

The Restitution and Compensation of Holocaust Survivors in Hungary

My paper deals with my doctoral research topic: the restitution and compensation of Holocaust survivors in Hungary. In my dissertation, I investigate the compensation process starting with the letters of complaint or reclaim written by returning survivors, which resulted in the institutionalisation of restitution in the immediate post-war years. Economic/financial restitution for “Aryanised” properties was then followed by a moral compensation for lost relatives and the suffering that survivors had had to endure during the Holocaust. This process took place in three historical periods: during the post-war, short-lived democracy (1945–1948), the socialist era (1948–1989) and after the fall of communism (1989–). Out of these three, I deal with the first two (tackling the developments of the post-socialist period in a subchapter).

The chapters of my dissertation follow a chronological order: first, I focus on the reclaiming letters, then on those national institutions, which were entrusted with providing restitution to Holocaust survivors: the Government Commission for Abandoned Property (Elhagyott Javak Kormánybiztossága), which existed between 1945 and 1948, and the National Jewish Restitution Fund (Országos Zsidó Helyreállítási Alap) operating from 1947–1954. Additionally, I also looked into sources produced during the compensation process initiated by the Federal Republic of Germany in the 1960s and 1970s.

Every chapter – every period of restitution is embedded in a historical and legal framework. In the subsequent case studies, though, instead of a political history approach, I apply a “history from below” perspective. In these case studies from Pest-Pilis-Solt-Kiskun County (from 1950, Pest County), I analyse the continuity between the Holocaust and the hardships that survivors faced upon their return from a microhistorical perspective, thus providing a deeper understanding of the topic and the functioning of the national institutions dealing with restitution. By combining the viewpoint of the persecuted with a legal and institutional history approach, I am aiming for a more complex analysis of this long process.

In their book *Robbery and Restitution*, the editors called the damages caused during the Holocaust and the remedies provided for them “dual and yet indivisible combination of

topics”.¹ Yet, very rarely are they connected even in monographs, articles dealing with the restitution. According to the suggestion of this volume’s editors, I link the two in my dissertation: in each case study, I map and assess the damages that befell the survivors during the Holocaust, and I evaluate the restitution in accordance with it.

Even though confiscations and the wealth of Hungarian Jews have been researched extensively,² only a few scholars have addressed the topic of compensations and no thorough, systematic analysis has been written on it. Since in contemporary Hungarian society the compensation of Holocaust survivors is part of a public discourse and it remains a highly controversial topic, a well-documented summary is essential. My intention is to fill this gap through my doctoral research, especially by emphasising the perspective of the survivors, which has been neglected so far by Hungarian researchers dealing with the topic.

My main research questions are the following: after losing their properties, how and when did returning Jews try to obtain them and/or their inheritance? From which sources did they gain financial/economic background for re-establishing their lives? How did regulations concerning restitutions and compensations change after the war in the above indicated periods? When and from which sources did Holocaust survivors get compensations, and how did it influence their lives?

Sources

In order to write a highly complex analysis, I used a great variety of sources. I started my research at the Pest County Archives, where I went through the administrative documents of almost every municipality of Pest-Pilis-Solt-Kiskun County between 1938 (the date of the first anti-Jewish law) and 1948 (the conventional date of the beginning of socialism in Hungary), the sources of the local division of the Financial Directorate and the local representative of the Government Commission for Abandoned Property. Concerning the confiscations, the same archive holds a unique stock of the declaration forms of every Jewish family that lived in the county in 1944, which they were obliged to send to the Financial Directorate in April 1944, after the German occupation. These questionnaires, which constituted the basis of

¹ Constantin Goschler, Philipp Ther, “A History without Boundaries,” in *Robbery and Restitution*, eds. Martin Dean, Constantin Goschler, Philip Ther (New York–Oxford: Berghahn, 2007), 3.

² See for instance: Gábor Kádár, Zoltán Vági, *Hullarablás. A magyar zsidók gazdasági megsemmisítése* [Robbing the Dead. The Economic Annihilation of Hungarian Jews] (Budapest: Hannah Arendt Egyesület – Jaffa Kiadó, 2005); Yehuda Don, László Varga, “Private Jewish Real Estate in Hungary in 1944, Before Deportation: Quantitative Evaluation,” in *Küzdelem az igazságért: tanulmányok Randolph L. Braham 80. születésnapjára* [Fight for the Truth: Essays for Randolph L. Braham’s 80th Birthday], eds. László Karsai, Judit Molnár (Budapest: Mazsihisz, 2002), 113–143.

confiscations, contain rich data on the economic circumstances and lifestyle of the county's Jews.

