The free market can advance archaeology if landowners have control of the relics they find.

Selling Artifacts

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N SEPTEMBER OF 1998, EXCAVATORS AT A MIAMI CONstruction site discovered several deep, manmade carvings in the bedrock on land where developer Michael Baumann planned to build a \$90 million apartment complex. Further digging at the site uncovered a 38foot-wide circle of holes that may have been drilled into the rock 2,000 years ago by Tequesta Indians. The discovery of the "Miami Circle" touched off a heated controversy between archaeologists, civic activists, and business leaders over property rights and historic preservation. Ultimately, state and county officials decided to preserve the discovery and they agreed to purchase the 2.2-acre site from Baumann for \$26.7 million.

The Miami Circle is one of many recent discoveries that archaeologists point to when appealing for protection of historic sites from developers, farmers, road builders, and relic-selling "pot hunters." Many of these archaeologists demand strict regulations that require builders to pay for archaeology studies on developing land and hand over significant discoveries. In some cases, archaeologists even favor restricting where construction can occur and nationalizing all cultural artifacts.

These command-and-control methods place unfunded mandates on developers and landholders by requiring them to pay for studies and excavation that otherwise would have not been performed. In many cases, such regulations worsen the problems that they were intended to solve and create

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new troubles by imposing higher costs on society and discouraging developers from supporting archaeological discovery. Instead of relying on command-and-control regulations, archaeologists could further their cause by encouraging policies that give landowners property rights over the artifacts they find and allow finders to sell relics they discover. These policies would boost archaeology by providing incentives for developers to conduct archaeological studies and preserve the value of the artifacts they uncover.

DISINCENTIVES FOR DEVELOPERS AND SOCIETY

MANY AREAS OF THE UNITED STATES NOW HAVE REGULAtions requiring developers to hire archaeologists to oversee excavation at work sites in historic locations. If construction workers uncover something of significance, the archaeologists can halt work and order more detailed study. Meanwhile, the developer faces delay and mounting costs as he pays idled construction workers and the archaeologists who are exploring the site. These added costs and uncertainties create a disincentive for developers and landowners to conduct initial archaeological studies of their land. They may even try to ensure that no discoveries are made; according to Florida archaeologist Nancy Marie White, "Some builders even offer me money not to find anything."

Developers and landowners are not the only ones to experience higher costs from archaeological regulations; communities and their governments can also pay a heavy price. Communities with strict archaeological regulations may experience weakened economic activity when developers decide to forgo a project, or move it to a different area, because social costs resulting from adherence to the archaeological regulations diminish the original project's potential for profit. In the case of the Miami Circle, the cancellation of Baumann's \$90 million complex meant less work for construction crews and the loss of jobs that would have been created by the residential and commercial center. The cancellation also affected government coffers; analysts pre-

dicted that the project would have produced some \$647,000 per year in tax dollars for the Miami-Dade County government, \$1.1 million for the city of Miami and over \$900,000 per year for the Miami-Dade school district. The local governments could have used that \$2.65 million in yearly revenue to hire new teachers, improve law enforcement, upgrade hospitals, and carry out other public projects.

What is worse, the regulations can lead to increased demand placed on tight government resources. In the case of the Miami Circle, the discovery proved an added cost to government because of the decision to purchase the land. When government becomes financially involved in projects like the Miami Circle, trade-offs inevitably result as the project competes with schools, hospitals and law enforcement for scarce budget dollars. Because government leaders usually make these trade-offs with political interests in mind instead of objective scientific, economic, and historical analysis, their decisions often increase long-term costs for society.

A BETTER WAY

MANY ARCHAEOLOGISTS BELIEVE THE MARKET FOR ARTIfacts is the enemy of archaeology. The Society for American Archaeology chastises the sale of relics. The organization's code of ethics instructs that archaeologists should "whenever possible discourage, and should themselves

avoid, activities that enhance the commercial value of archaeological objects, especially objects that are not curated in public institutions, or readily available for scientific study, public interpretation, and display."

In one sense, this sentiment is correct: the market is currently an enemy to archaeology. Few trained archaeologists participate in the market and receive value for artifacts. But if they did participate productively in the market and if the law clearly defined ownership of sites and artifacts, many of the problems that plague archaeology would become relics of the past.

Developers and landowners who could profit from discoveries made on their property would want archaeologists to explore, develop, and protect promising sites. They probably would sign contracts similar to ones between landowners and petroleum companies that specify payments, royalty amounts, and bonuses for discoveries, and would establish time limits for extraction. If such a system were in place, developers and landowners would have strong incentive to support quality archaeological work on their property.

