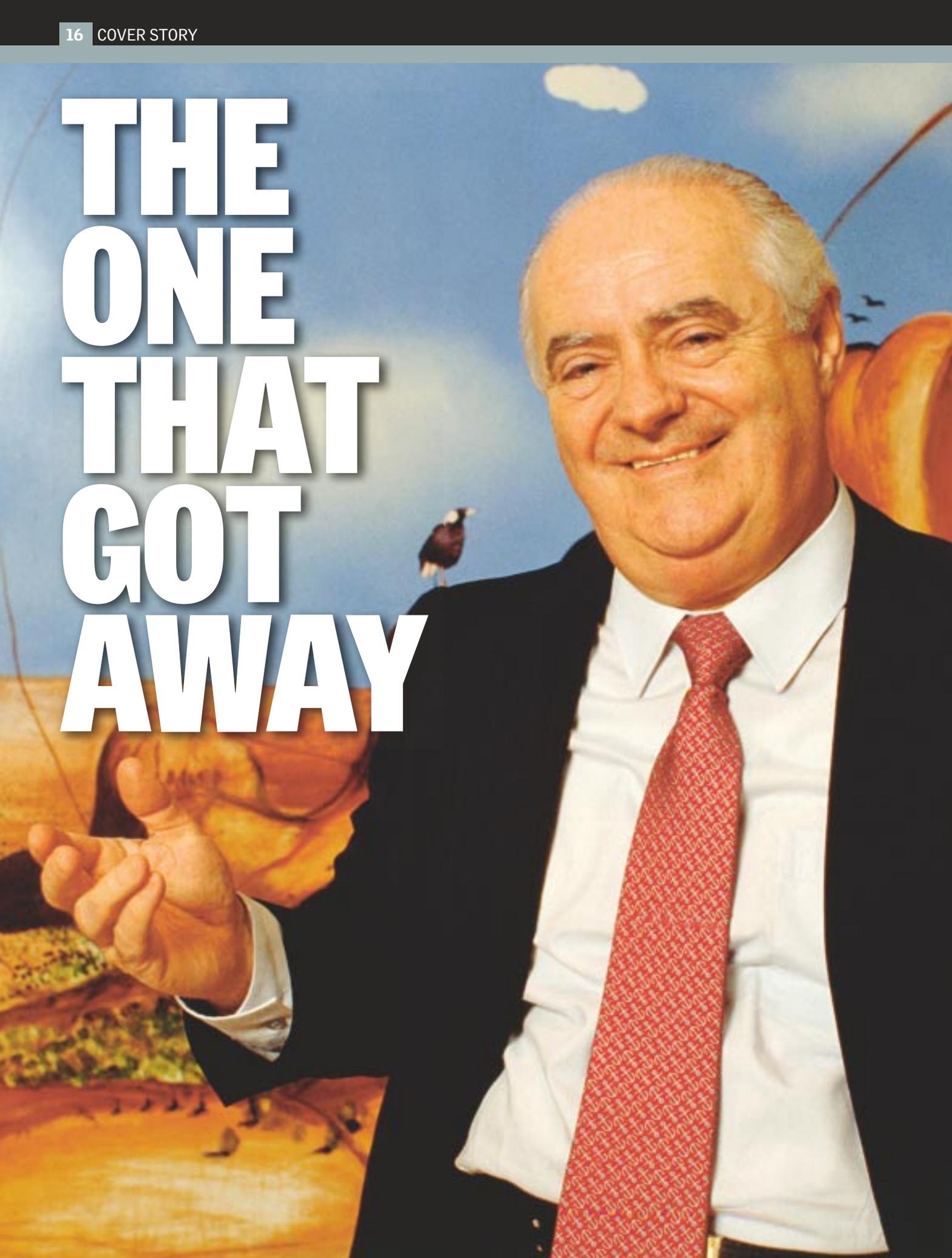


THE ONE THAT GOT AWAY



EXCLUSIVE



BY ERIC
ELLIS
AND
PRESTON
SMITH

**When Melbourne rag-trade magnate
Abraham Goldberg disappeared,
\$1.5bn went missing with him.
How we tracked down Australia's
biggest corporate fugitive.**

WARS AW, LATE OCTOBER. SLEEK Mercedes and SUVs cruise cobbled streets that once carried sputtering Trabants and Tatras. Like Poland's Stalinist yesteryear, the limos are black and their windows tinted. These days they no longer conceal communist spooks or party apparatchiks, but tycoons and their bodyguards. Poland has changed much since the Cold War.

But capitalism hasn't changed the weather. Warsaw is as bleak as a le Carré thriller on this grey and bitter Sunday – the sort of day a Melburnian would be comfortable with. Which is what the man *The Bulletin* has tracked to an upscale city apartment called himself 14 years ago, before he became a fugitive from Australian justice, fleeing creditors left wondering about the \$1.5bn they had invested in his companies.

Shades of le Carré again; like his secret police, we've staked out the Dom Wilanowski building at 2a Cypryjska Street from 7am, waiting for this man to surface; for breakfast, to pick up the papers, or to enjoy the simple pleasure of a weekend constitutional. Or even, perhaps, to vote, for it is also election day in Poland. The man we are looking for – once, and quite possibly still, one of Australia's richest businessmen – renewed his citizenship here. The new president his fellow Poles will elect later today, Lech Kaczynski, will landslide to power promising to rid the newly democratic country of corporate crooks and corruption.

There are some Australians who say our quarry, Abraham Goldberg, is exactly that sort of man. His textile-based Linter Group was once one of Australia's biggest companies. At his peak, Abe Goldberg could boast that his products – iconic Aussie brand names like Speedo, Kolotex, Exacto, King Gee and Stubbies – cluttered almost every wardrobe in the country. And then it all ended, suddenly, spectacularly and criminally, amid charges that millions of dollars were transferred by Goldberg's executives to accounts and shelters around the world.