In the National Archives of Hungary, I researched the files of the central body of the Government Commission for Abandoned Property, where, due to a fire during the 1956 revolution, only a handful of documents remained. The sources of the National Jewish Restitution Fund: documentation of the legal processes concerning those real estates that the institution acquired during its existence, which constituted its main capital, can be found in the same archive. The documentation of compensations arriving from the Federal Republic of Germany in the 1960s and 1970s are also held in the National Archives. From among these sources, I selected and investigated the files of survivors from Pest County.

Additionally, I explored post-war sources written by Jewish organisations, which are held at the Hungarian Jewish Archives. These records include the documents of the local representation of Joint, the World Jewish Congress, as well as Hungarian Jewish organisations, such as the Israelite Denomination of Pest (Pesti Izraelita Hitközség), the National Bureau of Hungarian Israelites (Magyar Izraeliták Országos Irodája) and the National Jewish Aiding Committee (Országos Zsidó Segítő Bizottság). These sources provide an insight into how national Jewish organisations tried to push through their interests and how the negotiations with the Hungarian government took place. In order to gain a complete picture of the attitude of these Jewish organisations and to analyse their "official" position concerning restitutions, I also read through the issues of *Új Élet*, the biggest Jewish newspaper, between 1945 and 1956.

The cases of survivors from Pest-Pilis-Solt-Kiskun/Pest County will be complemented by testimonies and interviews in order to add an individual perspective. In 1945, the National Committee for Attending Deportees (Deportáltakat Gondozó Országos Bizottság, DEGOB) collected approximately 5.000 testimonies from homecoming survivors; many among them had lived in Pest County. The same is true to Hungarian survivors whose interviews are preserved at the USC Shoah Foundation's Visual History Archives. Additionally, some of the communities created local collections based on the testimonies of survivors, archival sources and the issues of contemporary local papers, etc.

The life stories reconstructed based on these collections contain information on both the pre- and post-war life of Holocaust survivors, shedding light on the impact of anti-Jewish laws, confiscations and other aspects of the persecutions, as well as the survivors' struggle to restart their life and the compensations they received. Therefore, the case studies provide an opportunity for a deeper, microhistorical analysis and allow for connecting the immediate impact of anti-Semitic persecution with its post-war consequences.

Theoretical background

Only recently has the attention of researchers turned towards the long-term impacts of the Holocaust on the lives of survivors and also the remedies that governments and international organisations offered them for all the harms suffered. Scholars have approached this topic mostly from historical, legal and psychological points of view, and have classified both the damages caused and the types of restitution and compensation differently.

My historical investigation will use the categorisation of Stephen J. Roth for the case of damages suffered by survivors.³ He divided them into two main categories: material damage, such as the confiscation of real estates, business enterprises, agricultural estates, bank accounts, jewellery, art pieces; and damages to the person, such as the loss of life, health, liberty, profession, social security, and other rights violations.

The great variety of damages suffered by the Jews during the Holocaust, required complex solutions after the war; the initial restoration of rights and the restitution of “Aryanised” or looted properties were soon followed by compensations in the international scene in the 1950s. Reparation measures are classified usually according to their nature (economic/financial, symbolic etc.) or the type of damage they compensate. One typology is provided by Marilyn Henry, who differentiated between *indemnification*, i.e. compensation for specific personal losses (such as the one-time settlements and pensions distributed in Germany), *reparation*, describing money or materials for the damages inflicted by one nation on the other, and finally *restitution*, the return or recovery of identifiable assets.⁴

Theo van Boven compiled a more elaborate classification: he differentiates between five forms of reparations. According to his terminology, *restitution* is the restoration of the original situation; *compensation* may be given for economically assessable damage, while the survivors of persecution are often in need of *rehabilitation*, i.e. medical and psychological care, legal and social services. The last two items in his list usually happen in the long-term and their efficiency depends mostly on political will and the society: van Boven labels truth seeking, public apology and commemoration as *satisfaction*, by which he means the moral satisfaction of the survivors.

