

Wharton which is America's oldest business school gives future students a simple deal in return for just north of \$50,000 in a year: a crash course in capitalism. However, Jho Low who is a mild-mannered kid that presented himself as an Asian prince who wasn't there to study but only wanted connections to the world's wealthiest families.

He got that. He faked connections at the Pennsylvanian institution and that connection steered him into a mysterious world of oil money, poorly managed state investment funds and high-wire financial transactions. Using his connection with politicians, fixers and sheiks, he got himself into the center of a cash-rich venture apparently created to improve the lives of regular Malays.

The next thing that occurred was really audacious it hardly looks credible. A year later, after the huge crash of 2008, a 28-year-old with no real business experienced pulled off the largest theft of the century. It led to the complete damage worth billions. In this book summary, we'll describe how he did it, what he needed and how he got caught.

Jho Low learned the skill of deception at school while he was attempting to keep up with his wealthy friends.

This story is a story of financial fraud, dubious deals, and deception. However, it doesn't begin on a Wall Street trading floor. It starts in 1998 in a leafy borough in the northwest, the year when a chubby and shy 17-year-old boy from Malaysia called Jho Low began his first term at one of the most popular private schools in England.

Harrow School was established in 1572 and it costs only under \$16,000 in a term to educate the elite children of the world. The alumni of Harrow School include seven British prime ministers, one Indian prime minister, and six Middle Eastern monarchs. When Low got to the school, he found himself among the heirs to the thrones of Brunei and Kuwait.

Now, Low wasn't really poor himself; he was the son of a Chinese-Malaysian businessman who made his fortune in the garment industry during the 1990s. His family net worth was around \$15 million and they lived in a palm-tree-fringed modernist mansion in Penang, Malaysia. Their

wealth was remarkable, however, Harrow was different. In contrast to his classmates, Low was a small fry, and he was aware of it.

The only thing he could do to keep up appearances was to tell lies. In 1999, when his new friends from school went to see him in Penang, he rented the holiday home and a yacht of a local billionaire; he then changed the actual owner's family photographs with pictures of his own parents and siblings. The deception worked. Not long after that, his friends started calling him the "prince of Malaysia." Low, who had no noble pedigree whatsoever, didn't correct his friends.

Low started taking higher risks in order to boost his credentials. When he was in his final year, he faked his way into an exclusive London nightclub with a note written on letterhead from Brunei's embassy and he spent the night partying with Premier League soccer players as well as models.

However, Low's attitude wasn't just opportunistic; it was a result of the morally relativistic worldview he was developing under the influence of his classmates. One of his classmates named Riza Aziz was the stepson of Malaysia's notoriously corrupt defense minister named Najib Razak.

Low was captivated about what his friend told him about Najib, particularly his manner of granting licenses in exchange for kickbacks. It was a revelation to him and if everyone was on the take, why shouldn't he get his cut too? He'd already know that power and prestige, even fake, opened doors. Now, all he required was just a chance. After he graduated in 2000, Low went to the United States to find an opportunity.

Low's cunning cultivation of influential peers made him get to Abu Dhabi and to the Gulf States.

In 2001, Low registered at the business-focused Wharton School in Philadelphia. Intelligent, however, lazy, he abandoned his studies and concentrated on socializing. He held extravagant, champagne-fuelled parties in which sushi was served on the bodies of dancers dressed in lettuce-leaf bikinis. Soon the students started calling him the "Asian Great Gatsby."

Low displayed a little sign of enjoying these events. While others were taking high-end tequila and dancing, he nursed a Corona and made awkward tries at small talk. However, partying wasn't a relaxation activity for him. A leisure activity for him was a calculated investment funded by his father, Larry, a social climber who was aware of the importance of connections.

Also, Larry knew that Wharton just like Harrow, offered an opportunity to network with the children of the world's most influential families; he frequently sent his son funds to facilitate that. Jho used the funds to rent limousines in order to drive out to Atlantic City for weekend betting trips. He was escorted by the friends he chose because of their wealth and possibly helpful for his connections.

Low would play his role at the roulette tables, carelessly spending hundreds of thousands of dollars. This gave the impression he'd wanted, that he had money to waste.

One of his top goals was Hamad al-Wazzan who is the son of a Kuwaiti construction magnate. Low saw Wazzan as his access to a group of wealthy and influential Middle Eastern families.

In 2003, Low went for a trip around the Gulf States with Wazzan. During the fall of that year, Low was in the United Arab Emirates or UAE dining at an expensive fish restaurant in Abu Dhabi watching the Persian Gulf. He was very close to the Emirates Palace which is a three billion dollar luxury hotel that signified the city's glitzy future.