After which he simply disappeared. In a year, Goldberg went from being the world's biggest rag trader to one of Australia's most notorious fugitives. His business aide, Katy

BIG FISH At the height of his success Abe Goldberg was Australia's fourth-richest man

Boskovitz, went to jail in 1998, the only person to pay for the Linter misdeeds. The Australian Securities and Investment Commission, and the Department of Public Prosecutions have searched for him, and there may be as many as 17 charges outstanding. For the best part of 15 years, no one – not journalists, nor expensive government lawyers, nor liquidators or the private investigators they hired in Australia, Israel, the United States and Poland – has been able to pin him down. He's been rumoured to be living in Israel, Los Angeles and here in Poland, his birthland. Some reports have even pronounced him dead, unsurprising given that he's 76. Wherever he's been, it's not back to Australia, where justice is yet to be tried on Abraham Goldberg.

But *The Bulletin* is close. The unsuspecting Wilanowski doorman confirmed the previous day that a "Mr Goldberg" lives on the third floor, that he speaks English and that he has a daughter and son-in-law with the surname Furst. As far as he knows, the doorman says, the man is called Aleksander Goldberg, and he's 70-ish. And he has a limp.

Polish corporate documents show that the Aleksander Goldberg living on the 3rd floor at 2a Cypryjska Street is close in age to Abraham Goldberg: Aleksander was born on June 23, 1929, while Australian records show Abraham was born on January 4, 1931. The Polish documents show that Aleksander Goldberg's main business partners in Warsaw are Deborah and Zev Furst and a Sigmund Rolat. Deborah and Zev Furst are also the names of Abraham Goldberg's daughter and son-in-law, to whom he transferred assets years ago. And Sigmund Rolat was the name of the New York-based businessman who first hired – and later claimed to have sacked – Abraham Goldberg when he fled Australia.

Brothers perhaps? A cousin? Or is it the same man?

Then comes the clincher. *The Bulletin* discovers papers signed in July this year

MAYBE MR GOLDBERG'S SITUATION IS INTERESTING IN AUSTRALIA, BUT PEOPLE IN POLAND DON'T CARE //

ANDRZEJ LEWANDOWSKI GOLDBERG'S LAWYER



ABRAHAM GOLDBERG'S LIFE AND TIMES

1929	1940-45	1948	1951	1975	1975
Born Garwolin, Poland.	Goldberg family displaced to ghetto, sheltered by farmer in barn.	Migrates to Australia; operates knitting machine in uncle's textile company.	Starts business, Gold Knitting Mills.	First takeover, Hothlyn Corp, owner of Collins Street commercial property.	Buys knitting group Cleckheaton; joins entrepreneur Joe Brender to raid clothing co. Isherwood & Dreyfus.

Signed, sealed, delivered

A handwriting expert concludes Aleksander and Abe are the same Goldberg. We have our man.

Critical to confirming Abe Goldberg's discovery was the comparison of signatures on documents signed 18 years apart. Commercial transactions concluded in Warsaw as late as last July by an Aleksander Goldberg were photographed and compared with papers that Abe Goldberg had lodged with the Australian Stock Exchange in 1987.

To the untrained eye, the name doesn't even look like Goldberg. But the squiggles had almost identical curls and flourishes.

To prove the two were by the same person, photographs of the Polish documents and a photocopy of the Australian papers were sent to forensic expert Chris Anderson. Trained in the

Federal Police forensic labs, he specialises in document identification for court and investigative purposes. He determined that the chance of someone else having the same signature was almost impossible.

Anderson's report explained: "The similarities between them are not coincidental, and the gross similarities that are visible are significant on the assumption that the Abraham Goldberg signature is not the product of some form of simulation or tracing process. In other words, it would seem that there is a connection between these signatures that is not a per chance coincidence."

It was not infallible evidence, but in lieu of actually having seen him, it was enough to feel certain we had our man.

by Aleksander Goldberg. The signatures are nearly identical to the one Abraham Goldberg applied to paperwork all those years ago. Short of a person's DNA sample or fingerprint, handwriting experts say there is little better proof of identity than a signature. The man living on Cypryjska Street is Abraham Goldberg.

So, at 9am on this chilly Warsaw Sunday, we waste no more time on the stake-out. We bid the doorman a cheery *dzien dobry* greeting – we're old friends by now. He asks if we'd like to speak to Mr Goldberg, then dials and hands us the building's intercom handpiece. A man, old of voice, clearly fluent in English but with a thick eastern European accent, answers.

The Bulletin: Mr Goldberg?

Goldberg: Yes.

B: Good morning to you and sorry to bother you, but my name is Eric Ellis, a journalist from *The Bulletin* magazine in Australia, which I'm sure you know, and I would like to have a chat with you.

G: I am busy right now, I have to go to the hospital at 10am and I am just getting dressed. We can talk after that if you like.

B: What is the best way to get in contact with you?

G: You can reach me on my mobile.

B: What's the number?

G: (*gives number without hesitation*) ... but it might be turned off while I am at the hospital.

B: Do you have a home number?

G: Yes (*gives number*).

B: What about your daughter Deborah and your son-in-law Zev? Are they here? Maybe I could talk to them?

G: Deborah was here but she has gone back, but Zev is around.

B: You sure you can't spare a few moments right now?

G: No.

B: That's a shame, as there is a lot to talk about – your activities here over the last 10 or so years and what happened with your businesses in Australia.

G: (*laughs*) I have forgotten a lot about what happened in Melbourne.

