

The Man Who Had It All... And Gave It Away...

# The Homeless Billionaire

*Meet Nicolas Berggruen—a man who owns fewer items than any of us. Don't worry, though, they won't be collecting for him in your neighborhood anytime soon. Believe me, he doesn't need your help. He is still one of the 200 wealthiest men in America, and he ranks among the top 550 wealthiest in the world. It is just that his wealth is not in "things."*

*Billionaire Nicolas Berggruen is homeless. He owns no house, not even a shack, and no car; in fact, he hardly owns anything beyond the clothing on his back and the contents of his small tote bag. Berggruen lost interest in a life of luxury several years ago. He sold virtually everything and signed a pledge to give away at least half of his fantastic wealth. Now he wanders around with no place to call his own—a stateless, homeless man.*

*What led him to become this way? That is part of what makes his story so interesting. . . .*



Nicolas Berggruen is not your typical billionaire. In fact, he's so unusual that he's been called the "homeless billionaire." That's not hyperbole. He owns less than you or I, not even a home, a car or a wristwatch. Born into wealth and privilege, he eventually came to the realization that life was not about owning things.

His father, Heinz, an assimilated Jew living in Berlin, fled Nazi Germany in 1936 and moved to San Francisco. There he became the curator of a museum and developed a taste for fine art. After the war ended, Heinz moved to Paris and amassed one of the greatest collections of historical artwork in the world.

Paris-born Nicolas was a rebel from an early age. When he was 12, he demanded that his parents send him to a prestigious boarding school in Switzerland. There he was exposed to left-wing ideas; he read Marx, Lenin and the works of other leading communist thinkers. Strong-minded Nicolas refused to study English, telling his teachers that "English is the language of imperialists." Not surprisingly, he was soon expelled from school and had to return to France.

In a short time, though, Berggruen made peace with capitalism. At 17, he entered New York University, where he studied finance and international business. Beginning with the \$2,000 he had saved, he started investing in stocks. Later, he and a few friends bought abandoned buildings in Brooklyn for next to nothing. They renovated and resold them for a profit. This would become the foundation for Berggruen's vast financial empire.

Today, Berggruen Holdings owns offices in New York, Berlin, Mumbai and Tel Aviv. The company is operated by nine executives who help Berggruen identify promising ventures in which to invest. The holding company owns 30 subsidiaries in fields as diverse as real estate, furniture and health care. Berggruen also began building skyscrapers in many of the world's major cities. His assets are estimated to be worth almost \$2.5 billion.

## He Had It All

At first Berggruen was no different from any other super-successful entrepreneur. He enjoyed spending his plentiful dollars on all sorts of extravagant luxuries. He bought himself mansions and summer villas, expensive cars and yachts, private jets, gold, silver and diamonds and valuable artwork. You name it, and he bought it.

However, he gradually realized that something was gnawing at him; something was missing in his life. Each time he earned a profit or made a business deal, he became dissatisfied and began contemplating how to earn more money or to make another deal. The same was true about his purchases. Each new home or luxury car that he bought would bring him pleasure, but not for long. Eventually, his lengthy list of possessions began to seem like a burden.

"I felt I was owned by possessions," he once explained. (As *Chazal* say, "The more possessions, the more worries.")

In 2000, Berggruen decided that it was time to pare down his attachment to material things. He began by selling his condo overlooking Central Park in Manhattan. He also sold his mansion on a private island in Florida, his luxury cars, and his expensive jewelry. The artwork he inherited from his father, as well as his own collection, were put in storage or loaned to a museum in Berlin. He signed a pledge (prompted by fellow billionaires Warren Buffett and Bill Gates) to donate at least half of his wealth, and says that he'll eventually give it all away.

"I feel happier," Berggruen told a reporter. "I am not that attached to material things, and the good thing is that I can make choices."

Berggruen is a citizen of both Germany and the United States but has no permanent address in either country. Instead, he travels the world, domiciling in hotels. In the US he is classified as "homeless" and does not hold the right to cast a ballot in any voting district.

All Berggruen carries in his small bag is a change of clothes and his cell phone. When someone once asked him what he

owns, Berggruen responded: "I have very few possessions—a few papers, a couple of books, and a few shirts, jackets and sweaters. It fits in a little thing, in a paper bag, so it's very easy."

To be honest, Berggruen has not sold *all* of his luxury items. He owns a private plane. However, this is not an issue of luxury but rather a matter of "practicality," as Berggruen justifies it. Without a private jet, he would have to share the nightmare of ordinary travelers: the long waits, strict security measures and rigid, inconvenient travel schedules that are part and parcel of the air travel industry.

Berggruen explained to a reporter that the only reason people purchase expensive homes, cars or other things is to be able to show them off to others. He considers such behavior utterly senseless. He told another journalist, "Whatever I own is temporary, since we're only here for a short period of time. It's our actions, which will last forever. That's real value."

One reporter pressured Berggruen to explain why he had no enjoyment from buying more things. Berggruen answered, "Possessing things is not interesting. Living in grand environments to show myself and



Left: Nicolas Berggruen, who is on Forbes' list of wealthiest people. Right: Berggruen's Jewish father, Heinz.



The Berggruen Museum in France contains one of the largest collections of historic artwork in the world.



Berggruen's former mansion on a private island in Florida.

