Robert Maxwell

Ian Robert Maxwell MC (10 June 1923 – 5 November 1991), born Ján Ludvík Hyman Binyamin Hoch, was a British media proprietor, and Member of Parliament (MP) and fraudster.Originally from Czechoslovakia, Maxwell rose from poverty to build an extensive publishing empire. After his death, huge discrepancies in his companies' finances were revealed, including his fraudulent misappropriation of the Mirror Group pension fund.

Early in his life, Maxwell escaped from Nazi occupation, joined the Czechoslovak Army in exile in World War II and was decorated after active service in the British Army. In subsequent years he worked in publishing, building up Pergamon Press to a major publishing house. After six years as an MP during the 1960s, he again put all his energy into business, successively buying the British Printing Corporation, Mirror Group Newspapers and Macmillan Publishers, among other publishing companies.

Maxwell had a flamboyant lifestyle, living in Headington Hill Hall in Oxford, from which he often flew in his helicopter, and sailed in his luxury yacht, the Lady Ghislaine. He was litigious and often embroiled in controversy, including about his support for Israel at the time of the 1948 Arab-Israeli War. In 1989, he had to sell successful businesses, including Pergamon Press, to cover some of his debts. In 1991, his body was discovered floating in the Atlantic Ocean, having fallen overboard from his yacht. He was buried in Jerusalem.

Maxwell's death triggered the collapse of his publishing empire as banks called in loans. His sons briefly attempted to keep the business together, but failed as the news emerged that the elder Maxwell had stolen

hundreds of millions of pounds from his own companies' pension funds. The Maxwell companies applied for bankruptcy protection in 1992.

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## Early life

Maxwell was born into a poor Yiddish-speaking Orthodox Jewish family in the small town of Slatinské Doly (now Solotvyno, Ukraine) in the easternmost province of pre-World War II Czechoslovakia.[3][4][5] His parents were Mechel Hoch and Hannah Slomowitz. He had six siblings. In 1939, the area was reclaimed by Hungary. Most members of his family died in Auschwitz after Hungary was occupied in 1944 by Nazi Germany, but he had already escaped to France.[3] In Marseille, he joined the Czechoslovak Army in exile in May 1940.[6]

After the defeat in France and the retreat to Britain, Maxwell (using the name "Ivan du Maurier",[7] or Leslie du Maurier[8] the surname taken from the name of a popular cigarette brand, Du Maurier) took part in a protest against the leadership of the Czechoslovak Army, and with 500 other soldiers he was transferred to the Royal Pioneer Corps and later to the North Staffordshire Regiment in 1943. He was then involved in action across Europe, from the Normandy beaches to Berlin, and achieved the rank of sergeant.[3] He gained a commission in 1945 and was promoted to the rank of captain.
In January 1945, Maxwell’s heroism in the British army during the war won him the Military Cross, presented by Field Marshal Bernard Montgomery. Attached to the Foreign Office, he served in Berlin during the next two years in the press section.[5] Maxwell naturalised as a British subject on 19 June 1946[9] and changed his name by deed of change of name on 30 June 1948.[10]

In 1945, he married Elisabeth "Betty" Meynard, a French Protestant, and the couple had nine children over the next sixteen years: Michael, Philip, Ann, Christine, Isabel, Karine, Ian, Kevin and Ghislaine.[11] In a 1995 interview, Elisabeth talked of how they were recreating his childhood family, victims of the Holocaust.[12] Five of his children – Christine, Isabel, Ian, Kevin and Ghislaine – were later employed within his companies. Daughter Karine died of leukemia at age three, while Michael was severely injured in a car crash in 1961, at the age of fifteen, when his driver fell asleep at the wheel. Michael never regained consciousness and died seven years later.[13][14][15][16]

After World War II, Maxwell used contacts in the Allied occupation authorities to go into business, becoming the British and US distributor for Springer Verlag, a publisher of scientific books. In 1951, he bought three-quarters of Butterworth-Springer, a minor publisher; the remaining quarter was held by the experienced scientific editor Paul Rosbaud.[17] They changed the name of the company to Pergamon Press and rapidly built it into a major publishing house.

