



unicri

advancing security, serving justice,
building peace

**Frequency and figures of organised crime
in art and antiquities**

ISPAC International Conference

by Sandro Calvani, UNICRI Director
12 December 2008

1. Contents of the presentation [Slide 1]

2. Introduction [Slide 2]

The illicit art and antiquities trade is an age-old problem dating to ancient Greece and before. Plundering is a practice as ancient as warfare itself. With the development of the world's great civilizations, the proverbial "spoils of war" often included national and cultural treasures, including priceless art and antiquities. Even in times of warfare, such as the Napoleonic Wars and wars of colonial expansion, cultural resources were a prime consideration.

However, over the past decades, illicit trafficking in cultural property has, unfortunately, grown into a problem of epidemic proportions.

Every day, irreplaceable cultural treasures are taken from the places where they belong to enter the international art market where they are traded illegally or quite openly while the authorities concerned stand helplessly by. According to Interpol, the trade in cultural heritage has reached proportions which can be compared with the international trade in drugs and they share other characteristics as well.

[Slide 3]

This is a traffic which concerns all of the world but as usual it is those who can least protect themselves that are the great losers. Quoting the Director of the McDonald Institute for Archaeological Research: "The single largest source of destruction of the archaeological heritage today is through looting – the illicit, unrecorded and unpublished excavation to provide antiquities for commercial profit."

The growth of the modern antiquities market, and the continued international hunger for plundered goods, has elevated the price of antiquities to enticingly high levels. High prices encourage the looting of cultural sites by local populations desperate for income. Despite international action, looting has become an increasing local phenomenon, but looters are better connected to dealers and antiquities markets.

During the past several decades, however, the illegal market in art and antiquities has become transnational in organization. There are a number of major transnational markets in illegal goods, including drugs, weapons, sex slaves, illegal immigrants, precious gems, and automobiles. Art and antiquities are one of these, and a growing one.

2. Problems related to data collection [Slide 4]

As we well know, estimates of the size of illegal markets tend to be extremely unreliable, and the market in illegal antiquities, which often includes both art and antiquities, is no exception.

We do not possess any figures which would enable us to claim that trafficking in cultural property is the third or fourth most common form of trafficking, although this is frequently mentioned at international conferences and in the media.

In fact, it is very difficult to gain an exact idea of how many items of cultural property are stolen throughout the world and it is unlikely that there will ever be any accurate statistics. National statistics are often based on the circumstances of the theft (petty theft, theft by breaking and entering or armed robbery), rather than the type of object stolen. To illustrate this, every year, the Interpol General Secretariat asks all member countries for statistics on theft of works of art, information on where the thefts took place, and the nature of the stolen objects. On average, we receive 60 replies a year (out of 187 member countries), some of which are incomplete or inform us that no statistics exist. (difficulties in comparison of available data collected in different countries).

3. Analysis of estimates and figures [Slide 5]

It is not possible to put a figure on this type of crime, partly for the reasons mentioned above and partly because the value of an item of cultural property is not always the same in the country in which it was stolen and the destination country. Also, thefts of such property are sometimes not reported to the police because the money used to purchase them had not been declared for tax reasons or because it was the proceeds of criminal activity.

Although it seems quite impossible to assess the financial extent of the losses caused by clandestine archaeological excavations. Such excavations often only come to light when looted items appear on the international market. The 1999 United Nations Global Report, estimates the annual trade in illicit antiquities at around 7.8 billion, ranking behind drugs (160 billion) and arms (100 billion) as the most profitable black market.

For example, according to the U.S. Customs Service, the dollar value of time crime theft is exceeded only by drug sales; Scotland Yard in London estimated art theft around the world at £3 billion in the early 1990s; the Federal Bureau of Investigation which calculated the size of the illegal art market (including both art and antiquities) at about \$5 billion in the 1990s, currently gauges the art theft market at about \$6 billion. According to Interpol statistics, Italy is, together with France, the country most affected by the theft of cultural objects.

According to recent statistics of the Italian *Carabinieri*, here represented by General Nistri, in 2006, the number of thefts throughout Italy has been 1.212, with 716 persons under investigation.

[Slide 6]

To overcome the difficulties in collecting data on art thefts many actions and tools have been developed by the major international organisations active in the field. In 1995, the Interpol General Secretariat produced a new database for works of art combining descriptions and pictures. This database - developed by police officers for police officers - currently contains over 26,000 items.

