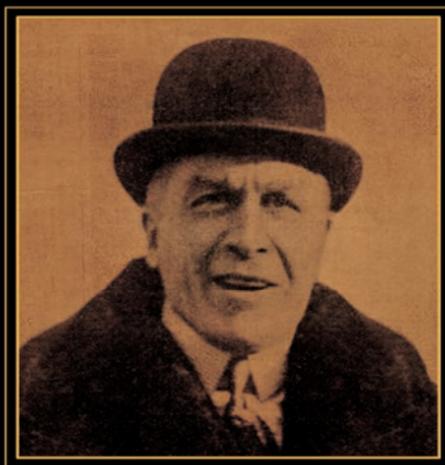


THE
MAN WHO FELL
FROM THE SKY

THE BIZARRE LIFE AND DEATH OF
'20S TYCOON ALFRED LOEWENSTEIN



WILLIAM NORRIS

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ALSO BY WILLIAM NORRIS

Nonfiction:

Snowbird

A Talent to Deceive

Willful Misconduct

Fiction:

The Badger Game

A Grave Too Many

Make Mad the Guilty

IT WAS hot enough to make the angels sweat. Their marble faces glistened in the harsh sunlight, sorrowing blindly, as the small cortège made its slow way along the curving path between them to the northeast corner of the vast cemetery of Evere. There were no crowds. The group of curious villagers who had gathered at the gate to see the wealthy and the great pass by was left in puzzled disappointment. Tongues wagged. Was this the way the rich buried their dead?

The flowers were some small recompense for their long wait in the baking heat: great mounds of wreaths and sprays that filled the motor hearse to overflowing, hiding from sight the expensive coffin. Their embossed cards of condolence read like a page from the *Financial Times*. Bankers and boards of directors from around the world had paid their floral tributes. But they had not come to say goodbye. Nor had the donor of the huge wreath of orchids, violets, and pansies, which occupied the place of honor on the coffin lid. And she had been his wife.

Captain Alfred Loewenstein, Companion of the Bath, multimillionaire, aviator and sportsman, friend of kings,

maker and loser of fortunes, was going to his grave almost alone. He was fifty-one years old.

At least he would rest undisturbed. In the cemetery outside Evere, which serves the city of Brussels, there are three classes of graves. For those of lesser means, plots may be purchased for fifteen or fifty years, at the end of which time the occupants are dug up and the plots resold. It is a practical arrangement. No such indignity awaited Alfred Loewenstein. His tomb, covered with a plain black slab of polished marble and occupying the space of three graves, had been purchased in perpetuity. The cost, and the occupancy, was shared with the Misonne family, into which he had married. Above all else, Alfred Loewenstein was a businessman.

The hearse had driven hard to take the empty coffin to Calais on the French coast, collect its occupant, and return. Now it crunched to a halt beside the open tomb. A motley collection of cars, from limousines to taxis, tagged on behind. The mourners emerged from them like beetles, murmuring to each other with as much solemnity as they could muster. There were just seventeen of them, all men, and they perspired freely in the black constriction of their formal grief. They looked with sympathy at the pallbearers, staggering under their load: The massive oak coffin was lined with lead, which was a thoughtful gesture. Alfred Loewenstein had died two weeks before, falling four thousand feet from his private aircraft, allegedly unseen by any of the six other people on board. His condition was less than fragrant.

To the general relief, it was quickly over. A few perfunctory prayers from the cemetery's resident priest, and the coffin was lowered into the vault. The mourners departed, the slab was replaced, and Madeleine Loewenstein's wreath was laid carefully on top. The remainder of the flowers were heaped

haphazardly upon the graves on either side to fade and rot in the sunshine of that spectacular July of 1928.

In the weeks that followed, no mason came to carve the name of the famous man on the marble slab. Nor would they ever come. Alfred Loewenstein had been tidily consigned to the obscurity of an unmarked grave.

If there was little mourning, there was certainly wailing and gnashing of teeth. The death of Loewenstein had brought financial disaster to stockbrokers and small investors across the length and breadth of Europe. Little old ladies and country gentry alike who had clung to his financial coattails in the hope of becoming rich were suddenly poor once more. Dealers in London and Brussels caught on the margins went to the wall as stock in his companies tumbled. In Berlin and Zurich, Paris and Montreal—almost everywhere where men dealt in money—the story was the same. For the best part of a decade, the man they called the Belgian Croesus had commanded the headlines and mesmerized them all with his flamboyance, his daring, and the sheer effrontery of his behavior.