In 1964, representing the Labour Party, Maxwell was elected as Member of Parliament (MP) for Buckingham and re-elected in 1966. He gave an interview to The Times in 1968, in which he said the House of Commons provided him with a problem. "I can't get on with men", he commented. "I tried having male assistants at first. But it didn't work. They tend to be too independent. Men like to have individuality. Women can become an extension of the boss."[18] Maxwell lost his seat in 1970 to the Conservative William Benyon. He contested Buckingham again in both 1974 general elections, but without success.

At the beginning of 1969, it emerged that Maxwell's attempt to buy the News of the World had failed.[19] The Carr family, which owned the title, was incensed at the thought of a Czechoslovak immigrant with socialist politics gaining ownership and the board voted against Maxwell's bid without any dissent. The News of the World's editor Stafford Somerfield opposed Maxwell's bid in an October 1968 front page opinion piece, in which he referred to Maxwell's Czechoslovak origins and used his birth name.[20] He wrote, "This is a British paper, run by British people ... as British as roast beef and Yorkshire pudding ... Let us keep it that way".[21] The tycoon who gained control was the Australian Rupert Murdoch, who later that year acquired The Sun, which had also previously interested Maxwell.[22]

Pergamon lost and regained
In 1969, Saul Steinberg, head of "Leasco Data Processing Corporation", was interested in a strategic acquisition of Pergamon. Steinberg claimed that during negotiations, Maxwell falsely stated that a subsidiary responsible for publishing encyclopedias was extremely profitable.[23][24] At the same time, Pergamon had been forced to reduce its profit forecasts for 1969 from £2.5 million to £2.05 million during the period of negotiations, and dealing in Pergamon shares was suspended on the London stock markets.[24]

This caused Maxwell to lose control of Pergamon and he was expelled from the board in October 1969, along with three other directors in sympathy with him, by the majority owners of the company's shares.[25] Steinberg purchased Pergamon. An inquiry by the Department of Trade and Industry (DTI) under the Takeover Code of the time reported in mid-1971:[5] "We regret having to conclude that, notwithstanding Mr Maxwell's acknowledged abilities and energy, he is not in our opinion a person who can be relied on to exercise proper stewardship of a publicly quoted company." It was found that Maxwell had contrived to maximise Pergamon's share price through transactions between his private family companies.[23]

At the same time, the United States Congress was investigating Leasco's takeover practices. Justice Thayne Forbes in September 1971 was critical of the inquiry: "They had moved from an inquisitorial role to accusatory one and virtually committed the business murder of Mr. Maxwell." He further continued that the trial judge would probably find that the inspectors had acted "contrary to the rules of natural justice".[26] The company performed poorly under Steinberg; Maxwell reacquired Pergamon in 1974 after borrowing funds.[27]

Maxwell established the Maxwell Foundation in Liechtenstein in 1970. He acquired the British Printing Corporation (BPC) in 1981 and changed its name first to the British Printing and Communication Corporation (BPCC) and then to the Maxwell Communications Corporation. The company was later sold in a management buyout and is now known as Polestar.

### Later business activities

In July 1984, Maxwell acquired Mirror Group Newspapers, the publisher of six British newspapers, including the Daily Mirror, from Reed International plc.[28] for £113 million.[29] This led to the famous media war between Maxwell and Rupert Murdoch.

