

**Praise for Neil Chenoweth's *Rupert Murdoch* (2002)  
and *Virtual Murdoch* (2001)**

As the fruit of many years of forensic reporting on Murdoch's empire, *Rupert Murdoch* offers a damning indictment of its subject's business practices, cutting through the corporate spin and the secrecy.

*New York Times*

The book delivers an adrenaline kick roughly equivalent to the thrill of rifling through Murdoch's PalmPilot and opening his mail. It's all here, every murky deal, every sworn enemy, every shocking lawsuit, every clever acquisition, every cynical rationalization, every accounting trick, every family crisis. Conspiracy theorists, beware: Chenoweth could be addictive.

*Columbia Journalism Review*

Superb, comprehensive . . . Chenoweth's book is so overpowering that it calls into question the dedication of Murdoch's previous biographers, notably William Shawcross, whose 1992 book lacked much of the meat Chenoweth unearthed.

*Newsday*, New York (Reviewer Jes Ledbetter,  
business editor of TIME Europe)

A fluid writer, Chenoweth recounts in sharp detail the 13 months of labor unrest that followed Murdoch's construction of a new printing plant for his British newspapers, laying off printers in the name of new technology. He impressively describes the tax-shelter countries that are home base to some of Murdoch's companies, and the use of arcane Australian accounting rules that made News Corp.'s assets more appealing to prospective lenders. And Chenoweth dazzles as he takes us through Murdoch's complex 1990 renegotiation of a \$1 billion loan that almost sent his company into liquidation. The most riveting part of this book, however, deals with News Corp.'s supersecret News Digital Systems unit, an

Israel-based outfit that provides encryption devices to secure programming on Murdoch's worldwide armada of satellite services.

*Businessweek*

Anyone interested in the power plays, Byzantine manoeuvrings, personal vendettas, macho posturings, and megamedia mergers of the "masters of the information revolution" will be impressed by the author's wide-ranging knowledge and deft handling of the mysteries of high finance.

*Washington Times*

Who better than a hard-bitten Australian investigative journalist to tell the story of the Dirty Digger himself? This well-informed account of the rise and rise of Rupert Murdoch has more dramatic twists than a Jeffrey Archer novel: it is terrific stuff, with edge-of-the-seat deals, financial scandals, and colourful bit-part players ranging from Bill Gates to Tony Blair. Chenoweth not only profiles an extraordinary man, part gambler, part megalomaniac, but elucidates the key role played by the Murdoch-owned News Corporation in the global information revolution.

*Sunday Telegraph*, London

Neil Chenoweth

# PACKER'S LUNCH

A rollicking tale of Swiss bank accounts and  
money-making adventurers in the roaring '90s

  
ALLEN & UNWIN

PART ONE

The three  
amigos

RUTH: One moment! Let me tell you who they are.  
They are no members of the common throng;  
They are all noblemen who have gone wrong.

*Pirates of Penzance*

## TWO

# Mixing with money

If Kerry Packer's heart attack had convinced him of one thing, it was that he needed to speed up the in-house training program he had already begun to prepare his son James for the day he would take over the family business. James would be mentored in the following years by a succession of Consolidated Press executives, notably Al Dunlap and Brian Powers. In the meantime, James's education had been in the hands of Packer's old friend, Rene Rivkin.

'So one day I get a phone call—"I'm sending my fucking son over and I want you to lose him some fucking money on the stock market so he understands the fucking value of the fucking dollar,"' Rene Rivkin told Andrew Denton later. It turned out that Rivkin, that old legend of the bourse, had a couple of dubious investment ideas that would prove the very thing. He had a wealth of experience to share.

For more than three decades, Rene Rivkin was the best-known figure in the Australian stock market. The tributes his friends paid to him after his tragic death in May 2005 reflected a man who, by dint of sheer personality and out-of-the-box charm, had made himself an Australian legend. Rivkin had a razor wit and a brand of outrageous repartee that was awfully difficult not to like.

However his legacy was flawed and his darker side, which had intermittently peeped out of hiding throughout his career, did finally reveal itself. If his rise to fame had been over the top, so too was his fall. The public disgrace that marred his last two years was no doubt exacerbated by his bipolar condition, his chronic over-consumption of Prozac and brain surgery, and he had to endure huge media coverage of his weekend detention sentence and ongoing investigations by regulators. Today, for all those who regard him as a hero or victim, there are others who see him as a villain. In fact, none of these labels gives credit to the man. His was a complex character, which is not so surprising in view of the history that shaped him.