They had danced to his tune, dazzled by his wizardry, hopeful that his Midas touch would transmute their savings into gold. And so it did—while he lived. But the tune was ended, and the melody lingered not. Alfred Loewenstein had wound up bobbing on the cold swell of the English Channel. In a manner as bizarre and strange as the way he lived his life, the third richest man in the world had died and left them holding scraps of paper. They were puzzled, angry, and afraid. And they were much, much poorer.

IN THE SPRING OF 1984, I knew nothing of this. Loewenstein had died five years before I was born, and though I had worked in the newspaper game for most of my life, I had never even heard his name. And this was odd. Headlines fade and stories are forgotten, but the truly sensational lingers on in some backwater of the journalistic mind. The unexplained death of one of the greatest financial czars of the century ought to qualify him for some sort of place in the reporters' hall of fame. But not Loewenstein. For me, and for the contemporary world in general, the extraordinary life and death of Alfred Loewenstein might never have happened. Until, that is, I happened to visit New York and took a ride in the elevator to the fifteenth floor of the Pan Am building on Park Avenue.

All things considered, it was an odd place for me to be. I had just finished a book that was far from complimentary to Pan Am (*Willful Misconduct*, CamCat Perspectives 2020) and that had had a few unkind things to say about American aviation lawyers. Yet here I was in the heart of the enemy camp, about to visit a friend who was, of all things, an aviation lawyer.

Stuart Speiser was and is, I hasten to add, a lawyer of a different stamp from those I had been writing about. He is also an unashamed millionaire, a writer and thinker of no mean distinction, and an inveterate collector of strange stories. His generosity in passing these on can sometimes be an embarrassment.

"You might be interested in this," he said as I was about to leave. A brown folder was thrust in my direction. "I came across this story years ago. Always wanted to write it, but never found the time. It might make a book for you. I know you like turning over stones and seeing what crawls out."

I made polite noises. Stuart's idea of a good story and my

own did not always coincide. And, truth to tell, I had recently discovered that writing books was a splendid way to live but a lousy way to make a living. I did not need another one. But to refuse would have been impolite, and impecunious writers are not rude to millionaires, even when they happen to be friends. So I thanked him kindly and stuffed the folder in my briefcase. And there it stayed.

My briefcase is a filing system of some sophistication. Papers are added at the top until it is full to the point of bursting—a process that may take weeks or months. Seen in cross-section, the resulting mass of material, when removed, forms a perfect archaeological record of my procrastination. By mere measurement, I can tell almost to the day when I forgot to do something.

The brown folder, when finally excavated, definitely fell into the New York, or “hassle with publishers,” period of my life. I frowned at it, vaguely remembering its origin. Should I read the contents? Well, why not? Whatever lay inside would be an improvement on my preoccupation of that moment, which was paying the telephone bill. I put aside my checkbook. I opened the folder.

There was once a lady named Pandora, who regretted similar curiosity. Investigative writers are supposed to scorn such superstitions. Yet here were demons of a sort. What I held in my hand were blackened photostats of cuttings from *The New York Times* more than half a century old. Some were hard to read, and some downright impossible. But there was enough to tell me that here was the story of a remarkable man who met an extraordinary death. More to the point, that death had never been explained. It was a mystery, the sort of convoluted locked-door puzzle beloved by fiction writers of the 1920s—except that it was more curious than any fiction.

The questions crowded in. How could a man so

prominent, so rich and famous, die violently without any trace of an official investigation? If he had committed suicide, what had driven him to such desperation? There was nothing in the cuttings to indicate the slightest reason. Could it have been murder? If so, who had means and motive? An accident, then? But how do you step "accidentally" out of an aircraft in mid-flight and do so, moreover, without any of your fellow passengers noticing?

The detached attitude of the police, who hardly figured in the stories at all, was curious to say the least. Nor did it seem that Loewenstein's associates had been anxious to do anything more than staunch the financial bleeding that followed his disappearance. There was certainly no indication that they wanted to find out how he had died. Quite the reverse: Reading between the lines, there was the distinct impression that an embarrassment had been removed from their staid, stiff-collared world of banking. The man had been a bounder. Good riddance to him.

