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## Book Review

Hrayr S. Karagueuzian and Yair Auron, *A Perfect Injustice: Genocide and Theft of Armenian Wealth*. New Brunswick, NJ: Transaction Publishers, 2009. Pp. 203, cloth, \$39.95 US.

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Between 1895 and 1955, Ottoman Armenians suffered enormous loss of life and property as a result of pogroms, massacres, and other forms of mass violence. The 1915 Armenian Genocide can be seen as the zenith of this process of decline and destruction. It consisted of a series of genocidal strategies: the mass executions of elites, categorical deportations, forced assimilation, destruction of material culture, an artificially created famine, and, last but not least, collective dispossession. The state-orchestrated plunder of Armenians immediately pauperized the victims; this was at once a condition for and a consequence of the genocide. The Young Turk political elite launched this process of societal and economic transformation in order to establish a Turkish nation-state with a robust economy under ethnic Turkish dominion. As part of this process, the ethnically heterogeneous Ottoman economic universe was subjected to comprehensive and violent forms of ethnic homogenization. The redistribution of Armenian wealth—including shops, farms, churches, cash, jewelry, precious metals, fields, factories, and schools—was an essential part of this process. The genocide ripped apart the fabric of urban, provincial, and national economies, destroying market relationships and maiming economic patterns that had endured for many centuries.<sup>1</sup>

The field of Armenian Genocide studies is rapidly developing. The publication of several important monographs in the past decade has opened up new ground with respect to the organization of the mass violence, the international context of imperialism, the national context of ethnic homogenization, and various rescue efforts.<sup>2</sup> But so far there exists no detailed treatment of the expropriation of Ottoman Armenians as a component of the genocide. This highly significant aspect of the event still needs to be properly understood.<sup>3</sup> In *A Perfect Injustice: Genocide and Theft of Armenian Wealth*, Hrayr Karagueuzian and Yair Auron aim to fill this gap by exploring the confiscation of Armenian life-insurance policies by the Young Turk government. From a broader thematic perspective, the authors tackle two important questions in genocide research: How are victims of genocide dispossessed? How do third parties behave in this process of plunder? Their book provides an interesting but fragmented discussion that has both merits and shortcomings.

*A Perfect Injustice* consists of ten short chapters addressing some of the key debates around Armenian life insurance. Chapter one is an overview of Armenian history from the late nineteenth century to the period of the genocide. Chapter two demonstrates that on the eve of the genocide, thousands of Armenians bought life insurance from various European and American companies. Chapter three gives an overview of the insurers' counterclaims against Armenian claims for restitution, and chapter four highlights how the Young Turk regime attempted to collect the benefits

from these life-insurance policies after it had murdered those insured. Chapter five charts how insurance companies held Turkey liable for the deaths of their policy holders and pressured their foreign ministries to pursue this agenda. In chapter six, the authors develop a legal argument, using the 1915 sinking of the British passenger ship *Lusitania* as a “mini-precedent,” while chapter seven discusses the realpolitik of “dollar diplomacy” in the wake of the 1923 Treaty of Lausanne. Chapter eight poses the question of whether Armenians’ unclaimed life-insurance policies are still recoverable. Finally, chapters nine and ten explore the 1915 and 1916 deposits to the Reichsbank, distinguishing two separate deposits, the latter of which, they argue, was of confiscated Armenian money. A conclusion rounds out the volume.

This book has many merits. It includes quotations from the letters, legal texts, and protocols of various insurance companies that lift the veil on how the companies behaved toward their Armenian clients when the latter were being persecuted and murdered. Karagueuzian requested undisclosed documents from New York Life (NYL) on the company’s transactions with Ottoman Armenians, and even received copies of some of them. NYL’s internal correspondence demonstrates that the company knew of the Armenians’ fate but willfully prevaricated toward the public to avoid incurring losses. For example, on 20 November 1922 NYL vice president Thomas A. Buckner wrote to the US secretary of state, Charles E. Hughes, that “much of this insurance . . . was written upon the lives of subject peoples, such as the Armenians and others who have, during the years since the outbreak of the European War, been subjected to massacre and illegal killing and fatal exposure” (25)—demonstrating clearly that NYL was aware of the mass killings of Armenians. He later added that “we believe the Turkish Government is, and should be held responsible” (34). The position of British insurance companies created a Kafkaesque nightmare. The companies categorically rejected Armenian claims, because the British government banned “payment of a policy on the life of an enemy [in this case, any citizen of the Ottoman Empire] during the war” (34).

