

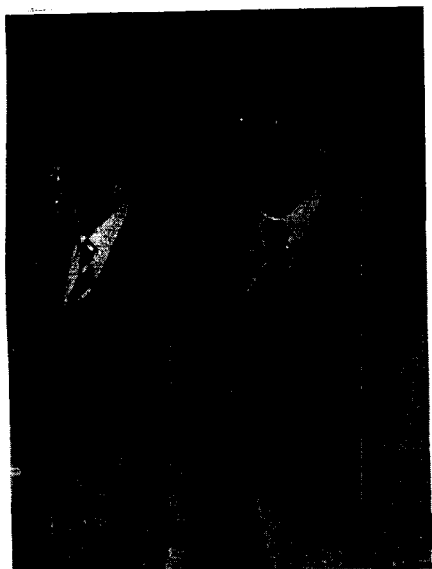
BRITAIN

Stonehouse Surfaces

"My wish was to release myself from the incredible pressures being put on me, particularly in my business activities and various attempts at blackmail." Thus, in a strangely unrepentant, even jaunty mood, did Labor M.P. and International Financier John Stonehouse explain in a telegram to Prime Minister Harold Wilson a mysterious disappearance that for 33 days had Britain buzzing with rumor and speculation (see TIME, Dec. 30). Last seen on Nov. 20 setting off for a jog on the beach at Miami's Fontainebleau Hotel and since then widely presumed to have drowned, Stonehouse had been variously alleged to be a victim of the Mafia, a Czech spy, a CIA agent and a financial swindler escaping his creditors. When he turned up in Melbourne last week, under arrest for entering Australia illegally, it all suddenly seemed much simpler. His problem evidently was that his exporting ventures were hopelessly in the red.

"I considered, clearly wrongly, that the best action I could take was to create

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STONEHOUSE AFTER ARREST
"I am not a criminal."

a new identity and attempt to live a new life away from these pressures," he explained to Wilson, who the week before had gone on the floor of Parliament to deny that Stonehouse was a spy. "I suppose this can be summed up as a brainstorm, or a mental breakdown. I can only apologize to you and all the others who have been troubled by this business."

A New Identity. Stonehouse did not explain what he meant by blackmail; but whatever "this business" was, it had certainly not been an instant brainstorm. Stonehouse's plans to shed his problems by adopting a new identity were laid well before his trip to Miami last November. First he telephoned hospitals looking for a dead person about his own age with no relatives; finding one Joseph Arthur Markham, Stonehouse obtained the latter's birth certificate and got a passport. Then, after his vanishing act in Miami, he flew to Melbourne, arriving on Nov. 27. The next day he left for Denmark via Singapore in order, he claims, to gauge the reaction to his disappearance in Europe and Britain. On Dec. 10, he returned to Australia, booking into a \$45.50-a-week room at Melbourne's Centre City Club as Donald Mildoon. There were reports that he had \$47,000 with him.

Stonehouse lived quietly in Melbourne, listening to Bach and Beethoven tapes and sunbathing at his residential club. But the presence of the tall distinguished stranger was noticed by police already on the lookout for another missing Englishman, Lord Lucan, 39, who disappeared after the November slaying of his children's nanny (TIME, Nov. 25). Stonehouse was arrested on Christmas Eve. The next day he pleaded before a Melbourne magistrate to be allowed to remain in Australia and start a new life; the court is expected to rule on his case this week. "I only wish," Stonehouse said, "that the Aus-

TIME, JANUARY 6, 1975

tralian government and the people can appreciate that I am not a criminal in the accepted sense of the word."

The British government may not look at it that way. Stonehouse's public admission that he intended to evade his financial responsibilities has left him wide open for legal proceedings in Britain. At the same time, Labor associates from his Walsall North constitu-

ency called for his resignation from Parliament. Yet, even as he returned last week to his red brick, barbed-wire detention center to await a decision on his request to stay in Australia, he managed a composure and self-assurance that friends recognized as vintage Stonehouse: "It's not up to the standards of Conrad Hilton," he quipped. "But it's improving."