The longer I looked at those faded cuttings, the more convinced I became that they failed to tell the whole story. I had never been an admirer of financiers, and there were clear indications that Loewenstein had not been one of the most attractive of the breed. Yet whatever else one said of him, this had been a man. And no man deserves to die quite so unloved and uncared for, even one as rich, as brash, as arrogant as Alfred Loewenstein.

Yet what good would it do to resurrect it all, even supposing that I could? The man was dead; nothing could change that. And if no one had cared at the time, why should anyone care now to find out how and why he died? Why should I waste my time and money on a wild goose chase after the solution to a mystery more than half a century old?

Fifty-six years is a very long time. Loewenstein's murderer,

if there had been such a person, would be long beyond the reach of human justice. And witnesses, if any survived, would be senile at best. Or so I thought at the time. As it turned out, I could not have been more wrong.

In short, I found a dozen reasons to forget the whole damned thing. The trouble was that none of them could override my curiosity. I wanted to know the truth, or at least come as near to it as I could. And for some unaccountable reason I found myself caring about Loewenstein himself. It seemed time that someone did. With a slight sinking feeling, knowing that I was hooked, I turned over the pile of cuttings and began again.

I cannot remember whether I paid the telephone bill.

THE LOGICAL PLACE TO start was Loewenstein's obituary. Obituaries seldom tell the truth, the whole truth, and nothing but the truth, but so help me God I couldn't think of anything else. There might at least, I thought, be some names, dates, and places that would help me carry the search further. It so happened that I was doing a freelance stint on the foreign desk of *The Times* when I began researching Loewenstein, so I headed for the library—which is known in that once-splendid establishment as the Information Department.

The obit was there: a full column of tiny type. But I found to my disappointment that it told me very little of Loewenstein's origins. Nor did the obituaries from other papers, which the librarians of 1928 had thoughtfully clipped. While they all agreed that he was born in Belgium of German stock, the son of a banker who lost his fortune before Loewenstein could inherit, all had different dates of birth. They ranged from 1874 (*Le Matin*, Brussels) to 1879 (*The Times*). Only the *Daily Express*, which split the difference at 1877, had—I later discovered—got it right.

Accounts of Loewenstein's early life were sketchy. It

appeared that he was almost forty when he came on to the world financial scene from nowhere, a full-fledged millionaire with a passion for ostentation and an apparently inexhaustible supply of ready cash. But millionaires from impoverished backgrounds do not just happen. Somewhere along the line, Loewenstein got rich.

The trouble was, nobody seemed to be sure how he had done it, and this caused me some concern. How could I unravel the story of his death without first knowing how he had lived? The final eight years had been no secret—quite the reverse—but Loewenstein seemed to have drawn a veil behind himself at the end of the First World War, before bursting on to the center of the financial stage. Was there some secret in his past, I wondered? Could it have had any relevance to the way he died?

Some obituarists claimed that he had worked on the Brussels Stock Exchange, placing large quantities of securities in foreign companies. Others romanticized that he had left a cadetship in the Belgian army on the death of his father, and had opened his own small bank with minuscule capital in order to pay off the parental debts. According to this account, business lagged until a mysterious South American businessman appeared and offered him a deal, as a result of which Loewenstein made millions.

It seemed an unlikely story. It was too facile: the sort of thing that Loewenstein, who loved to surround himself with a cloak of mystery in order to gain more publicity, might well feed to some gullible reporter. And yet, the truth, when I finally uncovered it in Canada some twelve months later, was not far removed from this tale.

Bernard Loewenstein had emigrated from Germany to Brussels some seven years before the birth of his son, had married the daughter of a Belgian banker, and had set up

business as a dealer in foreign exchange. It was not a great success. Young Alfred, however, was undeterred by his father's example, and soon after his twentieth birthday launched into the financial world himself. In partnership with a man named Edouard Stallaerts, he established a business for stock issues and loan promotions on the Boulevard Bischoffsheim in Brussels.

It was not a good time for that sort of thing. At the turn of the century, just when Loewenstein was getting established, the Brussels Bourse was hit by a series of financial crises. His father was pushed into bankruptcy, and though Alfred survived the slump, he was left with the task of clearing the family debt.

For the first time, but by no means the last, Alfred Loewenstein had his back to the wall. His reaction was typical. There was no consolidation, no cautious move; Loewenstein gathered together the remnants of his capital and plunged heavily into electrical and artificial-silk securities. And the gamble paid off. Even so, his recovery might have been modest, had it not been for a pair of trans-Atlantic fairy godfathers.

