



David Khalili with an exquisitely detailed Japanese piece, of bronze falcons (c1885), signed by Takachika, an imperial court artist

Envy, controversy and suspicion follow this billionaire art collector wherever he goes. But he has always had the last laugh

He wrote a book at 14, flipped burgers to pay the rent, then amassed a staggering collection of art. David Khalili grants Bryan Appleyard a rare audience. Portraits: Pal Hansen

Everything in life happens for a reason," says David Khalili. "Warren Buffet says the reason we are sitting in the shade is because someone put a seed in the ground." And the reason I am sipping Lafite '85 is because Khalili, like Buffet, is very rich.

How rich is a matter of some dispute. When he was in *The Sunday Times Rich List* in 2007, his worth was put at £5.8 billion on the basis of his 25,000-piece art collection. But, he says, the figure is meaningless.

"Our five collections are irreplaceable," he e-mails, "priceless and inestimable, regardless of the amount of time or money available. Any published figures, in *The Sunday Times Rich List* or elsewhere, are therefore purely speculative."

The collection won't, he says, be sold, and it can't be valued because there is nothing with which to compare it. It's like Everest or the Great Wall of China — just, sort of, there.

But exact sums aside, rich is rich, and Khalili is damned rich. A vulgar sentiment, I know, but one that's hard to avoid when you are sipping Lafite amid tens of thousands of square feet of prime Old Burlington Street freehold and dazzling art. Outside are his chauffeur and his car, a Maybach

62 (£300,000). These are his offices, the headquarters of his foundations and a gallery of some choice pieces to show to the great and the good — or, in this instance, me. Tony Blair had just been in to discuss interfaith activities. There's a display case of enamels — Fabergé eggs and other such knick-knacks.

Also, he's controversial — but I'll come to that. He shows me round the gallery. First there's a piece of marble, quite small. It rests casually against a wall. This particular knick-knack is a good starting point if you want to know who this man is.

"In 1972 I was driving for 16½ hours from New York to Miami and back. I'd go there to buy stuff, put it in my car and take it back to New York. I used to stop and visit different antique shops. I walked into one garage sale and saw this. It's 550BC, one of the earliest Greek friezes you will ever see. It's the Mona Lisa of all friezes, earlier than the Elgin Marbles. I bought it for \$120."

It's the Khalili story in a nutshell — the ultimate Antiques Roadshow. He just, he says, sees stuff. If there was an Olympic event called "Eye for a Bargain", he'd be our brightest medal prospect. Of the five collections, Islamic art (AD700-1900) is the biggest, then there's Japanese works >>>

from the Meiji period (1868-1912), Swedish textiles (1700-1900), enamels (1700-2000) and Spanish damascened metalwork (1850-1900). He picked a previously neglected sector and bought everything he could lay his hands on. And — but you have probably guessed this already — he started from nothing.

First, let me try to conjure this extraordinary man. A 63-year-old Iranian Jew with dual British-American nationality, he talks like a Geordie — really. It is the “i”, which always come out as “oi”, so “I decided” becomes “Oi decoided”. He seems startled when I point this out and denies he ever says “I” at all, always “we”. But then he gets it.

“Many times my wife [moi woife] has said to me, ‘You see a lot of dignitaries, you’ve lived in the UK for 30 years and you went to university in the US. Why don’t you at least go and see somebody who can teach you to speak like an Englishman?’ But I [oi] want to be me, I [oi] don’t have to imitate anything.”

Later he calls me to explain that the “oi” was probably caused by the antibiotics he was taking.

He wears a sharp, unfashionable suit made by a retired Savile Row tailor, with a dark-blue shirt and tie. His hair is slicked back. You wouldn’t notice him in the streets of Mayfair, where lots of people look like that. But he does look younger than 63, thanks probably to a combination of genes and his daily 65-minute, six-mile power walk. The dog, Toby, often goes too. Khalili is springy energetic and, since childhood, he has slept only four hours a night.