Later, we call the telephone numbers Goldberg gave us. On the home number, we speak to his wife, Janette. She says she is ill with "problems with my spine". Friendly enough but sounding frail, she picks up an Australian accent on the line and asks after its provenance; Melbourne. "I, too, am from Melbourne," she says, and then suggests we call her husband on his mobile. He answers

Authorized by
A. GOLDBERG

1987

CHAIRMAN

2005

Aleksander Goldberg

PERFECT MATCH Abraham Goldberg's signature on Australian paperwork, top, is almost identical to that of Aleksander Goldberg on Polish documents

and agrees to meet the following day at 4pm, in the headquarters of Oxford Polska, on the 23rd floor of the Oxford Tower building that Polish corporate records show he part-owns. It is one of the tallest in Warsaw. "But no photographers," he insists, and we reluctantly agree. It will be the first media interview Goldberg has done since leaving Australia.

After 14 years on the run, the last of Australia's great business buccaneers and fugitives has finally been found. There's a lot to discuss.

Perhaps the correct way to assess the fortunate life of Abraham Goldberg is to join its various dots.

Here is a man, a survivor of the holocaust of his Polish homeland, arriving in 1948 to the abundant promise of post-war Australia – a penniless 19-year-old determined to rebuild the family fortunes that Hitler's Nazis had murderously torn from them.

And he did. Phenomenally. Out of the war's ashes came one of Australia's genuine immigrant success stories. By 1989, with luck, guile and perhaps some of the same necessary cunning that kept him clear of the extermination camps, Abe Goldberg, with his famous brands, was regarded as the world's biggest rag-trader. That year,

his wealth was calculated to be \$600m, which made him Australia's fourth-richest man, up there with the Packers, Murdochs and Pratts. He lived in Toorak, in a sprawling faux English mansion on pukka Orrong Road, with a Rolls-Royce in its garage. He had more than earned his place in the heart of Australia's Waspish establishment. It had been a fortunate life indeed.

But for Goldberg, like many Australian tycoons of the mad, greedy '80s – Bond, Skase, Elliott, Connell – it wasn't enough. He overreached – at least that's the charitable way of putting it – by so much that by 1990, Linter had collapsed. Goldberg's bankers, his shareholders and his 50,000-odd employees were missing around \$1.5bn. Unsurprisingly, ASIC sought his arrest.

Let's put that another way. There was a \$1.5bn gap in the affairs of Abraham Goldberg, with charges flying of massive illicit

cash transfers around the world. Wherever it went, the money was gone, and probably only Goldberg himself knew where it was. Or maybe his family: his wife Janette and two daughters, Deborah and Faye, and Deborah's husband Zev Furst. Goldberg always insisted, when it suited him – usually when investigators and journalists asked difficult questions – that he had never owned Linter, that mysterious family trusts did.

And this is where Abe Goldberg was lucky again. He didn't win the America's Cup or preen around toney tropical resorts. Even though his travails – or were they crimes? – were bigger, more serious, than Alan Bond's or Christopher Skase's, he stayed under the radar of media and investigators; perhaps he was just cleverer than all of them. Then Goldberg got very fortunate. In 1989, about the time Linter was unravelling, Poles revolted. Lech Walesa's Solidarity trade union movement threw off 44 years of Stalinism. With creditors and investigators after him, Goldberg

WARSAW PACT Goldberg refused to have a photographer present; Eric Ellis caught him on his camera phone

quickly organised himself a passport in the new Poland. After 42 years in Australia, he could return home and start afresh, where few knew him and fewer would care. Naturally, because Poland had been in the Soviet orbit and Australia was a Cold War ally of Washington's, Canberra and Warsaw had no extradition treaty (an anomaly since corrected). By late 1990 he had disappeared, the one tyro of the 1980s who seemed to get away with it. He'd always said his business style was to create chaos for others to fix. When he fled Australia, Abe Goldberg left one hell of a mess.

In 1992, the co-author of this article, Eric Ellis, went to Poland looking for Abe Goldberg. He had become one of a succession – like Bond in Britain and Switzerland and Skase in Spain – who sought sanctuary from their pursuers in Europe. The word was that Goldberg had returned to his home town of Lodz. Ellis only got as far then as his lawyer, the former Polish judge Andrzej Lewandowski, who told him Goldberg was a poor man but one who "had a lot to offer in teaching the western ways of business in Poland. He's a man with many contacts and in great demand".

"It is normal in business to go up and down," Lewandowski said. "There are many people like Mr Goldberg in Poland. Maybe Mr Goldberg's situation is interesting in Australia, but people in Poland do not care. We have more important things to consider at this moment in our history.

"He will never return to Australia."

Fast-forward to October 2005 to again connect the dots that join Abe Goldberg's fortunate life. After a month's investigation in Warsaw, *The Bulletin* learns that:

- Goldberg is one of Poland's leading property magnates, and controls at least



1980

Grabs control of textile group Entrad (Kortex, Pelaco, Whitmont) in partnership with Melbourne businessmen Marc Besen and Arnold Bloch.

1984

Entrad takes over Bradmill Industries (King Gee, Stubbies, Blues Union, Exacto, Actil). Buys Courtaulds Hilton, diversifies into carpets, US oil exploration.

1985

Expands into US and UK with stake in UK thread-maker Tootal; takes half of Sussan fashion chain.

1986

Emerges with **30%** of Linter Group after helping fund Speedo purchase; sells Bradmill to Linter.

SOME OF GOLDBERG'S HOLDINGS IN WARSAW

22 companies. These companies own as many as a dozen buildings in Warsaw, including several of its tallest skyscrapers, in a portfolio worth as much as \$1bn.

- Despite the outstanding ASIC charges against him, Goldberg remains an Australian citizen, and claims to have been recently issued with a new passport by the Australian Embassy.
- Goldberg operates under as many as 10 aliases, but controls most of his holdings via the name Aleksander Goldberg.
- He may have committed an offence under Polish law by having separate identity cards and passports with different names and dates of birth.
- He sits at the top of an extensive network of influential corporate interests from across Europe, North America and Israel.
- Goldberg has been involved in at least one property transaction with the Polish-Australian scientist-businessman Richard Opara, who controls the Australian-listed company Avantogen, the former Australian Cancer Technology.
- He is in business with Polish government agencies, and influential figures from the former ruling communist party.