Rene Rivkin had an unconventional childhood. His father, Walter, was born in Georgia in 1917, a week before the Bolshevik revolution. As civil war gripped the country, Walter's parents joined a stream of White Russians who fled to China. They settled in Shanghai, only to find that China too was facing waves of social upheaval. Shanghai was under occupation by the Japanese when Rene was born in 1944. By this time, Walter was in his late twenties and a successful trader, married to Rachel, who was born in Japan. Their well-to-do lifestyle, which revolved around the expatriate community at the Jewish Recreational Club, provided a buffer that left Rene and his younger brother Leonard oblivious to the wider events around them. Rene was barely a toddler when the Japanese surrendered. He was almost five years old when Mao Zedong's communist army overran Shanghai, and seven when his father finally closed down their house, dismissed their twelve servants and moved the family to Sydney. While he never talked publicly about it, the links Rivkin forged with old China hands, such as Bart and Ronald Doff, celebrity real estate agents of Sydney's eastern suburbs who were born in 1947 in Tientsin, would last a lifetime. Walter prospered in Australia by turning his hand to property development and building flats in eastern Sydney before investing in mining

companies. But it was nothing like the style of living the family had enjoyed in China.

Rene went to Sydney Boys High where he ended up sharing a desk with a young English boy called Bruce Corlett. He and Rene had been together ‘pretty much every day since then’, Corlett told journalist Ali Cromie, who taped a remarkable series of interviews with Rivkin’s friends and associates in 1998, in the days when his friends still talked publicly about him. Corlett was as unlike Rene as it was possible to be, but he would stick with Rivkin through a lifetime of violent mood swings. It was ‘a very special relationship’ according to Rodney Adler, who was close to both men for more than a decade when he ran FAI Insurances. ‘Bruce is a man of great detail, very conservative, very proper,’ Adler told Cromie. ‘He’s a very good sounding board for Rene. He has a very good stabilising effect on Rene.’ This was a fair description, Corlett conceded to Cromie. ‘I can only assume that is why we talk as often as we do.’

‘Bruce is as straight down the line as Rene is weird, they make a fairly odd couple in that sense . . . Bruce is a starchy, Royal Sydney Golf Club character, quite unlike Rene but they are good buddies and they trust each other,’ said Chris Walker, who was hired to write Rivkin’s biography in 1998, before Rene tired of the venture. ‘Corlett reckons Rene is a great bloke, straight as a die, honest, a terrific friend. But he does say he is a difficult fellow and has burnt almost all his friends.’

Another of Rivkin’s childhood friends was Robert Whyte, whose father was a paper merchant. Corlett and Rivkin went on to study law at Sydney University, where Whyte did an economics degree. Rivkin was already outrageous. Mallesons Stephen Jaques partner Graham Bates described Rivkin arriving at law classes each morning in the 1960s and parking right outside the door of the lecture hall, ignoring the parking tickets he would receive each day. Corlett made no waves, while Whyte was regarded as one of the nerdier students on campus. It was the mid-1960s and the three



friends were in the middle of a social revolution to which they were oblivious. Instead they were fixed on ways to make money.

Rivkin had already made up his mind about the value of the law. 'I was always disappointed my father made me do law rather than commerce, but clearly there are times when I had to bullshit my way through,' Rivkin later told Elle McFeast. 'The school of life has been great, making money you don't need a commerce degree. But there are times when you sit with business management and you definitely need bullshit.'

Whyte went on to work as a merchant banker with Schrodgers in London. Corlett stayed with the law for two years after he and Rivkin graduated in 1967, before moving into commerce. But Rene already had the trading bug. 'I was a fourteen-year-old kid when I received in the mail a prospectus for United Telecasters, which was Channel Ten in those days,' Rivkin said later. 'I asked my father whether I should send the fifty quid in, and I did and four weeks later I made 150 per cent profit. And being a kid who liked money, I thought, "What better way to make money?"'