The “Object ID”, developed by UNESCO in collaboration with the Paul Getty Trust and Interpol, is an easy-to-use standard for recording data about cultural and natural objects. It helps institutions, communities, and individuals understand how to document art and antiques in a uniform manner and can assist in recovering cultural and natural objects in the event of theft, illicit export, loss, as well as recomposing such objects in case of partial destruction or deterioration. Object ID is a minimum standard for identification purposes primarily to ensure prompt transmission of specific information to and from law enforcement authorities and customs officials.

To enable member countries to supply information in a format which can be entered in the database, the General Secretariat has produced standard forms, known as CRIGEN/ART, which are available in the Organization's four official languages (Arabic, English, French, and Spanish). These forms, based on a very simplified visual description, help police officers with a limited knowledge of cultural property to describe the objects. The forms are essential for the circulation of information as they enable an object to be described in the same way, regardless of language or culture.

Finally, the importance of non-legal measures, like codes of conduct, training and public information campaigns, is widely recognized.

Legal framework [Slide 7]

We often see the terms cultural “property”, “heritage”, “goods” and “objects” interchanged. There is no single, universal definition for any of these terms. Although in common parlance they generally refer to the same things, their exact definition and legal regime (alienability, exportability etc.) are to be sought in national legislation, or in international conventions.

Due to a widespread lack of awareness of the problem and a lack of priority given to the issue, many countries do not yet have laws and regulations to effectively protect their cultural heritage from excessive commercial trade, plunder and pillage. A great deal of the traffic in cultural property is not as yet covered by any legislation and is not, in the strictest sense of the word, illegal. The term illicit trafficking is, however, used both to denote trade that from an ethical point of view should not take place and trade which is de facto illegal.

[Slide 8]

For the purposes of the fight against illicit trafficking, the definition of “cultural property” is at present unified among the States Parties to the 1970 UNESCO *Convention of the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property* and the 1995 UNIDROIT *Convention on Stolen or Illegally Exported Cultural Objects*. The Hague Convention of 1954 is the only international instrument aimed specifically at protecting cultural property during armed conflict and occupation.

The international instruments chiefly contain rules regarding the return of stolen or illegally exported cultural goods, facilitating the return of such objects to their countries of origin through simplified legal procedures. On the other hand, many are the internationally recommended prevention measures, such as the Model Export Certificate, the “Object ID”, the Interpol Stolen Works of Art Database, and various international lists of objects most likely to be subjected to illicit trafficking (e.g. the ICOM “Red List” and “100 Missing Objects” Series).

Essentially, illicit trafficking in cultural property is an international affair and only international co-operation, for instance through the adoption and adherence to international conventions, will ultimately allow a higher measure of control in this area. Around the world, most States have enacted legislation that protects their cultural heritage to some degree. Some legislations are more advanced and/or sophisticated than others, in particular taking account of and addressing contemporary illicit trafficking issues. Depending on the country, its history, cultural heritage, and legislative policies, cultural property may be covered and protected in part or as a whole, according to high, mid or low standards. This variety of protection at the national level results – not surprisingly – in a lack of international uniformity in the legal treatment of cultural property. To curb illicit traffic in cultural property many more countries shall ratify the 1970 UNESCO Convention as well as the UNIDROIT Convention and other relevant multilateral and bi-lateral agreements. Still, unless they are supported by adequate national legislation and a comprehensive programme for protection and preservation of cultural heritage, international conventions can have only limited effect.

ECOSOC Resolution 2008/23 urges Member States in act in this direction “*reiterating* the significance of cultural property as part of the common heritage of humankind and as unique and important testimony of the culture and identity of peoples and the necessity of protecting it; *stressing* the importance of fostering international law enforcement cooperation to combat trafficking in cultural property and, in particular, the need to increase the exchange of information and experiences in order for competent authorities to operate in a more effective manner”.