There would seem more than enough assets in Abe Goldberg's life today to satisfy many of the 15-year-old claims of his creditors. He himself admits: "Now, I'm not a poor man."

Indeed, with these revelations – which have attracted the attention of Polish officials – it's quite possible that the good fortune in Goldberg's life might be just about to run out. Details of his activities, provided by *The Bulletin*, are due to be published this week in Poland's leading newspaper, *Rzeczpospolita*, by Poland's premier investigative journalist Bertold Kittel, who has worked with the co-author of this article, Preston Smith, in exposing many scandals in Warsaw. The new Kaczynski government that Poles elected last month promises to inculcate world's best practices of corporate governance into corporate Poland. Says Kittel: "They [the new government] just might be looking for a target to show they are serious."

Apart from the confusion over Goldberg's contradictory official papers – which was the pretext Warsaw used to hand Alan Bond's Gdansk-based former bagman Tony Oates to Australian authorities for trial – there is little to suggest he has done anything wrong by doing business in Poland, despite it being one of Europe's less particular venues as regards corporate governance. But as Oates knows, there is now an extradition treaty.

That's assuming the Australian authorities in pursuit – if that's the appropriate term to describe their actions, or lack thereof, over the years – actually do their job. Luckily for Goldberg, the corporate sleuths haven't exactly been Slipper-of-the-Yard-like in their determination to nab him – or, for that matter, even to find him. About the best they seem to have done is track him to rooms at Warsaw's Holiday Inn and Marriott hotels, where they quizzed his own expensive lawyers. The Marriott is barely 100m from Goldberg's head office.

1	Centrum Jagiellonska Jagiellonska, near Vistula River Huge industrial park and logistics centre, across 20ha
2	Blue Tower (Peugeot Building) Plac Bankowy (Banker's Square) 12-year-old 45-storey tower in Warsaw's financial district
3	61 Jana Pawla II One of Warsaw's most prestigious boulevards Large residential and commercial complex
4	Oxford Tower Chalubinskiego Constructed in 1970, Poland's first modern office skyscraper
5	Norway House 19 Lwowska Street Modern eight-storey office block in central Warsaw
6	Goldberg Apartment Dom Wilanowski, 2a Cypryjska St An upmarket inner-city apartment block

1987 Fortune estimated at \$170m when stockmarket crashes; in reality suffering cash crunch.	1988 Borrows hundreds of millions to buy cheap companies. Bids \$300m to privatise Linter, unsuccessful move on dry-cleaner Spotless Group .	1989 Tries to sell Linter to Tootal to snatch half UK textiles group and escape crunch from Australian tariff liberalisation; \$388m take over of building materials co. Brick and Pipe; plans \$1.9bn MBO of Ron Brierley's Industrial Equity in plan to control Woolworths; tries to sell Brick and Pipe.	1990 Industrial Equity bid fails; empire collapses under \$1.3bn debt ; resigns from public companies; Speedo sold to UK's Pentland, King Gee to US group. Becomes Australia's biggest bankrupt.
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So how is that *The Bulletin* can find a fugitive who has been on the run from Australian justice for 14 years in just two weeks on a magazine's meagre editorial budget, when the full financial and legal force of the Australian legal and regulatory system cannot?

To those stung by Linter's collapse, this is more than a good question, particularly in an age when the penalties for white-collar crime have been elevated almost to the level of murder and child molestation. Consider the convictions handed to the HIH felons in Australia, and those who ran Enron.

It can't have been the cost. *The Sydney Morning Herald* reported in 1994 that "the Goldberg bankruptcy and liquidation has been one of the best resourced this country has ever seen. The liquidator and trustee in bankruptcy have a golden stash to exploit in chasing down their prey – that is, the interest on \$400m in cash that is sitting on deposit with the National Australia Bank – the only major Australian bank lucky enough not to have lent to Goldberg."

The official 14-year hunt for Abe Goldberg

I DON'T KNOW WHERE GOLDBERG IS; HE IS A WILL-O'-THE-WISP. HE COULD EVEN BE DEAD //

LOUIS GARB LAWYER HIRED TO FIND GOLDBERG

is a saga that covers few in glory, except perhaps Goldberg himself for having the nous to keep out of view for so long. Then again, perhaps he had good luck to have such bureaucratic bumbler and buck-passers doing the chasing.

Take the Victorian Official Receivers office. When *The Bulletin* contacted the Israeli lawyer Louis Garb, whom the Victorian government engaged to find Goldberg in Warsaw in the mid-'90s, he said: "I don't know where he is; he is a will-o'-the-wisp. He could even be dead." So did Garb return his fee? No – in fact, he asked *The Bulletin* for a fee for information which we already had. Garb put *The Bulletin* onto Kristov Malcevski, a Warsaw investigator also angling for a fee, who sought Goldberg in 1995, spending Victorian taxpayers' money

in trying – and failing – to do so. "I don't think he exists," Malcevski said. "He is like a ghost; you will never catch him."

For his part, the Victorian receiver Ashley Page said: "Goldberg received a discharge from bankruptcy approximately 10 years ago and we have had no dealings with him since then." (That was possibly one of Goldberg's better deals: he was discharged from bankruptcy in November 1995 after his family agreed to pay \$5.1m in settlement of a reported \$793m debt. That's about a couple of months' rent on one of his better Warsaw buildings.)

Lindsay Maxsted, from accountancy firm KPMG, was appointed the Linter liquidator in 1990. He's now the head of KPMG in Australia, enjoying a glittering career built in part on his handling of the remains of the Goldberg corporate carcass. At first, Maxsted didn't respond to *The Bulletin's* requests. "I've forwarded your email to Lindsay," lamented KPMG's media consultant Kerry Little. "Not much more I can do, I'm afraid." Then, after *The Bulletin* had tracked down Goldberg, Maxsted found time to talk. (The timing, he says, was coincidence.) He said he knows nothing of Goldberg's activities in Warsaw but admitted it was "possible" that cash may have been filched from the accounts. "These things do happen sometimes," he said.