The most salient part of this anecdote is that Rivkin at fourteen had the equivalent of about \$1500 of pocket money in today's money to spend on a share flutter. By his own account it was a much indulged childhood in which the figure of his father, Walter, loomed very large. The contrast was between the chubby and indulged child who didn't like sport, and the athletic and tempestuous father who had once been a boxing champion in Shanghai. 'I didn't like my father,' Rivkin would say later. 'I . . . I loved him, I think, but probably because I had to, because one's supposed to love one's father, but I didn't like him. I adored him for the first twenty years . . . We were absolutely inseparable until [I was] twenty, or twenty-two, and after I became successful in my own right and, therefore, he appeared to lose control over me, I think that's where the problem arose.'

The break appears to have coincided with Rene taking articles as a clerk at a city law firm. He said later his mother was so

concerned about the distances he had to walk delivering documents she would spend days circling the block in a car, ready to drive him. Once he finished his articles in 1969, he moved into work at a stockbroking office, J and J Norths.

A Norths partner, Michael Hobbs, took Rivkin with him as a junior partner when he left the firm soon after to start his own broking operation. It was spectacularly bad timing. The glamour mining stock Minsec collapsed in 1970, the market dived and, after trading for two months, Hobbs and Rivkin split. Rene was left with the company. Undeterred by the crashing mineral stocks, Rivkin became the laughing stock of the market in August 1970 when at the ripe age of twenty-six he paid a record \$82 000 for a seat on the Sydney Stock Exchange. Actually, it was probably Walter who paid the \$82 000 as Hobbs & Partners reopened its doors as Hobbs Rivkin & Partners in September 1970, and Rivkin started plying his father's friends for work. Rene Rivkin's secret life began almost immediately.

'We had almost no clients,' Rivkin later testified in Zurich, by which he meant no clients except his father's friends. 'But then there was a float. We deposited the proceeds from the float at Bank Leumi in Zurich.' By 'we' Rivkin meant himself, his father, a mining partner of Walter's who was also financing Rivkin, and a fourth investor he did not name. From then on, the Rivkins were a Swiss banking family, with separate accounts for father and son. Walter Rivkin appears to have treated it merely as a tax dodge. 'My father was a very conservative investor, the exact opposite of myself,' Rivkin said. 'I knew that he only had bonds in his account.' Walter had correspondence from Bank Leumi sent to his sister-in-law, Pauline Tribe, Rene testified: 'He believed that was an adequate security measure.'

It was in 1970 that Rene met Gayle Perkins, a twenty-year-old from Brisbane who at one point had been going out with his brother, Leonard. Rene 'was quite different from anyone I'd ever met before,' Gayle told *Australian Story* in 2004. 'He wasn't

attractive, but he was definitely a very intelligent, interesting person. But he felt he had to be a success to be anyone, and I knew that.' They married two years later, and by 1979 they had four children—Damien, Jordan and twins Shannon and Dion (a fifth child, Tara, was born in 1986). But these years were overshadowed by personal tragedy. Leonard had drowned in the surf at Bali at Christmas 1978—Rene later described it to Andrew Denton as a drug overdose. 'That death was incredibly traumatic for the family,' Gayle told *Australian Story*. Rene spent the next three years crying each morning in his shower, she said.

Despite the turbulence in his private life, Rene Rivkin had become a player in the economic upheavals that unfolded in Australia in the 1970s. At times he would be rich, at other times he would be like a polar explorer scrambling for dear life as the ice pack split and disintegrated beneath his feet. The fabric of power and wealth that had underwritten Australia in the 1950s and '60s was cracking. Rivkin was young, clever and not very scrupulous. As the old networks of the Establishment began their long, withering decline, Rivkin finally found himself winning the sort of professional and social respect that he had never received through his childhood and university years. There was a whole new breed of player out there.

Stephen Tsung and Andrew Lakos joined Rivkin at the new broking firm, which became just Rivkin & Partners. But the young venture did not survive the 1973 oil shock and the worldwide recession it triggered. The All Ordinaries Index dipped below 200 as property group Mainline crashed. Cambridge Credit teetered for a time on the edge of the abyss before it too fell. Rivkin & Partners closed its doors in 1974.

'Rivkin handled it badly,' a friend said later. 'He had an episode of depression and wanted to leave the country.' But he rallied and headed back to the bourse, setting up a new venture, Rivkin and Co, with Brent Potts and Willie West. This effort was far more successful. It was during this period that Rivkin's contact book

(back in the days before God created the BlackBerry) became the most extensive in town. ‘There is no doubt if you mix in the right circles, *vis a vis* making money, not having fun, you will learn a hell of a lot,’ Rivkin observed later. ‘In the 1980s I made sure I mixed with Kerry Packer.’

