

Lloyd's faces class action claim for role in slave trade: [LONDON 2ND EDITION]

ROBERT ORR and BOB SHERWOOD. **Financial Times** [London (UK)] 30 Mar 2004: 8.

Full Text

Lloyd's of London is set to face a multi-million dollar US class action claim from descendants of US slaves seeking compensation for allegedly underwriting ships used to transport human cargo centuries ago.

But the capital's oldest name in insurance said yesterday that all previous legal actions relating to slavery had been dismissed by the courts. The claimants have engaged Ed Fagan, the US lawyer who has brought a string of class-action lawsuits against multinational companies.

The claimants allege the insurance giant financed fleets thought to have carried about 10m slaves from west African ports to the US in the 1700s and early 1800s.

Mr Fagan, who was due to file the claim in New York yesterday, told BBC radio: "Lloyd's knew that what they were doing led to the destruction of the indigenous population. They took people, they put them on ships and they wiped out their identity."

However, proving a compensation claim for alleged actions that occurred as long as three centuries ago will be fraught with difficulty.

Not only will the claimants have to prove they are descendants of slaves - some are using DNA technology to link themselves with specific African tribes and recorded slave ships - they will also have to establish that they too are victims. In addition, the claimants will have to establish that companies should be punished even though they were not acting illegally at the time.

Slavery was not abolished in the British empire until the 1830s.

Even then, Lloyd's members, the companies and individuals who put up the money to provide the cover, could argue they had no involvement in the insurance market hundreds of years ago. The swish headquarters of Lloyd's is a far cry from the coffee shop where, in 1688, Edward Lloyd set up the company to cover merchants whose ships were often lost at sea.

Lloyd's said details of the claim were still unknown. But it added: "(Lloyd's has) in the past seen a number of cases like this relating to slavery in the US. The courts have looked at them and they've always been dismissed without prejudice."

Mr Fagan, who acted for Holocaust victims against German and Swiss companies, is pursuing companies alleged to have benefited from South Africa's apartheid regime.

Deadria Farmer-Paellman, a claimant, told the BBC: "They are responsible because they played a role in enslaving African Americans - or at least our ancestors."

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