake news, and the increasing harassment of the trade.

Let's be clear: the market is not crime-free, but when it comes to antiquities, those involved in crime are usually not members of the market itself, while countless research projects show that criminal activity is nothing like as extensive as that being claimed by those who take an anti-market stance.

Those who have been witness to these developments over the years have spent some time warning dealers, collectors and auction house specialists in the Asian Art market that the focus will soon be on them. The legacy of the Khmer Rouge in Cambodia, scandals involving Douglas Latchford, Subash Kapoor and others, as well as corruption among local officials, together with historic and colonial issues, have raised numerous questions. Now those warnings have been realised, as the media turns its attention to museum collections.

Two articles this month show just how much the Asian Art market is now under the spotlight. The first comes from the International Consortium of Investigative Journalists. Titled [More than 1000 artifacts in Metropolitan Museum of Art catalog linked to alleged looting and trafficking figures](#), it charts the disappearance of idols from shrines in Nepal and India, as well as revisiting the Steinhardt case involving MENA antiquities and other items. At the heart of the article is an investigation into the acquisition policies and activities of curators and officials at the Metropolitan Museum of New York over the decades. These start with the memoirs of Thomas Hoving, Director of the Met in the 1960s and 70s, in which he is reported to have admitted approving the acquisition of a large batch of Indian and Cambodian antiquities in the knowledge that they had been removed illegally from their original homes.

These days, attitudes are very different, and the Met has yielded up numerous artefacts over which claims have arisen. The breadth of disciplines involved confirm that anyone who thinks that the focus is solely on Middle Eastern antiquities is deeply misguided.

Hoving and his colleagues' legacy means that, regardless of how honestly today's Asian Art trade operates, it will increasingly become the subject of suspicion, harassment and legislation; just ask the MENA antiquities dealers, notably in New York.

The article followed claims in [another report in the NY Observer](#) over Nepalese sculpture being auctioned at Christie's New York earlier in the month. The rare bronze Buddha, being offered with an estimate of \$60,000, had been on loan at the Art Institute Chicago since 1996, but came under suspicion because it comes from the collection of James and Marilyn Alsdorf. At least four objects in their collection have links to illegal exportation and looting from Nepal, according to a joint investigation from *ProPublica* and *Crain's Chicago Business*, which also found that nine other works owned by the Alsdorfs have previously been returned to Nepal and other nations.

Christie's had reportedly pulled two Alsdorf lots (later returned to Italy) from auction in 2020.

In the case of the Buddha, the *Observer* reports: "According to the Christie's listing, the Nepalese Buddha sculpture was acquired by the Alsdorfs from William Wolff, a dealer in Asian art who died in 1991. In a 1990 interview with the *Los Angeles Times*, Wolff admitted to acquiring artwork through looters in countries such as Nepal, India and Cambodia. "The fellows I bought from knew how to get it out of the country," said Wolff at the time."

As Asian Art dealers will find, then, even where no evidence is forthcoming to show that an item is illicit, historic associations with an individual who broke the law at some point often means that everything they touched is effectively tainted.

As IADAA has often argued, the trade has more incentive than anyone to help combat crime because it is the trade whose reputation is damaged when criminals succeed, even when they have nothing to do with the trade itself. These developments in the Asian Art world demonstrate that this incentive applies to its experts too. The FATF has recognised this in its recent report, as noted above: “The risk of negative publicity from involvement in a sale linked to money laundering or other criminality is, however, a strong deterrent for dealers given the importance of reputation and integrity in the industry.”

IADAA has made it clear before that anyone who sets out to commit a crime is not welcome in the art market, but in helping to fight crime, we need to strike the right balance between crime prevention and allowing the legitimate trade to go about its business in a reasonable manner. All too often that balance is upset, with the market being the loser.