He also stated it wasn't his job to pursue such investigations, but rather to sort and sell various pieces of the empire, a task that he says he had largely completed after about 18 months. Maxsted said he hasn't spoken to Goldberg since the early 1990s "because there was no need to" – he no longer had control over Linter and associates. If anyone had responsibility for pursuing Goldberg on criminal matters, it would be ASIC and the Director of Public Prosecutions.

ASIC refuses to answer any questions about the status of the Goldberg investigation; this, about a matter that in 1996 was described "as the largest court case in Australian commercial history". Spokesperson Angela Friend said "we are aware Mr Goldberg has been out of the country for some time, and that Mr Goldberg has been the subject of an investigation".

The DPP says its arrest warrants are still outstanding. "Goldberg cannot be extradited from Poland because he has Polish citizenship, and Poland will not extradite its own nationals." When told he was still an Australian, they had no comment.

The Department of Foreign Affairs and Trade seems to have been blindsided, too.

When asked what they knew of Goldberg in Poland, a diplomat with connections to the Australian Embassy in Warsaw said: "I've never heard of the bloke. We've had no instructions on him. Can you send me over some stuff on him?" DFAT's media spokesperson, Chris Kenny, did not return *The Bulletin's* phone calls or emails on the matter. And yet, Goldberg claims he got his Australian passport renewed at the embassy on Nowogrodzka Street.

Richard Opara, who bought the late Rene Rivkin's Sydney harbourside mansion, admits that although he met him on a number of earlier occasions in Poland, he hasn't seen him since the late '90s: "I am definitely not Goldberg's representative in any way or form and I don't have any business connections or associations with him."

Curiously, about the only person willing to talk freely about Abraham Goldberg is Goldberg himself.

In a 35-minute discussion, Goldberg is by turns unrepentant, combative, contradictory and funny. He's lost a bit of weight since leaving Australia, and is less avuncular than the man who founded one of this country's great business empires. At first he says he won't come back to face the charges against him, but then he says he will.

"I really have no plans for going back," he says. "Of course, I maybe would like to go back some time because of this and that, but I have no desire at present: I am happy here, I have made my life, and that's it. We have bought and sold lots of different companies. I am not a writer, I have to make a living. The Australian government is not paying me old [age] pension, so of course I am doing this.

"When I'm ready I will come," the 76-year-old says. Then: "People live to 100." He laughs. "There's plenty of time. I'll come when it suits me." After 15 years away, Goldberg seems to have selective amnesia about the events that led to the collapse of Linter. While he says he has forgotten everything, when pressed he remembers enough to launch into a sharp condemnation of two of his fellow Linter directors, Katy Boskovitz and another senior executive, for the ills that befell him.

"There were two people who were responsible who did all this without my knowledge. These were Katy Boskovitz and [the senior executive], and that's all," he says. "If I have to go to [Australia to] clear myself, I will clear myself and I have no doubt that I will

1991

Moves to Poland, reportedly at Marriott Hotel. **Australia issues 10 fraud and dishonesty arrest warrants**; Linter liquidator plans civil action; ordered repayment of **\$273m** debts.

1992

Reportedly consulting Polish investors. **DPP extradition bid.**

1994

Bankruptcy trustee alleges millions concealed offshore. Seven more arrest warrants issued; Linter director **Katy Boskovitz pleads guilty** on 11 dishonesty charges.

1995

Bankruptcy discharged after **\$5.1m** paid on **\$793m** debts.

1996

US debtors settle for **\$425m.**

be cleared, because whatever the charges that were done were not done with my blessing, not by me but by two people who showed that because they were highly educated – and I am not – and they [thought] they knew better.”

The Bulletin: So why didn't you go and have your day in court?

Goldberg: Because I was advised by the Australian lawyers not to come back.

B: You were advised by your Australian lawyers not to come back?

G: Yes.

B: What were the names of the lawyers?

G: I don't remember.

B: But sir, the Australian legal system – are you saying the Australian legal system is not going to give you a fair trial? If you've done nothing wrong, as you insist, then ... (interrupted)

G: When I'm ready, I will come. When I'm ready, I will come.

B: If the Australian authorities, the legal system, contacted you right now and said, “Mr Goldberg, we would like you to come to court in a month” – if they gave you a date, would you go? If they paid for your ticket?

G: I don't need them to pay. I have money. I don't need them to pay.

B: The question was, would you go? If they set a day? To answer the matters outstanding?

G: They can come here and ask whatever questions they want.

Incredibly, for a corporate investigation once described as not only the largest in Australian history but the best-resourced, Goldberg told *The Bulletin* that no investigator from Australia has contacted him for a very long time.

B: Did you ever talk to Mr Maxsted? Lindsay Maxsted, of KPMG? Because he was looking into the affairs of your company, Linter.

G: Look, I called them in. I called them in.

B: When was the last contact you had with him?

G: I've never had any contact since I left.

B: What do you miss about Australia? You lived there for 40- or 50-odd years.

G: Vlado's Restaurant.

Abraham Goldberg operates out of an office of the company he and Rolat own, Oxford Polska, in central Warsaw. This is the company that in 1992, Rolat, a prominent New York businessman, said employed Goldberg when he first came to Poland on a salary of about \$10,000 a month. Rolat told *The Sydney Morning Herald* he had sacked him

WHEN I'M READY, I WILL COME ... I DON'T NEED THEM TO PAY. I HAVE MONEY //

GOLDBERG ON RETURNING TO AUSTRALIA

later that year, when he learnt of his business past. “I told him that in view of the adverse publicity, we would not be able to employ him or have any business connection with him. We did not want to have him working with us. He said that he understood that.”