Karagueuzian and Auron argue that after the Armenian Genocide, the position of the insurance companies was one of self-interest; in the authors’ words, it “combined petty corporate greed and self-serving corporate politics” (73). The insurance companies and banks merely sought compensation for the financial losses resulting from the Young Turk government’s criminal sequestration policies. They were also wary of their reputations and of their competitive positions with respect to other companies. The insurance companies pressed their countries’ foreign ministries to hold the Ottoman government liable for the financial damages they had sustained. Therefore, the authors also rightly raise serious questions about Calvin Coolidge, US president from 1923 to 1929, who only three months after leaving office became a member of NYL’s Board of Directors.

Even almost a century later, the insurance companies continued to perpetuate their policies, seeking to exploit every conceivable legal loophole to evade payments—including unreasonable pretexts such as Armenians’ failure to pay their premiums after they were deported and their relatives’ inability to supply death certificates. Ultimately, in 2005, both New York Life Insurance Co. and AXA S.A. agreed to pay multi-million-dollar settlements to the descendants of genocide victims. What is remarkable is that these companies initially stonewalled such requests and categorically denied all charges; only after realizing their *legal* vulnerability did they change tack and grudgingly admit that the Armenians were entitled to compensation. In

other words, they never took a principled stance on the murders of their clients, and they proposed only minimal compensation. Ultimately, these two insurance companies paid less than 2 percent of their total debts on pre-genocide life-insurance policy benefits to the victims' heirs.

The authors also clear up confusion about an important controversy, that of two considerable wartime deposits to the Reichsbank in Berlin: the 1915 German and Austro-Hungarian gold deposit to the Ottoman Empire's account and the 1916 Young Turk gold deposit to the Ottoman account. Karagueuzian and Auron argue convincingly that these were two distinct deposits: the former a loan from the Ottoman Empire's allies to their wartime ally, and the latter most likely looted Armenian assets, funneled by the Young Turk dictatorship to the Reichsbank's Ottoman account. Only thorough research into the records of the Reichsbank and the Ottoman Bank, however, can conclusively resolve this question.

All of these qualities speak for the book. But it suffers from drawbacks as well, beginning with its straightforward, at times emotionally involved style and unrefined vocabulary. *C'est le ton qui fait la musique*: the authors use an all-too-familiar popular discourse of "evil" perpetrators committing "unspeakable" acts, rather than attempting to understand the problem. They seem to have thrown to the wind Jacques Sémelin's caution that genocide researchers need to distance themselves from legal and moral approaches to genocide. There is considerable insipid repetition as well, especially on denial by states—which is repeatedly condemned but never really problematized. In addition, four major drawbacks mar the general presentation of the book: questions, argumentation, comparisons, and assumptions.

The authors seem to have asked the wrong research questions at the outset. Instead of inquiring how third parties conducted their businesses during a period when their clients were being persecuted, they use the available documentation to establish "guilt" on the part of the Young Turk government. Too often the authors take polemical issue with denialist arguments, for example in chapter four, when discussing the Young Turk regime's bizarre wartime claim that Armenian life-insurance policies should be paid out to the regime (48). This chapter is a missed opportunity: instead of getting to the bottom of this captivating event, the authors prosecute the perpetrating elites. Similar missteps are made in chapter ten, which begins with the Young Turks' 1916 gold deposit to the Reichsbank but then takes an inexplicable turn to discuss the political continuities evident in the Young Turk regime.

At times, too, the argument rambles. The authors' piling up of evidence to implicate the Ottoman minister of finance, Cavid Bey (121–3), is not convincing. It is clear that Cavid Bey was probably deeply complicit in Young Turk economic crimes. But the methods of using historical evidence are not applied adequately. Another instance is chapter five, which promises to discuss the insurers' defense against Armenian claims but is in fact a rather rash and undifferentiated treatment of Young Turk violence. The authors' blanket indictment of Germany (125–7) does not make much sense either: it relies on arguments from authority and on outdated and discarded scholarship that has been criticized and deconstructed in recent studies.