Low had persuaded Wazzan to set up a meeting with Yousef al-Otaiba who is a charming and whip-smart policy advisor whose clients included people like Mohammed Bin Zayed al-Nahyan, the prince of the UAE. Just like Low, Otaiba had connections to the rich and powerful, however, he didn't have a means of his own. He was in the business of selling wasta, which is the Arabic word for "connections."

Otaiba and Low immediately hit it off. Both men had high ambitions; however, they only had little real business experience. As they talked that afternoon, they were ready for a bold scheme which would result in one of the greatest heists of the century.

Low used his connection in the Gulf to place himself as a deal maker in Malaysia.

In the early 2000s, if you needed to know the leading movers and shakers in the Emirates, Khaldoon Khalifa al-Mubarak would have been at the top of your get-to-know list. Just like Otaiba, Mubarak had close connections with the royal family. However, he had another string to his bow.

Mubarak had access to a lot of money. He is the director of Mubadala which is a state-owned investment company or sovereign wealth fund created in 2002, he was in charge of \$3.5 billion during the time Low met him. The notion behind the fund was quite simple which is to borrow against the UAE's future oil revenues and use that money to expand the economy by investing in new sectors such as technology and real estate.

Having Mubarak as part of his connection gave Low his first big break. However, before we talk about that's, let's go back a little.

After Low graduated from Wharton in 2005, he established his own company called Wynton, which is a means for Middle Easterners to invest in Malaysia. Wynton was built in Petronas Towers, which is the most expensive place in the Malaysian capital city of Kuala Lumpur. But, the business was slow. His efforts to get himself potential partners were futile and Low's debts were piling up.

That all assured to change in 2007. Khazanah Nasional which is the Malaysian sovereign wealth fund was looking for possible partners to invest in Iskandar, a "special economic zone" close to the Malaysian-Singaporean border aimed to help investment. Low emailed his contact in the Gulf, Otaiba, who also reached out to Mubarak. Days after, Low offered Khazanah with a sum of \$500 million investment. The source? Mubadala.

The Iskandar deal went forward, however, Low didn't get the plaudits. Do you remember Najib Razak, the Malaysian politician whose stepson Low had made friends with when he was in London? Well, Low thought he would let him take credit for the deal. An aspiring politician

running for prime minister, Najib couldn't resist the chance to polish his credentials with the electorate.

It was a strategic masterstroke. Low hadn't only established himself as a global player with a verified record of brokering big deals; he'd also made himself a powerful ally in his home country.

But, there was a problem; Khazanah had refused to pay Low for bringing up the deal. Low was annoyed and he was determined never to let himself be cheated and cut off like that again. The next deal he oversaw would be entirely different.

In 2008, political distress that occurred offered Low the Malaysian prime minister's ear.

The Iskandar deal in 2007 made Low financially stranded, however, he was well-situated politically all thanks to his association with the rising political star Najib Razak. But, that seems like a long-term investment. In as much as Najib didn't have any actual power, Low required a project of his own.

Low thought of the idea of making a new sovereign wealth fund and putting himself as the director, this idea was inspired by Khaldoon al-Mubarak. This needed cash. However, where was he going to get cash?

Enter Sultan Mizan Zainal Abidin who is the ruler of Terengganu, one of Malaysia's 13 semi-autonomous states. Located in the country's northeast, close to the Thai border, the state was very rich in oil and controlled its own finances. Better still, Low had an "in" with Mizan, Mizan sister was part of the board member of the construction companies that are involved in the Iskandar project.

Mizan was uncertain about Low's offer to create a fund to borrow money on international markets against Terengganu's prospective oil revenues. However, Low won him over when he included Tim Leissner, a honey-tongued who is a German-born banker and renowned

dealmaker for Goldman Sachs in Asia. They talked together with Mizan and they told him to Mizan to put Low in control of \$1.4 billion in bonds supported by the state's future oil receipts.

Low was very close to getting everything he required like money, power, and status. But, Mizan wasn't sure about this, and he pulled the plug at the last minute.

Fortunately for Low, fate was on his side.

In March 2008, Malaysians went to vote. The United Malays National Organization also called UMNO, the party which had controlled the country since independence in 1963, predicted an easy win. However, they were in for a surprise. Tired of being treated as second-class citizens, ethnic Indian and Chinese voters went out in multitudes just to vote for the center-left People's Justice Party.

UMNO barely escaped defeat; however, the party's top politicians were shocked. UMNO was desperate to still hold onto power, they organized a renovation project. In March 2009, Prime Minister Abdullah Ahmad Badawi resigned in March 2009 and he was substituted by a fresh face with a proven track record – Najib Razak.