Clearly, time heals all wounds. Not only did Rolat employ Goldberg, he now has him as a partner. (Rolat was not accepting calls when *The Bulletin* called him for this article.) Polish corporate records show that Oxford Polska is part-owned by Goldberg, Rolat, and Goldberg's son-in-law and daughter, Zev and Deborah Furst. Rolat's name litters the various official documents connected to Goldberg. And he is clearly a well-connected man in powerful circles, as Goldberg himself proudly points out.

During the interview, he takes *The Bulletin* on a tour of Rolat's office, adjacent to his. “Now, come, I will show you the things of my partner, Mr Rolat,” he beams. “I can't tell you what to think, that is up to you.” The wall of Rolat's office is adorned with photographs of Rolat shaking hands and smiling with various VIPs; former Polish presidents Lech Walesa and Aleksander Kwasniewski, former Israeli PM and Nobel Peace prize-winner Shimon Peres, former US Secretary of State Henry Kissinger, former German foreign minister Joschka Fischer, various former Polish Communist Party hacks. It's all very impressive, except to note that none of them is any longer in formal power.

In the interview, Goldberg insists he has a clear conscience about how he managed to start a new life in his birthland. Indeed, he describes a remarkably trusting business environment for newcomers like him.

B: When you left Australia, did you have any money?

G: No. According to the newspapers, yes, I had \$1.5bn so they shouldn't wonder what I have now.

B: There are people in Australia who would join the dots, [and decide] that the money you used to develop buildings here in Warsaw, that the money you use came from the companies and trusts that you controlled [in Australia].

G: Not one cent.

B: Are you absolutely sure of that?

G: I am absolutely sure, I know better than you.

B: Well, if you didn't have any money when you left Australia, how were you able to get credit from major banks to buy buildings?

G: Because I had people, partners who put in money. I have dozens of people, and they would come and beg me to do it.

B: You are saying that in spite of the fact that you left Australia with these kinds of headlines that you took or absconded with more than \$1bn ... but you don't have any money, and you still had people that vouched for you, and banks took your word to buy all this property in Warsaw?

G: Yes, that's what happened.

The aide

As Abraham Goldberg's aide, Katy Boskovitz did his bidding and wound up in jail. She'd now like to see her former boss face the same music.

On the face of things, Katy Boskovitz has the dream suburban existence. She lives with her lawyer husband in upmarket Vaucluse in Sydney's eastern suburbs, has numerous friends and is a woman of leisure. But she is only a few years removed from a vastly different reality. In 1998, Boskovitz received five years, the longest jail term in NSW history for any woman convicted of corporate crime, for making “false and misleading statements” for the benefit of Abe Goldberg's Linter Group. Boskovitz had been Goldberg's aide and a Linter director.

She is the only person associated with the Linter collapse who has served a prison term. But in her first interview since coming out of jail, she tells *The Bulletin*: “I could be angry, bitter, all sorts of things – but what good would it do me? You can't cry over spilt milk.”

What she *does* want is for Goldberg to accept his day in court and the outstanding charges against him. So far, Goldberg hasn't had to face the issues “because he isn't here”.

Boskovitz says claims by Goldberg that she did things at Linter that he didn't know about are “wild allegations”. “Do you seriously accept what he said?” Boskovitz asks. “To be perfectly honest, Goldberg was very hands on. Every single document had his signature on it.”

Asked if she regards Goldberg as devious, Boskovitz pauses for reflection, before responding: “He was able to adapt to his surroundings in a very clever

who paid



FACING THE MUSIC Outside court in 1994 with husband Gabor Boskovitz

way. He was able to convince people to his way of thinking. Whether you call that devious, or whether you call that clever, or cunning, or perceptive, I don't know." Pressed, she notes: "He crossed the line at lots of points." Asked if he was a type of "charismatic manipulator", she agrees: "Yes, a charismatic manipulator. That's a good description." He was also "one of the smartest people I've ever met. He can see down the track before anyone else can".

She describes her role as carrying out Goldberg's instructions. "I did what I was told, and that was it. There were definitely things I didn't enjoy doing. There wasn't much one could do about it." She makes it clear that she did not benefit in any way from the collapse. "The judge wanted everyone to know I got not one cent out of this. The Director of Public Prosecutions went through everything, and they found nothing."

Judge Shillington, of the NSW District Court, found that Boskovitz obtained no personal benefit, but he imposed the maximum sentence as a deterrent to others. Her financial rewards had been confined to her salary, she says. "It was a very modest salary. It was certainly not executive level."

Her five-year jail term seems harsh compared with the four-and-a-half years dealt out to Ray Williams and Rodney Adler for their roles in the HIH collapse, but she eschews pity. "That's the way the cookie crumbles. It was the climate of the time." Someone like Williams, she says, "happened to be a huge benefactor and friend of every charity in the country".

Boskovitz feels she is better off than Goldberg for having faced the music. "It would be nice to see him own up to what he has done. He still has charges out against him. It hangs over him. I've been there, done that.

[Now] I can do anything I want." She is now on "very good" terms with the office of the Director of Public Prosecutions.

To keep up his public front, Boskovitz believes, Goldberg "will say nothing that will possibly hurt him. He just doesn't acknowledge it". Is Goldberg in denial about what happened? Boskovitz thinks not. "No, he doesn't live in a world of make-believe. He knows the facts backwards and forwards. It's not his nature to lie to himself. This is a very conscious, logical way to respond to you."

Boskovitz recalls Goldberg "always did things on the back of an envelope". He also had a business strain of "attention deficit disorder". Of his record of countless takeovers in his Australian years, she says: "He loved activity, and he needed activity."

She believes Goldberg's obsession with the deal was his undoing. "Maybe the empire-building was too quick, and the climate was not conducive to it," she says. "He had a big empire, and wanted bigger." With interest rates nearing 20% in the late 1980s, the profits the companies were making stopped covering his debt payments. "He couldn't pay his own interest bills."