[Slide 9]

The flow of artefacts in the antiquities market is entirely in a direction leading from poor to rich nations. Objects pass from Africa, Asia, Eastern Europe and Latin America to North America and Western Europe. There is no meaningful trade passing in the other direction. In poor, but archaeologically rich countries, looting has been a way of life for years. Income from selling antiquities often makes a vital contribution to the family budget. But the looters receive very little in return for destroying their own history, getting on average less than 1% of the final sale price of an item. Middlemen and dealers pocket the other 99%. To those who argue that the illicit trade brings economic benefit to hard-pressed local communities, the reality is quite different. According to "Stealing History: The Illicit Trade in Cultural Material", "a fossil turtle bought from its finder in Brazil for \$10 fetched \$16,000 in Europe...Once "commodified" on the Western market, objects continue to circulate for years, perhaps centuries, generating money in transaction after transaction. None of this money goes to the original finders or owners or their descendants...if culture is regarded as an economic resource, then selling it abroad is a poor strategy of exploitation. Cultural heritage is, after all, a non-renewable resource."

[Slide 10]

War and the pillaging of art and antiquities have always gone hand in hand. The traffic in priceless antiquities, from defenceless to more powerful nations continues today. Only today the perpetrators of the destruction of a nation's ancient heritage may well be its own people, enticed into selling off their patrimony to the highest bidder, out of the simple need to survive. During times of war or civil unrest archaeological sites and museums are amongst the first targets for looters - they are a ready and defenceless source of 'treasure'. And disposing of the objects in them is a quick way to destroy an important part of a country's heritage.

The illicit trade of antiquities is often overlooked in war-torn countries, such as Iraq, as a mere side effect, and little media attention has been focused on the illicit trade's possible ties to terrorism. The flourishing antiquities trade has spawned destruction on a vast scale. Experts estimate that there is not an ancient site left in the whole country that has not been partly or fully looted, with the contraband antiquities going to London, Tokyo and New York. In more affluent areas like northern Europe and North America, treasure hunting is more of a leisure time activity. Treasure hunters spend large sums of money on the latest equipment and finds are sometimes compared with lottery wins. Quoting Arthur Brand, a coin collector: "Dealers and collectors are not bank robbers," Brand said. "We are talking about people who can speak seven languages, have university degrees and are highly intelligent."

Organized crime involvement [Slide 11]

Globalization and the end of the Cold War have thus given international criminals unprecedented freedom of movement, making it easier for them to cross borders and to expand the range and scope of their operations.

As a result, virtually every region or country in the world has seen an increase in international criminal activity - as either a source or transit zone for illegal contraband or products, a venue for money laundering or illicit financial transactions, or a base of operations for criminal organizations with global networks. Many regions or countries serve all three purposes for international criminal operations.

Globalization has meant that people around the world are increasingly connected, and advances in technology and communications have made the worldwide movement of people, goods, services, money, and information much faster and easier. However, organized criminal groups that operate on an international scale are taking advantage of these innovations; as they steadily diversify their activities, they have become more deeply involved in theft and export of illicitly-obtained antiquities and other cultural property, posing a threat to our global cultural heritage.

[Slide 12]

Quoting art. 2 of the Palermo Convention on Transnational Organized Crime: “Organized criminal group” shall mean a structured group of three or more persons, existing for a period of time and acting in concert with the aim of committing one or more serious crimes or offences established in accordance with this Convention, in order to obtain, directly or indirectly, a financial or other material benefit; “Structured group” shall mean a group that is not randomly formed for the immediate commission of an offence and that does not need to have formally defined roles for its members, continuity of its membership or a developed structure.”

Organized criminal groups do not always confine their illegal activities within national boundaries. They often extend their sphere of influence beyond national borders, which then requires coordinated international efforts to combat illicit activities such as looting.

[Slide 13]

Looted goods typically are smuggled across borders and change hands many times, the item passes from dealer to dealer often in a series of rapid transactions, resulting in a chain of supply so convoluted it is very difficult for an end-consumer to unravel. Depending on means and ambitions, criminals may undertake sophisticated operations, by which they steal objects, and then directly or indirectly export them to selected countries where they can fetch high prices from willing buyers. Making their origins murky by the time they reach their ultimate destination: a museum or, far more often, the hands of a private collector. Along the way, an illicit item often acquires a fictitious ownership history, or provenance, provided by a dealer or middleman with some knowledge of art history or archaeology. Falsified documents, created to prove authenticity and provide assurance that the item has not been looted, are rarely questioned. As recently mentioned by General Nistri, Head of the specialized unit of the Italian Carabinieri and here present, several cases of archaeological and paleontological objects originating from various regions of the world have finally been recuperated in Italy. The presence of middlemen from the trade sector, on-line sales, and the frequent use of falsified declarations in Customs documentation are also quite common.