He is eager, and fond of physical contact — he touches my arm, shakes my hand, embraces me. He is proud about his glamorous contacts, his professorship, his memberships of, for example, the Knight Equestrian Order of Pope St Sylvester. He has, in fact, received knighthoods from two Popes: John Paul II and Benedict XVI. But, above all, he is very Middle Eastern in his love of pointed narrative. Almost every question I ask leads to a story with a how to live your life/meaning of life message. The one about his pronunciation generated a tale about a peacock, which I didn’t understand, but before I could ask for elucidation, he was on to the next one.

To give you the flavour, here are some samples. He’s against revenge.

“At an early age I decided I would never become revengeful against anybody. Confucius said: ‘If you decide to take revenge, make sure you dig two graves.’”

Jealousy and envy are also out, and responsibility definitely in.

“Everything in life begins with oneself. We are



Let me conjure this extraordinary man. An Iranian Jew with dual British-American nationality, he talks like a Geordie

responsible for everything that happens to us ... The rules of life are very simple. This is what I teach my children, I always tell them, ‘Don’t be tempted to ever ever break a law or do something in a grey area of the law.’”

Or: “My accountant said there were ways I could avoid some taxes. I said, ‘I live here, I make money. Pay every penny we owe. Don’t explain to me how you have to hide that here and there, I’m not interested. You pay what you owe.’”

Or: “Being spiritual is a bit more than being religious.”

Or: “Success has many parents; failure is a bastard. My own principles are, shrouds have no pockets; and try to be a light in a dark room.”

Or: “Always remember that the only court that does not need a judge is your conscience.”

If grand generalisations were an Olympic event, he’d be up for a second gold. But, oddly, this does not feel like pomposity. Rather, it seems a desire to explain, to justify and to entertain. It is an exotic form of humility.

This strange confection first emerged in Isfahan in 1945. It would be neat to say being born in one of the most beautiful cities in the

world determined his career, but, unfortunately, the family left when he was eight months old and he didn’t consciously see the place until 1971. It was, he says, “an incredibly happy childhood, incredibly happy”.

The family was Jewish, which, he says, was not in those days a problem. The Jews, he points out, were in Iran/Persia centuries before the Muslims. His father dealt in largely Islamic antiques, and, as a boy, Khalili says, he had a healthy mix of Muslim and Jewish friends. Also, the family’s Judaism was relaxed rather than a fierce religious demand.

At the age of 14 he became — and remains — the youngest published author in Iranian history. After he pointed out that one of his teachers had got something wrong on the blackboard, the teacher turned on him and said he would never get anywhere in life. Khalili responded by writing a book containing biographies of 225 world geniuses — Hemingway, Voltaire and Steinbeck are the slightly odd examples he gives me. It was published and he became a famous prodigy.

“When I open that book now and read, I don’t believe I wrote it. Maybe that was a gift.”

He did his national service, working as an army medic in a small village. There, for the first time, he encountered anti-Jewish sentiment. He had been doing everything, including delivering babies. As his service came to an end in the late 1960s, it was discovered that he was Jewish. Some villagers were outraged,

but he was defended by the local imam.

“He stood before the crowd and said, ‘If being Jewish is what he is and what he has done for us, then I am Jewish too.’”

Then, having paid his debt to the shah’s Iran, he left to study computer science in New York. People were surprised. He seemed to be a successful young man with a bright future in Iran. But his father — from whom he seems to get his tales and his limitless capacity for moral injunction — explained that he was like a fish in an aquarium, longing for the sea.

He took, he says, a very limited amount of money, so, as soon as he arrived at his digs in Queens, he got a job flipping burgers. Later he was working at a Howard Johnson restaurant and sneaking away every so often to drink milk or cream. He had an ulcer and, in those days, such palliative measures were all that was on offer — now we take antibiotics. One day he was caught and sacked. It was a reprise of the teacher incident.

“I took my jacket off and threw it at him and said, ‘Sooner than you think I’ll come back and I’ll buy this place.’ So I left, went home and sat down and said to myself, ‘You know some things and you have been born into a family that gave you the knowledge to choose what is good or bad in any field of art.’” So he started going into local antique shops in Queens, buying stuff and selling it at a profit around Madison Avenue. How was this possible?



“Those days, because of the rivalry, the shops didn’t even talk to each other. There were 20 antique shops and they didn’t even look at what each of them had. I would buy five pieces for \$10,000, sell three for \$25,000, and keep the others for myself.”