They were Frederick S. Pearson, an American, and the Canadian William (later Sir William) Mackenzie. Mackenzie was a builder of railroads, Pearson an electrical engineer. They had teamed up to construct tramways and hydroelectric power stations in Brazil, and they did so with great success. First in São Paulo and then in Rio de Janeiro, they succeeded in establishing a virtual monopoly over the transportation, power, and lighting industries.

Pearson and Mackenzie were no ordinary businessmen. They were entrepreneurs and gamblers on a huge scale, operating multinational companies before such things had been even thought of. But their base was in Canada, and

Canada could not provide them with the vast amounts of capital they needed. And so they turned to Europe where, waiting for them, was a young man with much the same adventurous ideas and a compatible lack of scruples. Alfred Loewenstein was just what their company, soon to become known as Brazilian Traction, needed. Or so they thought. Here was a man with a growing reputation for selling the equivalent, in financial terms, of ice cream to Eskimos. He was just the fellow to market the highly speculative stock in their South American ventures.

At first, the relationship went well. Loewenstein, who was already learning to manipulate the financial press, succeeded in selling the securities by the million—not only in Belgium, but in France and England as well. As an added incentive to investors who disliked paying taxes, he persuaded Brazilian Traction to introduce “bearer” stock certificates, which allowed the identity of the shareholder to be concealed. Pearson and Mackenzie were delighted with the results. So was Loewenstein, who was earning a lucrative commission.

In 1908, when a sudden need for fresh capital coincided with a panic in the financial markets of New York, it was Loewenstein who came to the rescue with a daring scheme to go to the European money market with a second issue of Rio Tramway Bonds, with a nominal value of £3,500,000. It was hardly an altruistic gesture: The company’s existence was at stake, and Loewenstein drove a hard bargain. He arranged for the bonds to be underwritten at large discounts, putting them into the hands of brokers on both the English and Continental stock markets for as little as 68.2 percent of their face value. The scheme worked. The issue was over-subscribed, and Brazilian Traction netted sufficient cash to pay off its debts and start building the Rio Tramway.

The price for the company was high. In all, after the

discounts, the bonds had brought in £2,240,000, but the five percent interest had to be paid on the full nominal value of £3,500,000. In effect, Brazilian Traction were therefore paying 7.8 percent for their money, which was a high rate in those days. Nevertheless, the tramway scheme had been saved, and Loewenstein became known in the Brazilian Traction boardroom as “our friend.” In the light of what was to follow, the appellation was ironic.

I was to learn a lot about those bonds. Whether or not he realized it in 1908, that single transaction was destined to play a major role in the life of Alfred Loewenstein and possibly in his death. But all that came later, much later. For the moment I was stuck with my nose in a file of obituaries, trying to find out more about the manner of the man. It was hard going.

On the subject of Loewenstein’s character, *The Times* was tactfully noncommittal. It concentrated on his daring financial exploits, on his extravagant lifestyle and love of display. There were also hints of bitter business rivalries, which I would clearly have to follow up. But what sort of man was he?

“Captain Loewenstein,” *The Times’* obituary writer said, “had a very attractive personality, was loyal to his friends and associates, and enjoyed to an exceptional extent the affection of his subordinates.”

Did he indeed? It hardly fitted the picture forming in my mind. But in its usual subtle way *The Times* went on to add an anonymous “Character Sketch” from “a friend who knew him well,” in order to redress the balance. It seems worth quoting:

Loewenstein was so much a man of impulse that, however close and various his association with others, he remained invariably a rather lonely figure. His astonishing grasp of the minutest details of any enterprise in which he was engaged enabled him to enlist the co-operation of men of the most

diverse character. But he was very intolerant of opposition and generally even of criticism, with the result that he quarreled as easily as he made friends, and his likes and dislikes, always violent, were often unreasonable.

His was a nature which flashed from the depths of depression to the heights of optimism, with but short pauses at any intermediate stage, and which gave him no rest from an intense concentration upon the matter in hand. This concentration resulted in many curious personal traits. He never read a book or a newspaper, and seldom wrote a letter where a telegram would serve. He never smoked and never drank, because he declared that tobacco and alcohol impaired the physical fitness which was the buttress of sustained mental effort.

He had no subjects of conversation except his two passions—business and horses. Every moment that he was awake, even when he was boxing with his private instructor, or being massaged, or taking his bath, or being shaved, he would spend in discussing his affairs. He was as unsparing of others as of himself, and combined, in a high degree the qualities of restlessness and tirelessness.