The many comparisons and parallels drawn in the book are not unproblematic either. The authors assert an equivalence between the Shoah and the Armenian Genocide, often deploying legal arguments to buttress a claim that post-Holocaust norms and practices of restitution apply to the Armenian case, too. The references to the torpedoing of the *Lusitania* on 7 May 1915 are perhaps misplaced as well. These

events are really of a different nature and magnitude. Comparisons are legitimate, and can be fruitful, but they need to be preceded, first and foremost, by thorough research on the Armenian case.<sup>4</sup>

The book also includes several debatable assumptions. The authors uncritically use the “Ten Commandments” (6, 18–9), the alleged December 1914 Young Turk plan to implement the Armenian genocide, which historians have identified as a forgery. Similarly, they write that “the ease with which the perpetrators of the Armenian Genocide escaped retributive justice seemed to have impressed the Nazi leadership as they were contemplating a similar initiative towards the Jews” (99) and, later in the text, claim that the Nazis were “influenced by their knowledge of the Armenian Genocide” and “were greatly encouraged” by it (137–8). In fact, however, there is no real evidence for this assertion of a direct connection between the Armenian Genocide and the Shoah. The authors also err in suggesting that it would be “futile” to expect the discovery of Ottoman state documents attesting to the Young Turk government’s plunder campaign (117); in fact, research into the Ottoman archives in Istanbul demonstrates that a huge official paper trail exists.<sup>5</sup>

Despite these reservations, *A Perfect Injustice* is a step in the right direction and, if used carefully, a reasonable addition to the literature. The findings of Karagueuzian and Auron make grim reading on the abandonment of victims, but they are nevertheless useful for the study of third parties during genocidal processes. What is the role and place of victim dispossession in genocidal processes? Which strategies tend to be adopted by transnational organizations with professional or financial ties to genocide? These questions merit attention in future research.

## Notes

1. For a comprehensive introduction to this theme see Mehmet Polatel and Uğur Ümit Üngör, *Confiscation and Colonisation: The Young Turk Seizure of Armenian Property* (London: Continuum, 2010), forthcoming.
2. Donald Bloxham, *The Great Game of Genocide: Imperialism, Nationalism, and the Destruction of the Ottoman Armenians* (Oxford: Oxford University Press, 2005); David Gaunt, *Massacres, Resistance, Protectors: Muslim–Christian Relations in Eastern Anatolia during World War I* (Piscataway, NJ: Gorgias Press, 2006); Raymond Kévorkian, *Le Génocide des Arméniens* (Paris: Odile Jacob, 2006); Jacques Sémelin, Claire Andrieu, and Sarah Gensburger, eds., *Resisting Genocide: The Multiple Forms of Rescue* (London: Hurst, 2010).
3. Two English-language articles dealing with the problem are Dickran Kouymjian, “Confiscation of Armenian Property and the Destruction of Armenian Historical Monuments as a Manifestation of the Genocidal Process,” in *Anatomy of Genocide: State-Sponsored Mass Killings in the Twentieth Century*, ed. Alexandre Kimenyi and Otis L. Scott, 307–19 (Lewiston, NY: Edwin Mellen Press, 2001); and Bedross Der Matossian, “From Confiscation to Appropriation: Historical Continuity and the Destruction of the ‘Armenian Economy’ in the Ottoman Empire,” *The Armenian Weekly*, 24 April 2007, 22–3, 27.
4. To be sure, there is potential for relevant and appropriate comparison: the elaborate juridical apparatus erected by the Young Turks for the profound dispossession of the Armenians and the spoliation process in general seem to invite comparative research with the Nazi economic ruination of Jews before 1941. Another more helpful avenue of research might be to compare Jewish attempts at restitution from insurance companies that had outstanding life-insurance policies on European Jews. In some cases, the same insurance companies (including AXA) that had refused to compensate victims of the Armenian Genocide later rejected Jewish claims through similar pretexts, such as the absence of death certificates.

5. See Polatel and Üngör, *Confiscation and Colonisation*; also see Hilmar Kaiser, “Armenian Property, Ottoman Law and Nationality Policies during the Armenian Genocide, 1915–1916,” in *The First World War as Remembered in the Countries of the Eastern Mediterranean*, ed. Olaf Farschid, Manfred Kropp, and Stephan Dähne, 49–71 (Beirut: Orient-Institut, 2006); and Taner Akçam, “*Ermeni Meselesi Hallolunmuştur*”: *Osmanlı Belgelerine Göre Savaş Yıllarında Ermenilere Yönelik Politikalar* (Istanbul: İletişim, 2007), 208–36.