Mirror Group Newspapers (formerly Trinity Mirror, now part of Reach plc), published the nationals, Daily Mirror, a pro-Labour tabloid, Sunday Mirror, Sunday People, Scottish Sunday Mail and Scottish Daily Record. At a press conference to publicise his acquisition, Maxwell said his editors would be "free to produce the news without interference".[28] Meanwhile, at a meeting of Maxwell's new employees, Mirror journalist Joe Haines asserted that he was able to prove that their boss "is a crook and a liar".[30][31] Haines quickly came under Maxwell's influence and later wrote his authorised biography.[30]
In June 1985 Maxwell announced a takeover of Clive Sinclair's ailing home computer company, Sinclair Research, through Hollis Brothers, a Pergamon Press subsidiary.[32] The deal was aborted in August 1985.[33] In 1987 Maxwell purchased part of IPC Media to create Fleetway Publications. The same year he launched the London Daily News in February after a delay caused by production problems, but the paper closed in July after sustaining significant losses contemporary estimates put at £25 million.[34] At first intended to be a rival to the Evening Standard, Maxwell had made a rash decision for it to be the first 24-hour paper as well.[35]

By 1988 Maxwell's various companies owned, in addition to the Mirror titles and Pergamon Press, Nimbus Records, Macmillan Publishers (of which Collier was a part), Maxwell Directories, Prentice Hall Information Services and the Berlitz language schools. He also owned a half-share of MTV in Europe and other European television interests, Maxwell Cable TV and Maxwell Entertainment.[27] Maxwell purchased Macmillan, the American publishing firm, during 1988 for $2.6 billion. In the same year, he launched an ambitious new project, a transnational newspaper called The European. In 1991 he was forced to sell Pergamon Press and Maxwell Directories to Elsevier for £440 million to cover his debts;[27] he used some of this money to buy an ailing tabloid, the New York Daily News. The same year Maxwell sold 49 percent of the stock of Mirror Group Newspapers to the public.[5]

Maxwell's links with Eastern European totalitarian regimes resulted in several biographies (generally considered to be hagiographies[36]) of those countries' leaders, with interviews conducted by Maxwell, for which he received much derision.[5] At the beginning of an interview with Romania's Nicolae Ceaușescu, then the country's Communist leader, he asked, "How do you account for your enormous popularity with the Romanian people?"[37]

Maxwell was also the chairman of Oxford United, saving them from bankruptcy and attempting to merge them with Reading in 1983 to form a club he wished to call "Thames Valley Royals". He took Oxford into the top flight of English football in 1985 and the team won the League Cup a year later. Maxwell bought into Derby County in 1987. He also attempted to buy Manchester United in 1984, but refused owner Martin Edwards's asking price.

Maxwell was known to be litigious against those who would speak or write against him. The satirical magazine Private Eye lampooned him as "Cap'n Bob" and the "bouncing Czech",[39] the latter nickname having originally been devised by Prime Minister Harold Wilson[40] (under whom Maxwell was an MP). Maxwell took out several

libel actions against Private Eye, one resulting in the magazine losing an estimated £225,000 and Maxwell using his commercial power to hit back with a one-off spoof magazine Not Private Eye.[41]

### Israeli connection

#### 1948 war

A hint of Maxwell's service to the Israeli state was provided by John Loftus and Mark Aarons, who described Maxwell's contacts with Czechoslovak Communist leaders in 1948 as crucial to the Czechoslovak decision to arm Israel in the 1948 Arab–Israeli War. Czechoslovak military assistance was both unique and crucial for the fledgling state as it battled for its existence. It was Maxwell's covert help in smuggling aircraft parts into Israel that led to the country having air superiority during their 1948 War of Independence.[42]

#### Mossad allegations; Vanunu case

The British Foreign Office suspected that Maxwell was a secret agent of a foreign government, possibly a double agent or a triple agent, and "a thoroughly bad character and almost certainly financed by Russia." He had known links to the British Secret Intelligence Service (MI6), to the KGB, and to the Israeli intelligence service Mossad.[43] Six serving and former heads of Israeli intelligence services attended Maxwell's funeral in Israel, while Israeli Prime Minister Yitzhak Shamir eulogized him and stated: “He has done more for Israel than can today be said.”[44]

