

"NEEDHAM KNOWS ASIA."

- MALAYSIAN STAR

JAKE NEEDHAM

THE KING OF

MACAU

A JACK SHEPHERD NOVEL

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A Jack Shepherd Novel

Jake Needham

Half Penny Ltd
Hong Kong

*Karl Marx wrote that history repeats itself
the first time as tragedy,
the second time as farce.
And the third time, he might have added, as North Korea.*

– Fareed Zakaria, The Washington Post

*Don't matter how you do it,
just do it like you know it.*

– Jerry Jeff Walker

1

ONCE UPON A TIME...

Wait, I shouldn't begin that way. You're going to think this is a fairy tale. And this story is anything but a fairy tale, although I admit there are things here that might at a glance make it sound a bit like one.

It does, after all, take place in an exotic land you may not believe is real. Take it from me, Macau is real. It is a centuries old city-state occupying a tiny spit of land on the South China coast. Its name is sometimes spelled as Macao, and there's your first clue about the place right there. When people can't even agree on how to spell its name, you ought to know right up front that you're pretty much fucked if you think you're ever going to figure it out.

All of Macau taken together doesn't add up to more than a dozen square miles, but it is still the biggest gambling town on earth. It already has thirty-three casinos including the massive Venetian Macao, the largest casino in the world, and new casinos are constantly under construction. Macau is closing in on \$50 billion a year in gambling revenues, several times the gambling revenues of all of Nevada combined. The place is Las Vegas on steroids, and that's no fairy tale.

But there's something else, too.

AT THE HEART OF this story is a man many people call a king, although Macau was never actually a kingdom, and Ho Hung Sun was never a real king.

After four hundred years as a Portuguese colony, the Portuguese sailed away in 1999 and Macau became a Special Administrative Region of China. At the time, Ho owned all the gambling casinos in Macau. Every single one of them. A bit of every dollar thrown on Macau's tables and fed into its slot machines ended up in the pockets of Ho and his family, and all that money made Ho Hung Sun, who always introduced himself to westerners as Stanley Ho, nothing less than the king of Macau.

The power Stanley Ho's gambling monopoly gave him over Macau was simply more power than the Chinese government was willing to allow anyone to wield in their new Special Administrative Region, but even the Chinese moved cautiously around Ho. It wasn't until 2002 that they finally came to an accommodation with him and began granting new gambling licenses to big international players like the Las Vegas Sands, the Wynn Resorts, and MGM Mirage.

Although Stanley Ho still operates about half of Macau's casinos, his power is not what it once was. Like King Lear, the king of Macau is old and knows his kingdom is slipping away.

But that is not the end of this story. It is really only the beginning.

Because here's the thing...

Stanley Ho has a beautiful daughter, and her name is Pansy.

IT DOES SEEM RICH material with which to contrive a modern-day fairy tale, doesn't it? An exotic land, a once powerful king now grown old, and the king's beautiful daughter.

Of course, there is still something missing. We need a handsome prince to ride in on a white horse and save the king's beautiful daughter.

That, more or less, is where I come in.

NOW I'M NOT BAD looking, although calling me handsome might be stretching a point or two, but I haven't got a horse, not one of any color, and sadly I'm no prince. I'm only a lawyer. At least that is what I say when someone asks me what I am. The whole truth is rather more complicated than that.

I don't research points of law or figure out tax codes or go to court. I solve problems. The sort of problems most lawyers don't want to know about.

When people are being polite, they call me a troubleshooter. I've never been sure what that actually means, but I have to admit I rather like the sound of it. I find the trouble and I shoot it. Neat, huh? If things were only that simple.

This is what I really do: I fix the shit nobody else wants to touch. I work by myself, I keep a low profile, and I don't get personally involved. I'm like a surgeon. I show up, cut the son of a bitch, patch him up as well as I can, and I'm out of there.

I am being glib, of course, something I have been accused of more than a few times in my life, generally by a woman. The things I actually do to earn a living aren't nearly that straightforward. Here's what I mean...

I GOT AN EMAIL from a man named Gerald Brady. He said he wanted to see me about a matter of considerable importance. I had no idea who Gerald Brady was and I learned nothing from doing a quick Google search other than that Gerald Brady was a far more common name than I imagined.

Mr. Brady asked me to meet him the next day at the MGM Hotel in Macau, and he demonstrated his bona fides by having a courier deliver a bank check for ten thousand dollars within an hour after his email appeared in my in-box. Even better, it was ten thousand big dollars, the American variety, not Hong Kong dollars. That was pretty persuasive so that afternoon I made the one-hour jetfoil trip across the Pearl River delta to Macau and checked into the MGM, where a very nice suite was waiting for me exactly as Brady said it would be.

I had no idea what he wanted to talk to me about, of course, but I doubted very much it would involve writing a memo on some point of corporate law. People don't call me when they want a memo. People call me when they have a problem they have to fix, a problem that scares them so badly they can't talk to anyone else about it. People call me when there isn't anyone else they *can* call.

My name is Jack Shepherd.