³ Stephen Roth, “Indemnification of Hungarian Victims of Nazism,” in *The Holocaust in Hungary. Fifty Years Later*, eds. Randolph L. Braham, Attila Pók (New York–Budapest: Columbia University Press, 1997), 733–757.

⁴ Marilyn Henry, “Fifty Years of Holocaust Compensation,” *American Jewish Yearbook* 102 (2002): 3–8.

Finally, *guarantees for non-repetition* are also necessary, such as institutional reform, the promotion of human rights and the contribution of law enforcement and social services.⁵

From this list it is evident that law plays a major role in restitution and compensation, and that these two processes, though separate, are nevertheless linked as both provide recompense for certain types of violations of human rights, the right to private property, human dignity, health etc. Even though in van Boven's words compensation is paid for "economically assessable damage," in Holocaust historiography this term is mostly used for contributions paid symbolically for immaterial harm.

In my dissertation I examine the legal background of the topic, but, as I focus on individual life stories and cases, my main analysis builds on Roth's and van Boven's classifications.

Methodology

In my dissertation, case studies are structured in chronological order, following individual cases from the time of persecution through a certain phase of restitution and/or compensation. This microhistorical analysis is combined with an overview of the institutional and legal background: an introduction to the contemporary legal regulations, laws, as well as comprehensive information on the institutions handling recompense. Additionally, local contexts are added to each case study. The "history from below" perspective emphasises the continuity between the Holocaust and the hardships that survivors faced upon their return and adds individual voices to a narrative which so far has been told only from a political or legal history point of view.

This analysis may enlighten the following aspects: the immediate and long-term impact of the Holocaust on the lives of survivors, the damages they suffered, which of these were compensated for, how the survivors themselves perceived the persecution and the restitution and how those influenced their lives; the relations between Jews and non-Jews, how local actors interpreted and applied state regulations concerning the restitution, and so on.

In the course of analysis, I combined sources from various archival holdings in order to reconstruct each case as fully as possible. Sources from collections of institutions such as the Government Commission for Abandoned Property and the National Jewish Restitution Fund are thus linked to other types of sources, for instance those of the Financial Directorate and municipalities, testimonies, etc.; as a result, significant information could be ascertained, such

⁵ Theo van Boven, "Victims' Rights to a Remedy and Reparation: The New UN Principles and Guidelines," in eds. Carla Ferstman, Mariana Goetz, Alan Stephens, *Reparations for Victims of Genocide, War Crimes and Crimes against Humanity* (Leiden–Boston: Brill, 2009), 19–40.

as the social status of the survivors, how they survived the Holocaust, and their post-war circumstances. Through a microhistorical analysis the focus was shifted on individual actors, experiences and strategies.

The cases introduced in each chapter were selected based on a number of criteria: most importantly, that they have enough source material; and also, that they are unique in some sense. Such cases may shed light not only on a certain phase of restitution or compensation and the institution handling it, but they contribute to the understanding of the general processes too. The fabric of each step of restitution consists of “average” and “not-so-average” cases, after all, and the second always tell more about how a certain organisation functions and how the actors involved in a case act or react.

The main research chapters are embedded in a larger legal and historical context: the history of the Jewish community in Hungary after the war, the attitude of the government towards the restitution, the laws, decrees regulating it, as well as the responses of the Jewish community. Furthermore, I included three essential additions to contextualise the case studies. First, a short outlook on the developments in other Central European countries is presented, with particular attention given to Czechoslovakia and Poland. Second, I added a subchapter about restitution and compensation in Germany. These provide a possibility to compare similarities and differences in the processes of compensations. Lastly, the dissertation’s last chapter presents an overview of regulations concerning compensations after the fall of communism in Hungary.

Historical background

In 1941, approximately 800.000 Jews lived in the territory of Hungary.⁶ This Jewish population remained relatively intact until 1944 – as the biggest surviving Jewish community in Europe at that time. However, they could not avoid various restrictions and atrocities which took place both before and during the war. The persecution of Hungarian Jewry started with anti-Jewish legislations, which gradually limited their possibilities in every area of life and which rendered them second class citizens. The first two anti-Jewish laws of 1938 and 1939 restricted the participation of Jews in intellectual, artistic and economic occupations, while the third one, passed in 1941, prohibited marriage between Jews and non-Jews.