Although extremely sensitive, he knew many of his own defects, and was used to explaining that he needed other minds to act as brakes upon his hastiness, alike of conception and of temper. When he had offended a business associate he generally recognised that he was a difficult person to work with, but found it very hard to forgive the person whom he had offended.

He was, nevertheless, for all a certain flamboyance, a simple and even primitive personality at heart, capable sometimes of inexplicable behaviour, but capable also of great generosity and loyalty.

If a “friend” could write such a valedictory, I wondered what his enemies might have said. Loewenstein had suddenly become a far more interesting man than a mere tycoon: a man capable of exciting love and hatred in equal measure. A man, perhaps, worth killing.

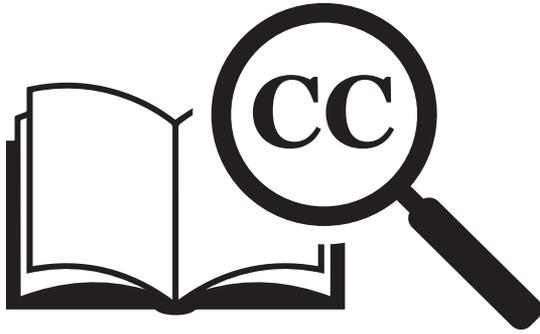
NEXT DAY, I headed for the London suburb of Colindale, where, in a building of appalling ugliness, the British Museum houses its newspaper library. Colindale is a town uncertain of its role, where lower-middle-class suburbia rubs uneasy shoulders with light industry, and the Police College at Hendon is the toss of a tear-gas grenade down the road. But in its newspaper library, so unpromising on the outside, it houses one of the treasure stores of the world. Here, in vast unwieldy volumes brought on carts from the dim recesses at the rear, is almost every newspaper ever published. Some few have been reduced to microfilm, but most are the musty yellow originals—the genuine article.

This is history, written as it was, before the politicians and historians move in with their subtle and distorting art. It is a researcher’s demi-paradise, a place to visit for the sheer fascination of finding out. Somewhere among these millions of pages, I was sure, would lie the clue about who did what to Alfred Loewenstein, and why.

I ordered a few volumes more or less at random and went to work. As my starting point I chose the editions of July 5,

1928, the day following Loewenstein's death, working forward as the story developed. I began with the "quality" newspapers: *The Times*, the *Daily Telegraph*, and the *Financial Times*. But it soon became evident that the richest sources, and those that had devoted the most intense coverage to the sensational story, were the more popular journals. The *Daily Mail*, the *Daily Mirror*, and in particular the then newly born *Evening Standard* and *Daily Express* had sent reporters far and wide to garner the gruesome details. The foreign press, too, had spared no effort, for Loewenstein's reputation had been worldwide. Day after day the stack of volumes beside my reader's desk grew and multiplied.

There was no shortage of material. The problem was that much of it was contradictory. The names of those involved were spelled in a dozen different ways, and accounts of the same events varied widely. To sort out the true from the false was a matter of constant cross-checking, of weighing one source against another and trying to make objective judgments. On such a story, when competition among reporters is intense and the pressure from news editors for the latest angle becomes stronger by the hour, imagination has been known to overcome regard for truth. At a distance of fifty-six years, the difference between fact and fiction is not easy to spot, but I did my best. What follows is what one might call the "authorized version" of the death of Alfred Loewenstein. Some of it may even be true.



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HOW A MULTI-MILLIONAIRE VANISHED INTO THIN AIR

Captain Alfred Loewenstein was known as many things during his glamorous and gaudy life. Companion of the Bath, friend of kings, an aviator and sportsman, a maker and loser of fortunes, and a multi-millionaire. And then, there was his mysterious death.

On a July evening in 1928, Loewenstein boarded his aircraft with six others to travel from England to Brussels. He never arrived. While flying over the English Channel, Loewenstein fell through an exit door of the airplane on his way to the lavatory.

People were quick to explain his mysterious death, but no official inquiry ever took place. Investigative journalist William Norris develops a theory of how and why this rich, famous man died so violently without a proper investigation. Did Loewenstein fall, did he jump, or was he pushed from his own aircraft?

William Norris is the author of numerous true crime books and novels inspired by his years as an award-winning investigative journalist. Look at the end of the book for a book club discussion guide and a preview of *A Talent to Deceive*.



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