The tables had turned, and Low was unexpectedly sitting pretty. Najib required cash to bring back UMNO's weakening popularity, and Low was preferably placed to give him that. All he needed in return was control over an investment fund of his own...

Low started planning to shake down the new Malaysia's sovereign wealth fund within months.

Najib Razak had two aims when he became the prime minister of Malaysia in 2009. One, he sought to restore UMNO's credibility. Secondly, he wanted to modernize Malaysia and level up with the "Asian Tigers" countries such as Singapore and Taiwan whose economies had grown between the 1960s and 1990s. He needed money for both projects.

Low persuaded Najib that there was just one reliable source of investment which is the Middle East, and only one man could make this happen which is himself. A few months after Najib

resumed office, he declared the establishment of a sovereign wealth fund known as 1Malaysia Development Berhad or 1MDB with \$1.4 billion of bonds to its name. Najib was the official chair, however, it would be Low who stayed unstated in the official paperwork who made it happen.

1MDB's supposed aim was to generate money from the Gulf and use it for projects that would offer Malaysia with green energy, improve its tourism industry and generate high-quality jobs for Malays from all ethnic groups; therefore the slogan was "1Malaysia." The second aim which is a secretive aim was to serve as a war chest for UMNO and fund scholarships as well as inexpensive housing in places where the party required votes.

In as far as Najib was concerned; it was a win-win deal. However, just like every other thing, it sounds too good to be real. The founding of 1MDB was only the arrangement for Low's audacious heist.

In August 2009, Low used one of his old tricks; he hired an extravagance yacht and he changed the photographs on the sideboards and he acted that it belonged to someone else. But this time around, it wasn't meant to be his boat but that of a significant Saudi royal, Prince Turki Bin Abdullah.

Low and Turki invited Najib on a trip to the French Riviera. That was where Turki told the prime minister about his business, PetroSaudi International. Established in the early 2000s and it claimed to deal in oil drilling. However, in reality, it was just a cover-up for Turki who is a minor royal with just small actual influence, to influence the value of his family name.

Turki and Low gave Najib the plans of a potential partnership between PetroSaudi and 1MDB. The PetroSaudi would put the rights to oil deposits in Argentina and Turkmenistan worth \$2.5 billion on the table while 1MDB would invest \$1 billion in cash. Najib accepted.

Low had hit the pot of gold.

Low succeeded with his heist through the assistance of a pliable banking system and biddable specialists.

Low used his position as 1MDB's unofficial head honcho to take the venture with his associates and allies. Putting them in place was very significant to the second phase of his plan to steal the Malaysian gold mine.

During early September 2009, Low created a joint venture account with BSI which is a private Swiss bank that managed the accounts of PetroSaudi's. However, there was a problem. During the time Low traveled to Geneva to meet up with BSI's account managers, he told them that he'd be taking a cut from the \$1 billion payment about to be sent from Malaysia, but they hesitated.

It is not a surprise that in as much as the bank was concerned, Low wasn't associated to the deal in any official capacity. A financial system with a good regulation might have put a stop to Low's plot. But, Real-world banking is mainly "self-policing." If one institute rejects to touch your suspicious money, all you require to do is check around until you find the one that will accept. In Low's case, the bank that decided to do that was JP Morgan Suisse.

The next stage was to look for a pliable expert who would confirm PetroSaudi's oil assets. Low employed Edward Morse who is an independent energy analyst whose connection with the US State Department gave him an edge of authority. In return for \$100,000, Edward proved that PetroSaudi is the owner of oil businesses in Argentina and Turkmenistan and contracts giving it the right to mine oil worth \$2.5 billion. However, what he didn't state was that the majority of that oil was under the Caspian Sea and that Turkmenistan's entitlement to it was disputed by Azerbaijan.

Unable to take a cut, Low made a plan of an odd-looking payment of \$700 million from 1MDB to a different Swiss account allegedly owned by PetroSaudi. This was termed as loan repayment, however, no one even bothered to check if such a loan was real. If they had checked, they would have known that the "loan" predated 1MDB and PetroSaudi's joint venture!

On the 26th of September, 1MDB's newly established board wired a sum of \$1 billion to the joint venture. A billion-dollar contract that would normally have taken a minimum of a year to complete was done in less than a month. As one 1MDB employee said, it was just like reading Shakespeare's complete books in an hour. Several things had been left out.

The process might have been foggy, however, the result was very obvious: Low had drained \$700 million into his private bank accounts. He and his co-conspirator were rich.

Low spent a lot of millions as he started building an empire of influence in the United States.