This free market of antiquities would have a number of additional positive results. As benefits and profits grow for better archaeology, so would the demand for better archaeological science. The market would reward archaeologists and firms or associations of archaeologists who have a

The Miami Circle

irst discovered in 1998, the Miami Circle produced controversy among archaeologists, government leaders, and the general public as to the site's authenticity and relevance. Subsequent testing of artifacts found at the Circle suggest that it was carved some 2,000 years ago, when Tequesta Indians lived in the Brickell Pointe area at the mouth of the Miami River.

A 38-foot-wide ring of carved basins, surrounded by smaller "postholes" and other etchings, comprises the Circle. The basins measure up to two feet in length and one foot in depth. Among the etchings, a depiction of an eye marks a carved line running from east to west.

Archaeologists recovered several artifacts from the site



that suggest it may have held ceremonial significance. Among these artifacts were ceremonial axes, the shell of a large sea turtle and the remains of a six-foot-long shark. Current hypotheses suggest the Circle may have been the foundation

of a temple or a meeting hall.

In 1999, the state of Florida and Miami-Dade County agreed to purchase the 2.2acre site from developer Michael Baumann for \$26.7 million. Gov. Jeb Bush offered \$15 million in state funds to

cover part of the purchase, and much of the balance was paid using a loan from the California-based organization Trust for Public Land. Miami-Dade County is currently raising funds and seeking donations to pay off the loan.

Similar Problems: The Endangered **Species Act**

rchaeology regulations are not alone in producing results counter to policymakers' intentions. Studies suggest that the Endangered Species Act (ESA) reduces habitable land for endangered species by giving landowners an incentive to not become the unwitting hosts of these species.

According to Michael Bean of Environmental Defense, who is often credited with authorship of ESA, there is "increasing evidence that at least some private landowners are actively managing their land so as to avoid potential endangered species problems." People do this not out of "malice toward the environment," he says, but because of "fairly rational decisions, motivated by a desire to avoid potentially significant economic constraints." This behavior, according to Bean, is a "predictable response to the familiar



perverse incentives that sometimes accompany regulatory programs, not just the endangered species program but others."

As with artifacts, the market can be used to preserve wildlife by providing incentive for people to protect and promote endangered species. For example, the CAMPFIRE program in Zimbabwe allows local communities to profit from fee hunting and recreation programs that involve the elephants. Villages where the average family income is about \$150 per year strongly welcome the program that generates fees of \$12,000 or more for a sin-

gle elephant and produces additional money through tourism. Because of this income, villagers, who traditionally viewed elephants as a menace that should be destroyed because they damaged crops, now see elephants as a valuable resource that must be preserved and protected from illegal, uncontrolled poachers. This view has led to a new African saying about wildlife: "If it pays, it stays."

The incentives have had dramatic positive effects on Zimbabwe's elephant population. From 1989 to 1995, the number of elephants in Zimbabwe grew by 14 percent while in much of the rest of Africa, where command-and-control regulations are used, the herds decreased by 24 percent.

The Zimbabwe experience is not an isolated instance. The 1984 Report of the President's Council on Environmental Quality and a book, Enviro-Capitalists: Doing Good While Doing Well, present numerous examples of private organizations — both nonprofit and for profit — that protect the environment privately using the tools of the marketplace.

good track record because collectors would value an artifact marketed with a history developed by a reputable firm.

The free market would also help to preserve a broad spectrum of artifacts. By making relics available for sale, the market would likely produce a large increase in the number of people interested in, and financially supportive of, history and archaeology. Some of these collectors might only be interested in Egyptian artifacts, others might prize Roman or Greek relics, and others might place a high value on antiquities of American Indian origin. Small niche markets would develop for a diversity of artifacts, ensuring that many different relics would be preserved for the future.

Another benefit to establishing a free market for artifacts is that owners would likely establish a registry of antiquities that denotes relics' ownership and location. This registry would be important for owners who want to clearly establish their property rights and who want to insure their possessions. The registry, in turn, would help archaeologists who want to revisit the trove of artifacts from a given site in the hope of learning something new. Free market collectors would likely welcome such new studies because archaeologists' work could enhance the value of their artifacts. Far better that collectors, while enjoying the artifacts and making them available for study, should pay for storing and cataloging the vast troves of historic treasures, rather than have archaeologists and museums continue the current practice of squirreling them away in warehouses at high storage costs.

Adopting a free market system that values study of the past would be a dramatic departure from the current command-and-control approach to archaeological preservation. But, as the world's population and economy grow and human contact with remnants of the past increases, we must adopt preservation policies that are effective. Unless we adopt market-driven policies that provide incentives for the discovery and protection of relics, we will continue a current system that promotes the loss of antiquities for the ages.

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