⁶ The territory of Hungary changed significantly from 1938: as a result of the two Vienna Awards (1938, 1940), arbitrated by Germany and Italy, Hungary reoccupied Upper Hungary (Felvidék, today part of Slovakia) and Northern Transylvania. In 1939, Hungarian troops occupied Carpatho-Ruthenia and in 1941 part of the former Southern regions. The above data applies to the country with the expanded territory.

The “Aryanisation” of Jewish property proceeded with the introduction of the fourth anti-Jewish law in 1942, which banned Jews from obtaining agricultural or forest estates – a regulation, which had been prepared also by the second anti-Jewish law. Finally, after the German occupation of Hungary on 19 March 1944, the newly appointed puppet government of Döme Sztójay⁷ completed the confiscations, when in the course of the ghettoisation, Jews were allowed to bring only 50 kg of personal belongings to the ghettos. The rest of their properties was blocked and labelled as national wealth. The non-Jewish population (individuals, organisations and social institutions) was also involved in the confiscation process, as they could claim Jewish property and the government tolerated the looting of ghettos after the deportations. Within only four months Hungarian Jews were deprived of their freedom, human dignity, and ultimately also their lives: between 14 May and 20 July 1944, 437.000 Hungarian Jews were deported, mainly to Auschwitz-Birkenau.⁸

After the war, the Hungarian government faced an enormous, previously unknown social problem: the reintegration of destitute Holocaust survivors into society. The number of survivors is estimated at approximately 200.000.⁹ The Holocaust had caused most of them to have lost properties as well as their families and friends, who could have provided an emotional, financial and social safety net, and they suffered a trauma that proved to be determining for the rest of their lives.

The first step towards the reintegration of survivors was the creation of an inclusive legal background making restitutions possible. The Provisional National Government annulled the previously mentioned anti-Jewish laws in January 1945. Two years later the Paris Peace Treaty, set up by the victorious Allied powers, prescribed for the Hungarian government that it must provide all Hungarian citizens with basic human rights regardless of their ethnic background, sex, language or religion. It also obliged the government to hand back properties confiscated after 1 September 1939 due to the owner’s religion or origins.

⁷ Döme Sztójay (1883–1946) was a Hungarian lieutenant-general and diplomat. He served as the Hungarian ambassador to Germany from 1935 until 1944. He was appointed as Prime Minister on 22 March 1944, which position he held until 29 August 1944.

⁸ The data of the 137 deporting trains that passed through Kassa (Košice) were registered by István Vrancsik, who served at the train station. The list contains the station of departure, the date of passing through Kassa and the number of deportees. Randolph L. Braham, *A népirtás politikája. A Holocaust Magyarországon* [The Politics of Genocide. The Holocaust in Hungary], vol. 2 (Budapest: Park, 2015), 1655–1657.

⁹ See Tamás Stark, *Zsidóság a vészidőszakban és a felszabadulás után 1939–1955* [Jewry during the Shoah and after the Liberation 1939–1955] (Budapest: MTA Történettudományi Intézet, 1995), 76; János Botos, *A magyarországi zsidóság vagyonának sorsa 1938–1949* [The Fate of the Wealth of the Hungarian Jewry 1938–1949] (Budapest: Magyar Napló, 2015), 64.

First, the Hungarian government set up a major institution, whose task was the handling of “abandoned” or heirless property. The Government Commission for Abandoned Property, founded in 1945, was also assigned with the task of helping people who had lost their livelihood, bringing back the deported and providing survivors with partial restitution. However, during the three years of its existence, the institution did very little to actually fulfil these responsibilities. The Government Commission did not differentiate between the inheritance of Jewish and non-Jewish victims, and many Jewish survivors were not able to find their properties which had been stolen from their homes during lootings after ghettoisation and from the ghettos after deportations. Moreover, in the course of confiscations, the estates of the Jews had been redistributed to poor Hungarians.

As the re-established Jewish community directed heavy criticism towards the Government Commission, in 1947 its tasks were taken over by the National Jewish Restitution Fund, which functioned under the supervision of the government and the Jewish denominations until 1954. This organisation took care of the properties and heritage of heirless Holocaust victims, and through the acquired properties, it provided financial support to Jewish self-aid organisations. In January 1955, it was merged with the State Office for Church Affairs (Állami Egyházügyi Hivatal). At the same time, its operation was reduced to mere formality as the socialist state aimed to put its hand on the heirless property.