Shortly before Maxwell's death, a former employee of Israel's Military Intelligence Directorate, Ari Ben-Menashe, approached a number of news organisations in Britain and the US with the allegation that Maxwell and the Daily Mirror's foreign editor, Nicholas Davies, were both long-time agents for Mossad. Ben-Menashe also claimed that in 1986, Maxwell had told the Israeli Embassy in London that Mordechai Vanunu had given information about Israel's nuclear capability to The Sunday Times, then to the Daily Mirror. Vanunu was subsequently kidnapped by Mossad and smuggled to Israel, convicted of treason and imprisoned for eighteen years.[45]

Ben-Menashe's story was ignored at first, but eventually The New Yorker journalist Seymour Hersh repeated some of the allegations during a press conference in London held to publicise The Samson Option, Hersh's book about Israel's nuclear weapons. On 21 October 1991, two MPs, Labour's George Galloway and the Conservative's Rupert Allason...
(also known as espionage author Nigel West), agreed to raise the issue in the House of Commons under parliamentary privilege protection,[46] which in turn allowed British newspapers to report events without fear of libel suits. Maxwell called the claims "ludicrous, a total invention" and sacked Davies.[47] A year later, in Galloway's libel settlement against Mirror Group Newspapers (in which he received "substantial" damages), Galloway's counsel announced that the MP accepted that the group's staff had not been involved in Vanunu's abduction. Galloway referred to Maxwell as "one of the worst criminals of the century."[48]

Death

On 5 November 1991, Maxwell was last in contact with the crew of his yacht, the Lady Ghislaine, at 4:25 a.m. local time, but was found to be missing later in the morning.[47] Maxwell was presumed to have fallen overboard from the vessel, which was cruising off the Canary Islands.[47][49] His nude body was recovered from the Atlantic Ocean and taken to Las Palmas.[45] The official ruling at an inquest held in December 1991 was death by a heart attack combined with accidental drowning,[50] although three pathologists had been unable to agree on the cause of his death at the inquest;[45] he had been found to have been suffering from serious heart and lung conditions.[51] Murder was ruled out by the judge and, in effect, so was suicide.[50]

Robert Maxwell was accorded almost a state funeral in Israel, attended by the prime minister, Yitzhak Shamir, the president, Chaim Herzog, "no less than six serving and former heads of Israeli intelligence"[52] and a galaxy of dignitaries and politicians, both government and opposition, and was buried on the Mount of Olives in Jerusalem.[53][54][55] Herzog delivered the eulogy, the Kaddish was recited by his fellow Holocaust survivor, friend and longtime attorney Samuel Pisar.[56]

Prime Minister John Major said Maxwell had given him "valuable insights" into the situation in the Soviet Union during the attempted coup of 1991. He was a "great character", Major added. Neil Kinnock, then Labour Party leader, spoke of him as a man with "a zest for life" who "attracted controversy, envy and loyalty in great measure throughout his rumbustious life."

A production crew conducting research for Maxwell, a biographical film by the BBC, uncovered tapes stored in a suitcase owned by his former head of security, John Pole. Later in his life, Maxwell had become increasingly paranoid of his own employees and had the offices of those he suspected of disloyalty wired so he could hear their conversations. After Maxwell's death, the tapes remained in Pole's suitcase and were only discovered by the researchers in 2007.[57]

Aftermath: Theft of pension funds, collapse of a publishing empire

Maxwell's death triggered a flood of instability, with banks frantically calling in their massive loans. His sons, Kevin and Ian, struggled to hold the empire together, but were unable to prevent its collapse. It emerged that without adequate prior authorization, Maxwell had used hundreds of millions of pounds from his companies' pension funds to shore up the shares of the Mirror Group to save his companies from bankruptcy.[58] Eventually, the pension funds were replenished with money from investment banks Shearson Lehman and Goldman Sachs, as well as the British government. This replenishment was limited and also supported by a surplus in the printers' fund, which was taken by the government in part payment of £100 million required to support the workers' state pensions. The rest of the £100 million was waived. Maxwell's theft of pension funds was therefore partly repaid from public funds. The result was that in general pensioners received about 50 percent of their company pension entitlement.