[Slide 14]

The market in illicit antiquities might usefully be split into three stages: the supply of antiquities emanating from source nations, the demand created by consumers in market nations, and the chain of transportation which links the two. The drastic increase in the current market values of antiquities has precipitated an infiltration and monopoly of the black market by organized criminal syndicates. Plunder of ancient objects has become a thriving industry for these groups. While organized criminal groups are not the only figures involved in the business of looting, their presence in this illicit business makes plunder a particular threat to both cultural heritage and national security. When criminal groups are involved, it can be especially damaging.

In **Turkey**, for example, evidence suggests that criminal syndicates recruit people in economically depressed areas, their efforts meeting with lowered resistance. Peasant populations in these countries may consider buried arte-facts to be their birthright, to do with as they please, perhaps left for them providentially by their ancestors precisely for the purpose of making money. Organized criminal groups enlist locals to scour the countryside for archaeological treasure, provide them with information, equip them with specially-prepared aerial maps and sophisticated metal detecting technology, and divert law enforcement involvement away from their illegal activities. The looting causes extensive damage to the sites themselves. Cultural materials then move from the countryside up through Istanbul, are secreted across the border, and end up on the international market, often with forged provenance documents.

The chain of looting inside **Israel** was structured like a criminal association with a division of tasks between the diggers, the leaders and the middlemen. Looted artefacts from all Mediterranean, North African, and Middle Eastern countries and possibly Southern Europe, reached the Persian Gulf (Dubai and Abu Dhabi). From there, they were shipped anywhere in the world. Items were not sent directly from Dubai to Israel, but transited through London.

[Slide 15]

According to information received by the General Secretariat of Interpol, the thieves' favourite countries are France, Poland, Russia, Germany and Italy. (The majority of thefts are carried out from private individuals.)

In 2002, for example, Italy reported 18,715 items stolen from museums, places of worship, galleries, castles, archaeological sites, and private residences. According to INTERPOL, the most popular means of cultural property theft involves breaking and entering. Private residences, museums, archaeological sites, and places of worship are popular targets among looters and thieves.

Spain has been recognized, together with the United Kingdom, Belgium and Germany, as one of the destination countries.

The type of objects stolen varies from country to country. Generally speaking, paintings, sculptures and statues, and religious items are very sought after by thieves. However, they do not spare any other category, including so different items as archaeological pieces, antiquarian books, antique furniture, coins, weapons and firearms or ancient gold and silverware.

Internet [Slide 16]

It has been internationally recognized that the illicit trade in cultural objects via the Internet is a very serious and growing problem, both for countries of "origin" (where the theft has occurred) and destination countries. It is well known that the significance, provenance and authenticity of the cultural objects offered for sale on the Internet vary considerably. Some have historical, artistic or cultural value, others do not; their origin can be legal or illicit, and some are genuine, while others are forgeries.

In spite of attempts at tighter control from law enforcement agencies around the globe, the illegal trade persists, fueled by ever developing technological and market advancements. For instance, Internet auction sites have provided a hard-to-control forum for the illicit trade. Advanced technology, such as ground-penetrating radar and metal detectors, has given looters better tools with which to locate. Exploitation of sites using high-tech methods, particularly in Asia and Africa, is booming.

A survey carried out by the General Secretariat on the use of the Internet for the sale of cultural property. The report reflected the considerable challenge for law-enforcement authorities, mainly in relation to the large number of suspicious offers, the limited resources available and the time constraints for the investigations.

Alarmed by the increase in the use of the Internet for the illegal trade in cultural objects, a General Secretariat representative pointed out that the development of Internet sales had resulted in an increase in trafficking using mail services (e.g. Fedex, DHL) and encouraged co-operation with postal services with a view to stepping up checks on suspicious packages.