Within months he was walking into a car showroom and buying a Cadillac for cash.

His explosive initiation into art-dealing was, he says, made possible by the condition of the market at the time. It was a buyer’s market, in certain sectors overwhelmingly so. Many objects were being pursued by few collectors so prices were artificially low.

“Now,” he says, “the problem is not lack of money for people to buy things, it’s lack of objects; they have disappeared. They went to major institutions, museums or to collectors like me. Now it’s one object being chased by five people; in the old days it was 25 objects being chased by two or three people. They were plentiful and if you had an eye, determination, a plan, and you knew what you were doing, you succeeded, it was very simple.”

His one-man business became transatlantic as well as trans-American. In 1976, suddenly remembering he had to buy a present for his mother, he wandered into a London antiques centre. A woman was serving in one of the booths. “I froze and started talking to myself like an idiot. I said to myself, ‘If this young girl is Jewish and she doesn’t have a boyfriend, you

Far left: with a bronze camel from Central Asia (7th or 8th century)

Left: Pair of Birds Facing Trees, Sweden, before 1700

Below left: silver vases with shakudo and gold, by Ozeki Co, c1885

Facing page: a highly decorative incense burner, Japan, c1890

are going to marry her.' I fell in love at first sight. She was the most beautiful creature on the face of the Earth."

Did she have to be Jewish?

"I think it's a bit selfish sometimes if you marry someone not from your own background, because of the children. You cause confusion among your kids. You should marry your own, but let them decide, don't force it on them. I didn't do it because I wanted to satisfy my own aim of marrying a Jewish woman; I did it for future generations of my kids."

He bought an emerald ring and bracelet off her for £20,000 and asked her name. It was Marion Easton, but the original family name had been Epstein. She was Jewish. He gave her the emeralds and bought a brooch for his mother. Marion was 19. Two years later they were married. They now have three sons: Daniel, the eldest, and twins, Benjamin and Raphael.

Khalili was committed to living in Britain. He went on collecting furiously. At his peak he could buy 100 objects in a day. The pace slowed as the years passed. Objects became harder to find and much more expensive. But still he buys.

"When you are a collector you never finish. ... If you have most of the things you need, you have to cherry-pick. It's becoming incredibly difficult to do that. Thank God, we don't need to go mad."

And not just art. In 1992 he started buying commercial property through his company Favermead. He bought shopping centres — Cameron Toll in Edinburgh, St Nicholas Arcade in Lancaster, Prince's Mead in Farnborough, and the Quintins in Hailsham.

"If you have a good nose and you get the timing right, property is not that difficult. In art you have to have passion, knowledge, money, know-how, there are millions of criteria. But real estate is much simpler."

Most spectacularly, he bought 18-19 Kensington Palace Gardens, the former Egyptian Embassy and part of the Russian Embassy. By the time he'd finished with it, it was 55,000 sq ft, the same size as the White House and, as a  17

London residence, he says, second only in size to Buckingham Palace. Over five years he hired 400 craftsmen. He claims it was the second largest conservation project in Britain after the restoration of Windsor Castle following the 1992 fire.

"I bought it in 1990 and finished it in 1997. What I did will never be repeated. I put in 3,500 square metres of inlaid marble. After the Taj Mahal, there's no place like that."

He says he spent £90m on it and then sold it to Formula One's Bernie Ecclestone, who later sold it to the Indian steel tycoon Lakshmi Mittal. Khalili's wife had pointed out that it was a little big for just the two of them after their sons moved out.

But the question was what to do with the collection, almost all of it in warehouses. He says he agrees with Bill Gates that it is wrong simply to pass on enormous wealth to one's children.

"I have this slogan — if you allow too much comfort for your kids and don't allow them to understand good days compared to bad days, they will blame you for not teaching them how to be poor." He sent them out on paper rounds and to wash cars from the age of nine.

As for their inheritance, he says: "I have a problem with ownership, I don't believe in ownership. Nobody owns anything. I don't want the collection to be dispersed. I don't want the best days of my life to be dispersed later on. My children will have their own homes and a certain amount of money for five years — say, they need £200,000 a year to live comfortably — then they have to do things on their own or they won't have self-respect. That is far more of a head start than for many other children."

