

The Truth Behind Stamp Collecting and Value

As the old adage goes, you will never see or realize the value of something unless it is gone.

In stamp collecting, stamps do not have to disappear or go kaput before somebody knows or understands their value. In fact, people had long been knowledgeable about the value of stamps that is why stamp collecting was born in the first place.

Simply put, if not for the value, stamps would have remained the usual miniature section in the envelope that bears no significant value except for the charges that a person has to pay before their letters will be sent.

However, history has it that the value of stamps had been inclusive since the postage stamps were born in May 6, 1840.

From that time on, stamp collecting had gradually transformed into a more profitable hobby as more and more people find the value of the stamps increasing as the years pass by. Most of these valuable stamps are rare and hard to find, hence, most stamp collectors consider them as authentic collector's items. Hence, they are more than willing to buy the item even if it will cost them lots of money.

Since then, stamps had undergone many enhancements. From the original stamp that was first created in 1840 up to the latest design of stamps, stamp collecting continues to put up with the demands of the society, as they remain valuable in history and in the society.

For this reason, most experts contend that stamp collecting is not just a simple example of a hobby. For most, it is one good way of diversion or relaxation. For others, stamp collecting is a highly profitable venture that they even converted this hobby into an extremely profitable business.

In this context, stamp collecting is seen as a tool for financial advancement. Because of the value that the stamps hold, many people are finding their way into earning more money simply by trading some rare stamps or those that have higher value than what others think of.

With the value that goes with it, stamps are deemed as valuable as the coins. In fact, additional features on the stamp surface add more value to the item. Such additions were perforations and artistic designs.

Since July 1, 1845, the value of stamps have increased from 5 cents with over

300 miles travel distance and the letter's weight amounting to ½ ounce, to 34 cents, the 2001 value of stamps based on the 1st ounce. As it values increases, so thus its economic value.

As a matter of fact, many economists claim that stamp collecting puts more value to the country's economy more than any kind of hobby available in the society.

Here is a list of some of the reasons why stamp collecting is deemed valuable in the community:

1. Good investments

Stamp collecting is considered by most businesspeople as something that triggers good investment opportunities. This is especially true when people are into rare stamp collecting. Rare stamps are more valuable than the ordinary stamps. The reason behind this is that the more the scarce a particular stamp is, the greater the demand for that stamp.

Consequently, if the demands are higher, contrary to the law of supply and demand in economics, the value of the stamps increases. This does not necessarily mean that the older the stamp is, the higher the value. This is a common misconception among stamp collectors.

The main idea here is that by the time old stamps are no longer seen or are hard to find these days, their level of scarcity increases. But what most collectors do not know is that the value of the rare stamp will still depend on the amount that is associated with it back in history.

For instance, a "used copy" of a \$5 stamp can almost cost a stamp collector \$2,000, and because the production of these stamps back then was only limited, the level of scarcity is increased and will continue to increase as the demands for this particular stamp continues to grow.

2. Good sources of revenues

Stamp collecting is considered as a good basis for revenues especially on countries that have inadequate or restricted production of stamps. This is because since stamp collecting is very popular, most stamp collectors would try to find their way to more valuable stamps in just about anywhere.

Hence, small countries are able to generate more profit by simply creating more stamps that are not necessarily used for postage stamps. Most of these stamps are solely made for stamp collecting.

Indeed, stamp collecting is a highly organized activity that generates benefits and profits not only for the collectors but for the whole community as well.