The Maxwell companies filed for bankruptcy protection in 1992. Kevin Maxwell was declared bankrupt with debts of £400 million. In 1995, Kevin and Ian and two other former directors went on trial for conspiracy to defraud, but were unanimously acquitted by a twelve-man jury in 1996.

In November 1994, Maxwell's widow, Elisabeth, published her memoirs, A Mind of My Own: My Life with Robert Maxwell,[59] which sheds light on her life with Maxwell, when the publishing magnate was ranked as one of the richest individuals in the world.[60] She devoted much of her life to researching the Holocaust and to Jewish-Christian dialogue. She died on 7 August 2013.[61]

**In popular culture**

- Maxwell was used as inspiration for the villainous media baron Elliot Carver in the 1997 James Bond film Tomorrow Never Dies as well as its novelisation and video game adaptation.[62][63] At the film's end, M orders a story spun disguising Carver's demise, saying that Carver died after falling off his yacht in the South China Sea.
- A BBC drama, Maxwell, covering his life shortly before his death, starring David Suchet and Patricia Hodge, was aired on 4 May 2007.[64] Suchet won the International Emmy Award for Best Actor for his performance as Maxwell.[65]
- A one-person show about Maxwell's life, Lies Have Been Told, written by Rod Beacham, was performed by Phillip York at London's Trafalgar Studios in 2006.[66]
- The Fourth Estate, a 1996 novel by Jeffrey Archer, is based on the lives of Robert Maxwell and Rupert Murdoch.[67]
- Max, a novel by Juval Aviv, is based on Aviv's investigation into the death of Robert Maxwell.[68]

**See also**

- Daily News, Perth, Australia
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8. LLC, Sussex Publishers (May 1988). Spy (https://books.google.co.uk/books?id=EKiu5c0easYC&pg=PA100&lpg=PA100&dq=maxwell+took+the+name+du+maurier&source=bl&ots=p81WmRRe3D&sig=ACfU3U0qVwPf_gT0uyBiR8TU59H2qI-Q&hl=en&sa=X&ved=2ahUKEwijBia-L4bLjAhXQOcAKHcMsCsAQ6AEmD3oECAKQAQ#v=onepage&q=maxwell%20took%20the%20name%20du%20maurier&f=false). Sussex Publishers, LLC.


13. Maxwell: The final verdict

14. A mind of my own by Elisabeth Maxwell
17. Haines (1988) 135
26. Betty Maxwell, p. 542
30. "Say It Ain't So, Joe" (http://archive.spectator.co.uk/article/22nd-february-1992/15/say-it-ain't-so-joe), The Spectator, 22 February 1992, p.15


38. "" (http://www.headington.org.uk/history/famous_people/maxwell.htm), Headington History


42. John Loftus and Mark Aarons, *The Secret War Against the Jews*.

43. The Telegraph, 2 Nov. 2003 "FO Suspected Maxwell Was a Russian Agent, Papers Reveal" (https://www.telegraph.co.uk/news/uknews/1445707/FO-suspected-Maxwell-was-a-Russian-agent-papers-reveal.html)


46. which allows MPs to ask questions in Parliament without risk of being sued for defamation.


55. George Galloway sheds light on Maxwell family and its links to Jeffrey Epstein (https://www.youtube.com/watch?v=7CRi6qsmgCQ), 23 August 2019


Further reading

- Short BBC profile of Robert Maxwell (http://news.bbc.co.uk/1/hi/business/1249739.stm)
- Bower Tom *Maxwell the outsider* Mandarin ISBN 0-7493-0238-0

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