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His ambitions for his collection resulted in controversy. In 1992 he offered the British government a deal. They could have the collection for, in effect, a 15-year probationary period if they built a museum to house them, in his name, with the government funding running costs. The probation, he says, was to ensure they did everything properly. The idea was backed up by a special display of items at the Foreign Office.

This is where the controversy begins. Some in the art world believed they smelt a rat and suggested that Khalili was using the scheme to boost the value of his collection — an old trick, they said. They also questioned the claims made for the collection. "Patchy," some said. Others said his taste was kitsch — notably the Japanese and Spanish collections. On top of that, I have heard, Mohamed al-Fayed had been bad-mouthing him around London — "Because," I was told, "they both fish in the same pond."



Khalili with his wife, Marion, whom he met in London in 1976

Against all this, I've asked a very high authority indeed about the status of the collection. It is, he says, magnificent, and Khalili has a connoisseur's eye.

Most seriously, questions were asked about the source of his immense wealth. Nobody, it was claimed, could make the kind of money Khalili has made out of simple dealing. It was suggested he was a front man for the Sultan of Brunei. He did extract £10m from the sultan for a gallery at the School of African and Oriental Studies (SOAS) at London University. Khalili furiously denies all this, dismissing the stories that emerged, notably in the Evening Standard, as "lazy journalism".

"They did not do their homework," he says angrily, "they jumped the gun without doing their homework. How can you bring yourself so

low, so low, to do something like that? And 99% of it was all false?" To suggestions that he had money from the sultan's brother Prince Jefri, he protests: "It's baseless, everything is baseless. I never even met Prince Jefri. I don't know who he is. It's all envious."

Also, a stern, formal statement is issued. "Neither Professor Khalili nor the Khalili Collections have ever been funded by any outside institution or individual except for the Khalili Family Trust. It was through his friendship and in his advisory capacity that Professor Khalili arranged for the Sultan of Brunei to contribute £10 million to SOAS for the construction of the Brunei Gallery in London."

There seems to be no documentary evidence to support any of the rumours, and it's certainly true that immense wealth in any field — but especially in the art world — generates envy and gossip. Khalili's critics are now in the

position of having to put up or shut up.

In the event, the government did not respond in the nine-month time frame and his offer lapsed. He was lavishly wooed by the Swiss government, which offered to house the Islamic collection in Geneva. They asked only that accountants be allowed to go through all his books. He agreed, the books were examined, but then he withdrew for two reasons: not enough people would see the objects in Geneva — only about 25,000 a year — and the Swiss, by asking to see his books, had shown they didn't trust him.

He says negotiations are afoot to house the collections in three museums, one for Islamic, one for Meji and one for enamel, Spanish steel and Swedish textiles. I know — not from him — that he's been negotiating with the Emirates, so far unsuccessfully.

Meanwhile, the monumental task of cataloguing his collection continues. He offers me a set of the volumes published so far, thousands of pounds' worth, but I already feel compromised by the Lafite, so I decline. The completed set will consist of 50 volumes.

The collecting itself continues. He has his Maimonides Foundation to promote interfaith understanding, he sits on many academic boards, he is garlanded with honours and he gives lectures. He also sends large parts of his collection on loans around the world. These loans are heavily in demand, and he is very generous in his response. Museums wanting to put on Islamic, Meji or enamel exhibitions have to turn to Khalili.

And so after the Lafite and a lunch — he threw in sea bass and salmon in case I didn't like Iranian food, but I did — he shows me round the gallery in his Old Burlington Street offices. Some of the objects are unknown outside these walls. He wants some surprises for when the museum finally opens. I can mention a certain bronze camel, however. It's late 7th or early 8th century from central Asia. It is, without question, superb and is one of the earliest known examples of its kind in the Islamic world.

He sends me home in his Maybach 62, my head spinning from Lafite and contact with this strange, Mayfair world, an uneasy structure built on the eternal conflict between the supremely precious and the brute force of money. David Khalili had hit me like a wave of Middle Eastern charm and hospitality. I didn't know what to make of him. I still don't.

But, I thought, as the Maybach pulled up outside my suddenly desperately modest home, everything in life happens for a reason. It's just that nobody ever knows what it is ■