All in all, the restitution of Jewish property was downplayed by the governments for various reasons: first of all, “Aryanised” property had been redistributed to non-Jews, who now considered them their own, moreover, after the war and the robbery committed first by the Wehrmacht and then the Red Army, the economic circumstances of the Hungarian state did not allow an extensive financial aid operation; inflation grew to a historical peak. Political will for arranging restitutions was also lacking, as politicians were afraid that it would incite anti-Semitism.¹⁰ Therefore, Hungarian Jews largely relied on international and self-aid organisations, such as the International Red Cross, the American Jewish Joint Distribution Committee and the Jewish World Congress. The Hungarian Jewish community also maintained a self-aid organisation, the National Jewish Aiding Committee (Országos Zsidó Segítő Bizottság), which was financed by the Joint.

During the years of socialism (1948–1989), restitution was also withheld, and there was no talk of compensations whatsoever. However, in the 1960s, in the framework of the BEG¹¹ and

¹⁰ Botos, *The Fate of the Wealth*, 71.

¹¹ *Bundesentschädigungsgesetz*: an act that unified a variety of earlier laws regulating restitutions in the FGR in 1953. This law allowed several Jewish victims who had suffered harm to their physical integrity, health and

BRÜG Acts,¹² the Federal Republic of Germany paid compensation to the victims of Nazi medical experiments in certain communist countries – including Hungary. This one-time payment from Germany was a symbolic act towards the survivors, who suffered permanent health damage. In the 1970s, thanks to an inter-governmental agreement, Hungarian survivors received 6.25 million German Marks, which were distributed to individual applicants by the National Organisation of the Hungarian Persecuted of the Nazis (Nácizmus Magyarországi Üldözötteinek Országos Érdekvédelmi Szervezete).

Finally, after the collapse of communism, when Hungary became a democratic country, the issue of compensations emerged again. However, the first law concerning Holocaust survivors was introduced only in 1997 with the creation of the Jewish Heritage of Hungary Public Endowment (Magyar Zsidó Örökség Közalapítvány), which is still active today. This foundation was – and still is – meant to distribute pensions and care for the survivors. Since its establishment, several modifications have taken place, influenced by the contemporary political climate.

Dissertation's structure

- Methodology
 - Sources
- Historiography
 - International historiography
 - Hungarian historiography
- Historical background
 - The circumstances of the Jews after the war and during socialism
 - Re-building Jewish life in Hungary
 - The legal background of restitution and compensation in Hungary
 - Jewish reactions to restitution
- The first attempts to reclaim Jewish property
- The Government Commission for Abandoned Property
- The National Jewish Restitution Fund

professional interests as a result of anti-Semitic persecutions, to receive annuities. In 1965, the circle of beneficiaries was widened; the deadline for submitting claims was set to 1969.

¹² *Bundesrückerstattungsgesetz*: restitution law enacted in the FRG in 1957. It regulated the restitution of real estates and companies confiscated from the Jews. Heirless property was given to the Conference on Jewish Material Claims Against Germany (Claims Conference).

- Compensation from the FRG to the victims of Nazi medical experiments
- Outlook in space and time
 - Restitution in Germany
 - Restitution in Central Europe,
 - Restitution and compensation in post-socialist Hungary
- Conclusion

Relevance

Already existing literature on the topic of restitution and compensation of Holocaust survivors, despite its value, is insufficient to understand the complex dynamics of the process in different time periods and under different political systems. My research provides an insight into the development of the institutional background of compensations, as well as a more “personal,” case study-based analysis in order to emphasise the survivors’ perspective. Furthermore, my dissertation highlights certain characteristics of Hungarian society and political events as well as the treatment of minorities in Hungary.

Additionally, this work also contributes to the broader field of Holocaust studies, in providing an overview on the long-term consequences that the Holocaust had in Hungary well after the end of Second World War.

Finally, this dissertation investigates the way the Hungarian state has been dealing with Jewish issues over the last decades. Given the sensitivity of such issues in contemporary Hungarian society (recently including, for example, the controversy around the so-called House of Fates, a planned, government-solicited Holocaust museum), it is my hope that this research will provide some useful and well-grounded food for thought concerning the public discourse about the compensations of Holocaust survivors.