Rivkin was having a fine old time. In 1979, he and Potts joined with Brian Yuill of Spedley Securities to take control of a garment company called Bisley Clothing. The future of menswear, they told shareholders, lay in ‘commodities, futures and money market broking and general investment’. Rivkin had his first brush with regulators when Bisley bought 23 per cent of Country Broadcasting Services, which made him the leading television mogul in Orange and Dubbo, with all the glamour that conjures up. However, Rivkin had not bothered to obtain the government approval he needed at that time to take such a large stake. He told the Administrative Appeals Tribunal that he had looked at the *Broadcasting and Television Act 1942* before buying the shares, but ‘without much comprehension’ because it was a difficult Act to follow. Justice McGregor thought it was ‘unwise (though perhaps commercially advantageous)’ for Rivkin to skip any legal advice before he bought the shares. ‘His evidence does not persuade me that he really believed Bisley’s transactions [were legal],’ McGregor ruled.

Eight years later in the NSW Supreme Court, Justice Rogers would give Rivkin another reality check in a case he brought against a former employee, Tim Allen, over a \$96 000 loss from a failed share placement. Rogers described Rivkin as someone who ‘paints with a broad brush’, ‘an aggressive man, insistent on his rights, and what he conceives to be his rights.’ He is ‘extremely impatient of detail and has a tendency to proceed with some lack of concern for the rights of others. This no doubt makes him a success as a stockbroker, but it also means his recollection of details is vague in the extreme.’

Rivkin had his favourite people. ‘In my day Rivkin used to have what we called his “pet monkeys”,’ Andrew Lakos told Cromie.

'He always had someone he favoured. These were mainly the stock exchange operators on the trading floor. He had a very close relationship with these operators because he spent his time on the trading floor and directed them on what to do. Every now and then he favoured one more than the other two.'

As Tim Allen had discovered, Rivkin could also go off people. As another Rivkin associate put it: 'He drops people left, right and centre. He would drop them like a tonne of bricks if they came between him and his money. There were people in his office who may have made a mistake, and Rene was totally unforgiving. He thinks he could bullshit them or buy them off with money . . . You have to blame somebody, it was never his fault.'

With Bisley needing a new chief executive in 1981, Rivkin turned to Bruce Corlett to run it for him. It ended unhappily. 'Rene is a very hard task master,' said Lakos. 'He was hard on Bruce, and Bruce resigned and said to Rene, "I want to be friends with you again."'

In the early 1980s, the economy went pear-shaped again and Rivkin's partnership with Brent Potts fell apart. Up to then, Lakos noted, 'They were the best of buddies, they lived in each other's pockets, their wives went shopping together, they went on picnics and boating together.' According to Rivkin, the trigger for their falling out in mid-1983 was his refusal to include Potts's name in the title of the firm. 'By the time I was prepared to let him have his name in the title it was too late. Our relationship was beyond repair,' he said in an address to students in 1997. In contrast, Rivkin told his biographer, Chris Walker, that Potts had concluded that Rene was losing his marbles.

In fact, Rivkin had been diagnosed with bipolar disorder, a condition characterised by alternating periods of euphoria and depression. Rivkin retired to London, where life only got worse. 'I spent six months in bed crying—not overtly—because I had just had a nervous breakdown,' he said later. 'Fortunately I was rescued by an old school friend of mine whom I had employed at various

times in my career, and he offered me to start a stockbroking firm with the Hongkong and Shanghai Bank, and that became known as Rivkin James Capel and that went on to become a very successful firm.' Bruce Corlett, now with HSBC's local arm, Wardleys Australia, had bailed his old school friend out.

The three years from the day Rivkin James Capel opened its doors in October 1984 were the apex of Rivkin's career as a broker. In the wild melee of takeovers launched by Alan Bond, John Elliott, Robert Holmes à Court, Larry Adler, John Spalvins, Christopher Skase, Lee Ming Tee and so many other entrepreneurs, Rivkin was a key player. He was king of the stock exchange trading floor, whether he was buying up lines of stock for raiders, or taking advantage of the special situations that takeover bids created. 'I was playing with my money, the others were playing with the principal's money,' he said. He loved what he called the one-cent option, buying shares in a takeover target one cent above bid price. He was gambling that the bidder would have to raise the price. If he didn't, he sold into the bid and lost the one cent.