Low's theft wasn't a cautiously constructed Ponzi scheme or a classy bit of financial spells; it was daylight theft. He only stole millions of dollars out of one account and put them into his own account. Both the government who issued the funds and the banks that processed them didn't even attempt to stop him.

Hence, what was his plan, definitely someone was going to notice a \$700-million theft in 1MDB's accounts? Low didn't have any plan. Things moved fastly after the establishment of 1MDB, and he had become used to improvising. He was sure of his ability to improvise his way out of any trouble that he might face.

In as much as he was concerned, it wasn't the time for cautious planning, it was the time to rejoice! What was the essence of your wealth if you couldn't display it? That was the notion that made him take a plane back to the United States, the country where he first mastered the skill of the hustle.

Immediately Low became one of the nation's most excessive whales – the words used by casinos and clubs to explain their biggest spenders. Between October 2009 and 2010, Low had spent \$85 million on alcohol, Playboy Playmates, private jet trips to Vegas – you name it, he bought it. When Low came across the actress Lindsay Lohan in a Manhattan bar, he bought 23 bottles of Cristal champagne and sent it to her table. On another night, he spent up to \$160,000 at a single Chelsea nightclub.

Was Low enjoying spending all this money? It was difficult to tell, and that wasn't what it was actually about. During his university days, partying for him had been a means of associating with people who could make him rich. Now that he was rich, he was aiming for something else –; he wanted to be in charge of an empire of influence.

It was during this time that Low started cultivating celebrities. As reports of his reckless spending started to spread, Hollywood stars and famous musicians were drawn into Low's orbit. On his birthday party in November 2010, he had a luxury poolside party in Las Vegas that included caged lions and tigers, Low was spending a lot of time with people like of Leonardo DiCaprio, Jamie Foxx, Usher, and OT Genasis.

What were they talking about? Well, business or, more accurately, showbusiness. Low had another intelligent idea.

Low declared his influx in showbusiness by accepting to fund The Wolf of Wall Street.

When Leonardo DiCaprio met Low in late 2010, Leonardo was already a Hollywood royalty. The star of numerous hits including Titanic, one of the highest-grossing movies of all time, he was used to being courted by hangers-on. Anywhere he went to, people did him favors, and he sees that as something he had a right to rather than an advantage. But, Low wasn't your average fanboy.

DiCaprio might have had a lot of money of his own, however, there was a thing he couldn't afford which is independence from Hollywood's studios. And this was what Low offered him.

DiCaprio had won a bidding war in 2007 with Brad Pitt for the rights to a biography by the notorious fraudster Jordan Belfort, titled The Wolf of Wall Street. In it, Belfort narrated how he'd spent the 1980s and 1990s manipulating the stock market, stealing millions and sniffing cocaine with prostitutes. It was an exciting story of greed and corruption suitable for the silver screen.

Hollywood had lapped up stories of Wall Street corruption in the past, and both American Psycho and Boiler Room had done great at the box office. However, DiCaprio's selected writer, Terence Winter, had drafted a script that appeared to embellish Belfort's career. Martin Scorsese loved it, however, no one in Hollywood was ready to pump out \$100 million for an R-rated film celebrating the extremes of a criminal.

However, Low wasn't from Hollywood. He formed a production company known as the Red Granite and he accepted to pay the costs of making *The Wolf of Wall Street*, giving DiCaprio full creative freedom to achieve his dream.

The money started flowing in April 2011, when Low sent the first installment which was a sum of \$1.17 million. A month after, he spent three-million-dollar on a party to declare Red Granite's influx on the movie circuit in Cannes, home of the famous film festival. Low paid Kanye West a million to perform at the party and flew Belfort to France to join the celebrations.

Belfort is a man who was aware of a thing or two about fraud, suspected something; he said to his wife that Low was running a "fucking scam" and no one in their right senses would spend such cash they'd earned themselves in the manner that the Malaysian was spending it. It was just a matter of time before Low's schemes, an escalating chain of fraudulent acts involving 1MDB, was exposed just as Belfort's had been. He was right.

A discontented insider eventually blew the lid on the 1MDB scandal and exposing Low.

In 2012, Low finished another deal. But this time around, he'd merged up with the International Petroleum Investment Company or IPIC, which is an Abu Dhabi-controlled sovereign wealth fund. On the 21st of May, 1MDB sent a sum of \$1.75 billion to a front organization allegedly in the market for Asian power plants. Days after, \$576 million of that money ended up in an IPIC-linked bank account. That was another fake "loan repayment" and once again it ended up in Low's hands.