[Slide 17]

A variety of antiquities, authentic or claimed to be so, is sold online. On a given day, offerings range from points in frames (of the kind that grace a thousand country stores and gas stations) offered for several hundred dollars, to Mayan geometric painted bowls, Zapotec incense burners, and Moche ceramics offered for thousands; Old World material ranging from neolithic axes to Ptolemaic sarcophagi, and from the odd lot of Roman coins to putative fragments of the True Cross regularly pass through the Web pages of eBay and Amazon. Burial furniture often is advertised and the mortuary association adds to the appeal. And because the economics of online auctions are different than the traditional auction houses, all kinds of items previously considered to be of little commercial value are appearing for sale and as a result, sites are being stripped of every arte-fact to fuel bulk sale of potsherds. In addition to the main online auction houses (**eBay.com**, **Amazon.com**), there are a multitude of specialty sites focusing on antiquities (e.g., **www.antiquities.net**, **www.medusa-art.com**, or **www.caddotc.com**) through either auction or direct sale.

[Slide 18]

The complexity of existing laws and regulations regarding the sale of antiquities, not to mention their enforcement, are multiplied in the global world of internet commerce. As a single, self-evident example, trade in antiquities may be simultaneously affected by state, national or international laws or conventions affecting buyers, sellers, and service providers differently depending on whose location is legally considered the point-of-sale, the source of the item, and its current location and ultimate destination. While most online houses have policies against illegal sales, determination of legality is often difficult in the largely self-policed and geographically confusing world of Internet auctions.

Terrorism [Slide 19]

In some places, however, at the higher levels, the illicit antiquities trade funds war, oppression and terrorism directly, through its own profits, and indirectly, through its facilitation of drug smuggling and its laundering of money from drug smuggling, gun running and people trafficking. Looting and smuggling are run by paramilitaries, militias and extremists, allied with elements within states' bureaucracy and military, and it will not be stopped by rescuing the looters from poverty, because the paramilitaries' and extremist groups' illicit activities require illicit funding. They cannot practically or morally be provided with an economic alternative and they will continue to supply the antiquities market as long as there is a demand.

The way money changes hands in the trade of looted antiquities is becoming increasingly complex. In "Terrorists raise cash by selling antiquities", ties to terrorism and the illicit arms are well documented, according to law enforcement officials. Terrorist organizations may be financing their deadly activities partly by dealing in the illicit trade of art and antiquities which come out of the Middle East and wind up in the homes of collectors who pay top dollar for ancient arte-facts. The enormous cultural wealth that exists in countries like Iraq and Afghanistan – coupled with political unrest and warring factions – leaves many rare antiquities vulnerable prey to looters and smugglers who have discovered the art market. Terrorists groups, like any other criminal organization, have begun to take advantage of this illicit marketplace. As a result, they are not only gaining money, but they are also helping to destroy history.

U.S. investigator Colonel Matthew Bogdanos had already explained that 'as we pursue leads specific to the trail of terrorists, we find antiquities', but recently reiterated that the Iraqi illicit antiquities trade funded extremists, that 'the link between extremist groups and antiquities smuggling in Iraq was "undeniable": "The Taliban are using opium to finance their activities in Afghanistan.... Well, they don't have opium in Iraq," he said. "What they have is an almost limitless supply of... antiquities. And so they're using antiquities." Antiquities smuggling is necessarily a secretive business, all the more so at the higher levels, where the smugglers are paramilitaries, militias and extremists, so finding out who is smuggling what, where and how is obviously very difficult. The antiquities trade, however, is tied to the drugs trade, so if we can identify the drug traffickers and follow them, we can identify the antiquities' routes and the antiquities trade's contribution to war, oppression and terrorism.

The primary transit-and-market countries 'laundering' illicit antiquities and receiving the stolen goods, thus ultimately funding the entire process are the United States of America, the United Kingdom and Switzerland; moreover, because they provide tax deductions for donations of private objects to state collections, the states themselves subsidise and underwrite the market with public money.

UNICRI role and strategy [slide 20]

The solution to the illicit trade in cultural material is not a simple one. Protection of sites, churches and museums; good documentation; a well functioning national and international legal framework; codes of ethics; and education and awareness-raising are all important. Let me thus conclude these very introductory remarks by mentioning that UNICRI is currently planning the development of ad hoc proposals on the issue of fighting organized crime in art and antiquities, with the specific focus of post conflict situations and for this purpose we have already started discussing with other UN organizations dealing with the matter, such as UNESCO and UN Department of Peacekeeping Operations.

[slide 21]

Thank you for your kind attention.