'He is a special situations man because he is part of the network,' Andrew Lakos told Ali Cromie. 'Rene is probably the best connected man in this country.' Lakos, who died in early 2005, ran the back office for Rivkin James Capel. Rivkin masterminded the takeover of Castlemaine Tooheys for Alan Bond in 1986. That same year Rivkin bought half of John Singleton Advertising, which went on to run the Labor Party's successful 1987 federal election. Rivkin was mixing socially with senior Labor figures like Graham Richardson, Laurie Brereton, Bob Hawke and Paul Keating. He had also become a close friend of Kerry Packer—so close that when Rivkin moved to London in 1983, Packer secretly bought Cararra, Rivkin's mansion on Rose Bay Avenue in Bellevue Hill, for \$3 million. When Rivkin returned to Sydney six months later, Packer agreeably sold the house back to his friend for \$3.3 million.

In July 1985, Rivkin invested three quarters of a million dollars in a little oil exploration company called Oilmet NL, which became his investment vehicle. Seventeen months later, the market value of Oilmet shares had jumped from \$2 million to \$151 million, and Rivkin was very, very rich. 'It's such a wonderful feeling. A wonderful, successful feeling that you have won,' Rivkin said of his trading successes.

These were the days of ostentatious wealth. Rivkin had a huge rambling apartment in St James in London, together with a housekeeper and chauffeur. He kept a stretch Rolls Royce, one of the first off the production line in 1986, which he would park flamboyantly outside the office of his genteel British partner James Capel, much to the annoyance of Capel chief executive, Peter Quinnan. Then there was the Rivkin air wing—a \$4 million Lear jet, a Cessna and a Falcon F20 corporate jet worth \$3.5 million. The F20 was a neat twin-engine job that took ten passengers. He used the jets to ferry guests to his Christmas party on Hamilton Island in 1986, a two-day affair that cost \$250 000; to fetch them to his forty-fifth birthday party in Sydney in 1989; and to ferry himself and friends like Robert Whyte around the country while he inflicted endless games of backgammon on them.

In 1987, *Australian Business* magazine named Rivkin 'Stockbroker of the Year'. His friends couldn't say enough about his generosity and character. 'He's a really straight shooter, and a generous bloke both publicly and privately, he's hugely intelligent and very entertaining and I'm proud to have him as a friend,' Trevor Kennedy said of Rivkin in 1998.

'No one has ever been robbed, conned or cheated by him,' Graham Richardson said of Rivkin in 1997. 'Charities have benefited by untold millions although no one of us will ever know by absolutely how much. He is a man of honour, intellect, generosity, humour and, above all that, knowledge.'

In September 1987, Rivkin went to hospital for surgery to remove a benign brain tumour. He was incapacitated for five

weeks, returning to work on 20 October just in time to see the world as he knew it fall apart in the share Crash. It was the end of the party for all the entrepreneurs, including Rivkin. His company, Oilmet, which had peaked at \$1.95, now saw its share price drop to 16 cents. Before the Crash, Rivkin's fortune had been estimated at \$40–\$50 million, much of it based on his now faltering Oilmet shares. But Rivkin had lost more than paper money. While he had been away, the stock exchange had switched to a computer trading system and closed the trading floor. The skills that had made Rivkin so formidable on the trading floor in the 1970s and 1980s were now redundant. 'When [Rene] was trading on the floor, he could judge situations and players very well,' said Adler. 'Now it is screen trading . . . Rene's whole occupation, as he knew it and liked it, has changed. It would depress anybody but it certainly depresses Rene.'

Even before the Crash, Rivkin's partner in the broking business, James Capel, had been in a state of near panic about the chaos that characterised the broker's back office, which handled the paperwork for the share trading. Close to fifty Rivkin clients were identified only by account numbers, which began at 1000 and worked up. Each had credit balances between \$10 and \$15 000. While there were no clues as to who the clients were, Rivkin was in the habit of withdrawing several thousand dollars in cash from some of the accounts on days when he had lunch with several high-profile Australian figures.