Here was the remaining of the capital that was used to create *The Wolf of Wall Street*, settle Najib's Malaysian voters and kept financing Low's extravagant lifestyle. However, there was a set back because Low still had lost from his first theft.

Back in 2009, Low had paid Turki and other middlemen a small amount for the role they played in the 1MDB heist. PetroSaudi which is the shell company that made the deal a success hadn't been as cautious. Xavier Justo who is a Swiss national and the former director was still owed \$2

million. Justo had cautioned his ex-workers that he'd make the implicating documents known to the public if they didn't pay up. However, they ignored him

Loathing with corruption, meanwhile, was growing in Malaysia, and rumors started to spread that Najib was making money from Low's activities, making use of 1MDB as a personal expense account. Yellow-shirted protestors that belonged to an alliance known as Bersih, the Malay term for "clean," had taken over the streets, however, little had changed. Najib was untouchable because there was no concrete proof of wrongdoing.

This changed in 2014 when Justo chose to pull the trigger. He went to the British investigative reporter called Clare Rewcastle Brown who is the editor of an online muckraking outlet concentrated on Malaysia called Sarawak Paper, and he offered to sell her evidence of Low's first deal with 1MDB for the sum of \$2 million. Brown was unable to get that amount herself and she informed Tong Kooi Ong who is the owner of Edge which is Malaysia's best-selling business magazine.

Tong paid the money and, in late February 2015, Brown published her revelation. It was titled "Heist of the Century," it showed how Jho Low had used PetroSaudi as a front to get millions of dollars from 1MDB. On the other side of the world, an exclusive in the New York Times explained how Low had gone about as an unofficial agent for Najib in the United States and acquired innumerable extravagance properties for the prime minister.

The writing was on the wall and Low's audacious career as a worldwide swindler was approaching its end.

The outcome of the 1MDB heist led to a political earthquake in Malaysia; however, Low remains at large.

News of Low's stealing caused a civil war in the ruling UMNO party. A reformist division headed by former prime minister Mahathir Mohamed called for Najib's resignation and an extensive investigation into the 1MDB scandal. Najib was sure that he could weather the storm however

he took the precaution of telling Low to leave the country before the parliamentary Public Accounts Committee had the opportunity to question him.

The public mood was rapidly declining. During the late August 2015, about 100,000 protestors went to the streets of Kuala Lumpur. They came from all angles of life and they voiced out their anger as well as their fear that the debts suffered by 1MDB would take away funds from education and social welfare for years to come.

Najib immediately ordered retaliation against the protestors and he set a three-year wave of repression in motion. Yellow shirts which signified the Bersih or “clean” movement were forbidden in public places. Newspapers were closed and whistleblowers imprisoned. The talk of 1MDB died out of the news, and normal people learned to be conscious of what they said. By May 2018, Najib thought the worst had gone and speculated that he could lead UMNO to another electoral victory.

However, he was wrong. In opposite, Najib’s party went down completely, and Malaysians elected Mahathir’s anti-corruption coalition, Pakatan Harapan or “Alliance of Hope,” by a landslide. That was the first time in the country’s history that UMNO found itself out of government.

Fears that Najib would call the army in to change the result proved inappropriate. Knowing that he had no option left, he handed the affairs of the state to Mahathir. The new prime minister didn’t hold back on his words after he resumed office. He said it was time that “Certain heads must fall.”

The first on the chopping board was Najib’s. On the 3rd of July, 2018 at 2:30 pm, anti-corruption officials went to his Kuala Lumpur mansion and arrested him. The following day, he was in court to face charges. It was an amazing change. Eight weeks before, he had been above the law; but now, he was finally facing justice.

Low spent the election night in Thailand. He was expecting his old friend to win and he’d already put the champagne on ice. However, he found himself looking down at an arrest order. The game was over and he took a plane to Macau, China. Over the next two weeks, he went around the country before he eventually ended up in Shenzhen, a gritty city in the southeast. Then, without any warning, he vanished.

Low remains at large. It is assumed that he is still in China.

Billions: The Man Who Fooled Wall Street, Hollywood, and the World by Tom Wright, Bradley Hope Book Review

Jho Low wasn't poor, as a matter of fact, his family was worth millions. However, that wasn't enough. Desperate to keep up appearances with his friends at a prestigious private school in London, he began presenting himself as an Asian "prince."

At university in America, Low had a circle of well-connected people. It was those connections that ultimately enabled him to pull off a huge construction deal in his home country and curry favor with Najib Razak who is the future prime minister and the man who put Low in control of a billion-dollar investment fund. Low used this position to pull off the theft of the century and drained millions into his own personal account to fund his extravagant lifestyle. When this act was finally exposed, it brought down the Malaysian government.

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