This made him public enemy No 1 with banks. Yet, in earlier years, they courted him. Boskovitz recalls Citibank,

which became one of his largest creditors, giving him what she describes as a "very lavish" 60th birthday party. "I was invited, but I thought it was such a wank, I didn't go." She believes Goldberg's greatest error was to avoid talking to the banks. "When things turned sour, he needed a moratorium on interest for two or three years. The banks would have happily given him a moratorium [based on his textile assets]. But he ran."

And it was Boskovitz who was left holding the baby. Still, in the three years she eventually served in jail, she was well treated. "I worked for the governor. I did ordering for the jail. I was able to use their computers. I was very fortunate. I wasn't treated like a criminal." The keys to coping, she says, were "not giving myself any special privileges" and adapting to her changed circumstances.

These days, Boskovitz jokes she is doing "as little as possible". She seems remarkably unaffected by it all, and puts it down to her lack of guilt. "My mistake was signing documents. I did nothing wrong, so there's no need for me to feel rehabilitated."

A day later, I call her with a query; Boskovitz surprises me with a question of her own. "If he [Goldberg] had done nothing wrong, why did he bankrupt himself and go overseas? That's what it's all about." ●

■ GOLDBERG DOESN'T LIVE IN A WORLD OF MAKE-BELIEVE ... HE KNOWS THE FACTS BACKWARDS AND FORWARDS ■

KATY BOSKOVITZ

THE FEW TIMES GOLDBERG HAS CONFRONTED HIS ACCUSERS, HE SEEMS TO HAVE BEEN BURDENED BY ACUTE AMNESIA //

Goldberg's portfolio of prime Polish real estate is both impressive and extensive. His properties are fully rented, with prestigious tenants such as Citibank, one of the world's largest banks and, ironically, one of Linter's prime creditors in Australia.

Poland last year became a full member of the EU, entrenching the former communist stronghold in the heart of modern Europe and capping off a decade of remarkable economic growth. Coffee culture abounds, not the dank bars that spycatchers might recognise but gleaming trendy affairs chirruping with mobile phones where Boss-clad businesspeople cut deals and swap text messages.

While large parts of the Polish countryside remain poor and backward, Warsaw is as thrusting a Euro-capital as any, positioning itself as an entre to reforming economies to the east, and a promising new market for western Europe. Poland clearly has been good to the canny Goldberg, who has deftly ridden all sides of the Euro-boom.

Apart from Oxford Tower, a building constructed in 1970 as Poland's first skyscraper of the communist era, for the state-owned telecom company Elektrim, he, his family and associates control or recently controlled:

- The Blue Tower (also known as the Peugeot Building), a 12-year-old 45-storey tower in the heart of Warsaw's financial district, Plac Bankowy, or Banker's Square.
- Norway House, a modern eight-storey office block in central Warsaw.
- A residential and commercial complex at 61 Jana Pawla II Street, one of Warsaw's most prestigious boulevards, named after the late Polish primate and pope, John Paul II.
- A huge industrial park and logistics centre, Centrum Jagiellonska, situated across Warsaw's Vistula River. Spread over about 20ha, it was formerly the main factory site of communist Poland's state carmaker.
- Park Blonie, a big commercial complex in Warsaw's outer suburbs.
- Euro Finance Real Estate, a property developer.
- Metropol Holdings, a property developer.
- Agencja Investycyjna, a property investment company.
- JP Properties, a property holding company.
- RNS Investment Sp. Zoo. This appears to be at the top of the pyramid of the Gold-

A catalogue of crooks

Abe Goldberg made and lost a fortune that outstripped even the Bond and Skase debacles.

When it comes to high-fliers from the '80s, the names Bond and Skase trip off the tongue. But what about Abe Goldberg?

In the months before the empires of this notorious trio collapsed in 1990, Goldberg was estimated by *BRW* to have a net worth of \$250m. Believe it or not, that amount was ahead of the guesstimate for the two others combined.

Bond was said to have \$100m tucked away, despite talk that his brewing, property, mining and media group was in deep trouble.

Skase was thought to be worth \$65m, yet he was said to be in better shape than most entrepreneurs because of his supposedly solid investments in the Mirage resorts in Queensland and the Seven television network. Indeed, Skase was being tipped to move to Los Angeles, where he was negotiating to buy the MGM-United Artists movie studios.

Goldberg only burst onto the national business scene in the mid-1980s. No flashy operator, he was connected to a coterie of Melbourne dealmakers including Joe Brender, Marc Besen, Arnold Bloch, John Gandel and Richard Pratt.

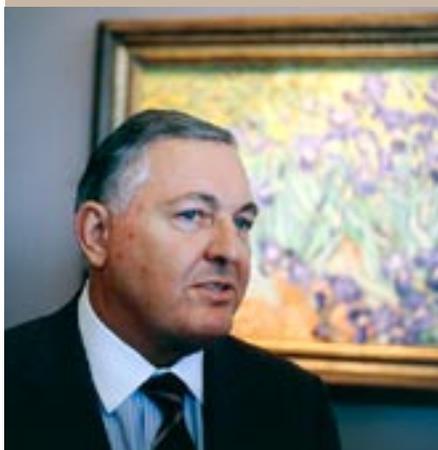
Just before the 1987 stockmarket crash, Goldberg stepped up a gear with his involvement in the fast-moving Sydney business circle of the AFP Group headed by John Gerahty and Peter Scanlon.

He embarked on a takeover frenzy after the crash, borrowing huge sums rapidly to expand and diversify. Goldberg seemed to have a deep well of money, but behind the smoke and mirrors, he was going broke.

He fell hard. His bankruptcy was for \$793m, again far more than Bond and Skase put together. The Perth sailor went down owing \$US194m to American creditors, while Skase defaulted on \$160m. Each is believed to have salted away millions in offshore tax havens and trusts. Various schemes were concocted to build new fortunes, but only Goldberg did it in such a spectacular fashion.