After the Crash, Rivkin James Capel had \$11 million in debt. James Capel now discovered that the broker owned more than fourteen million Oilmet shares in various nominee accounts. Rivkin claimed he had bought them for foreign clients but these clients now declined to pay for them. At the height of the boom the shares had been worth \$21 million. Now they were worth a tenth of that sum. James Capel had little legal recourse. Unlike Tim Allen, Rivkin was not going to be forced to pay for the losses. Capel's London management bit the bullet and bought Rivkin out



in December 1987 for what Lakos told Cromie was more than \$12 million. That appears to have included the artwork that Rivkin had bought for the business and part of the air wing.

Capel had fallen victim to Rivkin's secret life, an alternative world that existed side by side with his public face. It had been there since he became a broker, from the day he opened his first Swiss bank account with his father in 1970. Walter, who had lived through two revolutions and a world war, took no risks and invested his money at Bank Leumi le-Israel in bonds. For Rene, a Swiss bank account offered far more than just a bolthole for money. It was the opportunity to be a masked player, to take actions that had no recourse back to himself. He could warehouse shares for other people, he could conduct insider trading without fear of detection, he could manipulate share prices and he could ignore the disclosure and takeover rules that were there to protect other investors. In short, he could do whatever he wanted. He was invisible. When the Australian Tax Office investigated Rivkin in 1981, he simply closed his old Leumi account and opened a new one called Stilton. (At the height of his art-buying phase, Rivkin was naming his accounts after painters—Withers, Signac and Streeton—before adopting a pastoral theme with accounts like Stilton and Cheshire: Swiss banking from the dairy.)

With the encouragement of Otto Wolff, the private client advisor at Bank Leumi, he had used the Swiss accounts to take positions in Australian stocks—buying shares as a broker and booking them to nominee companies in the name of Bank Leumi. Rivkin's offshore buying explained in part why Oilmet's share price had soared so high. Oilmet's records for the week before the Crash show that Rivkin had parked seventeen million Oilmet shares in Australian nominee companies that would later be linked to Swiss accounts. After Rivkin's departure Rivkin James Capel appears to have been stuck with half of these. It wasn't just Leumi. By the mid-1980s Rivkin had also linked up with Alexander Fundulus (also known as Axel), the client manager for EBC

Zurich, a Swiss finance company associated with Bank August Roth. By the late 1980s Fundulus was coming to Australia every six months to trawl for clients. Rivkin used EBC for his racier trading. So did his estranged partner, Brent Potts, and more than a hundred other Australian business figures. It was a cottage industry bubbling below the public face of the Australian share market.

It went beyond share trading. For Rivkin it was a way of life, hiding behind the names of other people, both in Australia and offshore. It could work the other way, too. Rivkin would say he owned something, like his boat, *Dajoshadita*, in the 1990s, but it was actually owned by a company, in this case one registered in the British Virgin Islands. Everyone knew that Rivkin owned a Falcon F20 jet, but it was actually owned by Simdock Pty Ltd, a company ostensibly owned by two Rivkin employees. A string of people who worked for him ended up nominally holding assets that in reality belonged to Rivkin.

‘Having businesses in the names of others is a good way of avoiding liability,’ a long-time Rivkin associate said. ‘You pretend it’s you but it’s not really you . . . What he does is limit his risk to the amount of equity investment. So somebody carries the can. It’s his name, his hype, a little bit of his seed money but most of the risk—the downside risk, not the upside risk—goes to someone else. Rene has always been good at taking the margin. This is just another form of it.’

In April 1988, four months after splitting with James Capel, Rivkin bought another small broking business, Bridge Son & Shepherd. But the wild days of the 1980s share boom were over. The share market would go sideways for the next six years and Rivkin’s fortunes subsided, along with those of his public company, Oilmet. By 1990, Rivkin was in serious trouble. He had bet wrongly that the Japanese share market was about to crash. Instead it kept on rising. The bet was in the form of futures contracts on the Singapore Mercantile Exchange, which were tied to the future level of the Nikkei 225 stock index in Tokyo. ‘I’ve only had one bad year

## PACKER'S LUNCH

in my life and that was when I shorted the Tokyo market at 36 000 index points and I lost a lot of money because I covered at 39 500 points because I couldn't stand the pain,' Rivkin told an investment seminar in 1997. 'Six to nine months later that Japanese market collapsed so really I got it right.'

Rivkin lost close to \$10 million on this play. The broking business was losing money. Oilmet was next to moribund. The position was even worse in Zurich, where his accounts were millions of dollars in the red and Bank Leumi was making a margin call.

And now Kerry Packer wanted Rene to help his son James lose a little money.