A Bond lieutenant, Tony Oates, also ran to Europe, but was extradited and tried in a Perth court earlier this year. He had been running a brewery in Gdansk, but was brought to justice after being tracked down by Eric Ellis. He was convicted of improperly using his position in the transfer of \$500m between two Bond companies, but was released soon after because of time served leading up to the trial.

MANAGE A TROIS High-profile defaulters Christopher Skase, below; Alan Bond, bottom left; and Tony Oates, bottom



berg group. Its officers are the core of his network: Rolat and his partner, prominent New York lawyer Aaron Seligson, and Zev and Deborah Furst.

- Doradztwo Handlowe, a management company controlled by Goldberg and the Furst couple.

Goldberg's associates are extensive, unsurprising for a man known in corporate Australia as The Square Dancer for his propensity to enter the corporate fray with one partner and exit with another. His companies have teamed up with one of Israel's biggest corporates, the Fishman Group, as well as big Dutch retail groups, often via companies based in the tax havens of the Netherlands Antilles, the British Virgin Islands and Jersey. Another close associate is the prominent Israeli businessman Zvi Ichaki, who controls the Tel Aviv-listed Profit Building Industries, and has stakes in the Goldberg-Rolat-Furst empire.

Goldberg is represented by Poland's most influential law firm, and seems to have formed alliances with Jerzy Zalega, a prominent official of the SLD – the reconstructed Communist Party whose previous incarnation took hold of many of Poland's state-owned companies in the frantic rush to capitalism that followed the fall of the Berlin Wall in 1989. Even the former England Test cricketer Phil Edmonds has done business with Goldberg and his network of associates, investing in the former Eastern Europe, mostly in property.

Nowhere in the Polish documents is the name Abraham Goldberg evident. Abe Goldberg uses several names in Poland, notably Aleksander Kadyks and, spread through official records, Aleksander Goldberg. It seems typical of the confusion that swirls around the man.

B: For the record, when were you born? Your date of birth?

G: Well, I have three dates of birth (*laughs*).

B: You were born three times, were you?

G: (*laughs*) No. After the war, when we left Poland, with my parents we came to Germany,

and my mother had a cousin in Australia and we asked her to send a permit – for me, for my brother, and she worked out that I was born in January 1931 and she sent us the permit like this. In Germany, we had no documents whatsoever ... so we went into the office there, and changed it. And so when we came to Australia, that is what it was. But when I came back here and checked my birthday, I found that I was born on the 23rd of June, 1929.

B: So what's the correct one?

G: 1929.

B: The one in the Polish records?

G: Of course, yes.

B: So the Australian passport is incorrect?

G: I still have Australian passport, but (*inaudible*) date of naturalisation ... (*inaudible*)

B: But your citizenship hasn't expired or been revoked? You are still an Australian citizen?

G: I have a new passport.

B: You got it here? At the embassy?

G: Yes, yes.

B: You were known in Australia as Abraham Goldberg?

G: Yes.

B: And you were born, presumably, Abraham Goldberg?

G: Mmm.

B: But you have called yourself here Aleksander Kadyks first, and then Aleksander Goldberg now ...

G: Yes.

B: Perhaps you could explain that unusual thing for me?

G: I have 10 other names. Some call me Abe Goldberg – some call me Abraham Goldberg – some call me Adam Goldberg, whatever it is. But when I got the Polish passport, I changed my Polish passport to Aleksander Goldberg.

B: But why Aleksander Kadyks?

G: Aleksander Kadyks is when I came here. I changed from Goldberg to Aleksander Kadyks.

B: Why?

G: Because I wanted to have a passport under a different name.

B: Why?

G: Because I wanted. I don't know why.

B: Because you were evading the ... (*interrupted*)

G: No, the Polish lawyer advised me not to have the passport as Abraham Goldberg. He said: "What is your wife's name, or maiden name." I told him this [and] this, he said Kadyks. Maybe he felt they don't like Jews. And maybe that was his advice ...

B: That [lawyer] was Mr Lewandowski?

G: Yes, yes, Mr Lewandowski. He said: "If you are going to get the papers" – he got me the passport – and he said, "I suggest you change the name." Later, I changed it back because nobody called me Kadyks. Everybody, they called me Goldberg.

B: Did he realise he was giving that advice to someone who was a fugitive from the law in Australia?

G: (*after long silence*) Hmm, probably. But I wasn't a fugitive at that date. This was before even. I got the passport, I don't know, in '91, I see, and I didn't get a sentence [charge] until '93 ['91] I think. I don't remember.

Amnesia. It so often seems to afflict our business heroes who fall on difficult times. And over the years, the very few times Abraham Goldberg has surfaced to confront his accusers, he seems to have been burdened by an acute case of it. So what does the future hold for The People versus Abraham Goldberg after these revelations? Will they make any difference at all to the inertia of those who seem to have put him into their too-hard tray? Will they make any difference to Abe Goldberg? The chefs at Vlado's might be advised to keep Abe's favourite T-bones away from the flame for a while yet.

B: Do you think you got away with it?

G: What did I get away with? I lost more than everybody else. What do you mean I got away with it?

B: Well, that's what many people think.

G: I don't care what people think ...

B: There was Bond and John Elliott and ...

G: Yes.

B: And you were part of that group ...

G: Yes.

B: And they all progressively had their day in court, some lost, some did not ...

G: Maybe they were guilty. I don't feel guilty.

B: ... you are 76-odd years old, 75 or thereabouts ... wouldn't you like to go to your grave knowing that in your heart of hearts you have done nothing wrong by anybody, in Poland or in Australia? There are a lot of people in Australia ... who are extremely angry with you.

G: Maybe they were angry before, too ... people are what they are ... I don't care or give a damn for them. ●

An edited transcript of the Goldberg interview is at www.ninemsn.com.au/bulletin

FROM GO TO WOE GOLDBERG'S HOLDINGS BEFORE THE 1990 COLLAPSE