You should keep that in mind. There might come a time when there isn't anyone else you can call either.

2

THE FIRST SHOT WENT wide and the second shot went high, and I have absolutely no idea where the third shot went.

By the time I heard it, I was flat on my belly behind a black Rolls Royce that someone had fortunately left parked in the driveway right where I was standing. The concrete smelled of rain and the car smelled of wax, and the silence that followed the three shots was so complete I could have counted the tiny ticks from the car's engine cooling in the night air.

I could have, but I didn't. I was too busy trying to figure out what was happening. And more important, whether it had anything to do with me.

I had been in Macau for only a few hours. Surely I hadn't pissed anybody off that quickly, at least not enough for them to want to shoot me.

Then again, I'd been wrong about things like that before.

WHEN THE SHOOTING STARTED, I was just standing there looking at the early February fog filling Macau's narrow streets. The thin, wispy light made the whole place feel even more romantic and mysterious to me than it usually did. The upper half of the Grand Lisboa Hotel, a golden-hued monstrosity of a

building that was supposed to resemble a gigantic lotus blossom, was gone, lost in the grey-white shroud lying on the city. Wrought iron balconies, cobblestone alleyways, flickering streetlights, and the indecipherable Chinese characters of the road signs were all rendered in feathery soft focus by the gauzy billows of fog. It was like walking into a black and white movie. I felt like Robert Mitchum waiting on a misty street corner for Jane Russell to appear.

I had spent the last hour or so killing the evening by strolling around the casino at the Wynn Macau. The brightly lit rooms, the crowds of Chinese gamblers, the haze of smoke over the tables, and the brittle anticipation breathed in and out by a thousand gamblers in near perfect synchrony had held me for a while, mesmerized by the great world of vice and dissipation. But I'm not a gambler myself, at least not when it comes to casinos, and I felt no personal tug from the tables, so after a while I lost interest and walked out through the Wynn's east entrance with the vague idea of having a nightcap at the Lisboa Hotel's justly famous Whiskey Bar.

Then I heard the sound of the shots ricocheting off the concrete and I wasn't Robert Mitchum anymore. I was just a middle-aged guy trying to dig a hole in a driveway.

THE SHOOTER, WHOEVER HE was, started firing again and I gave up the thought of risking a glimpse over the hood of the Rolls before it was completely formed. I could tell from the sound of the reports that the shots were coming from a handgun, probably a nine. At least the little creep wasn't wielding an AK-47 on full auto like some LA gangbanger.

I heard five more shots. None of the bullets hit the Rolls, and I counted the pings as they ricocheted off the driveway. Either the gunman was the world's worst shot or he couldn't bring himself to put holes in a Rolls Royce. That's what I'd bet on. In Macau, wealth and its display were about the only things most people thought worth defending.

When I heard the rumble of a big bike revving hard and moving south toward the harbor, I figured that had to be the shooter beating it out of there and I resurrected the idea of taking a glance out from behind the Rolls. I pushed myself to my knees and did a quick head fake over the hood. Since that didn't draw any fire and I didn't see a shooter, I lifted my head and took a long look around.

Nobody was down and there wasn't any sign of damage. All I could see was a lot of people running around like idiots. Macau was getting back to normal already.

SUDDENLY I REALIZED I wasn't alone there behind that Rolls Royce.

A middle-aged man dressed in a dark grey suit and a white shirt without a tie was sitting on the ground and leaning back against the car's rear door. He looked Chinese, with a square face and a head so large he made me think of a bobble-head doll. The man was serenely smoking a cigarette and he looked as if he had merely chosen the driveway behind the Rolls as a convenient place to relax and grab a smoke following a hard night at the tables, rather than as a shelter from flying bullets.

The man saw me looking at him and smiled politely. "It's a real nuisance, isn't it?" he said.

A nuisance?

"You needn't worry," he continued while I was still thinking about his choice of words. "They probably just wanted to scare somebody."

"They sure as hell scared me."

"They almost never hit anyone. I doubt they even mean to."

"Are you saying this sort of thing happens all the time?"

The man looked me over more closely. "I took you for a local," he said. "Where do you live?"

"Hong Kong."

He nodded his head very slowly as if that fully explained my ignorance about life in Macau, but he didn't say anything else.

“Are you telling me attacks like this are common here?” I asked him again.

“It happens,” the man shrugged, looking uncomfortable now.

“I thought the gang violence ended when the Portuguese left and the Chinese took over.”

“All that ended when the Chinese took over was anyone talking about the violence.”

The man pushed himself up and brushed at his trousers with his open hands.

“You said they probably wanted to scare somebody. Who are you talking about? Who is ‘they?’”

The man dropped his cigarette and ground it out under the toe of one impeccably polished wingtip, but he stayed stubbornly silent.

“You mean the triads, don’t you?” I pressed. “You’re telling me those were triad shooters we were ducking.”

“I velly solly,” the man murmured. “I no speakee English.”

He shoved his hands in his pockets, trotted quickly up the steps, and disappeared into the lobby of the Wynn.

I WAS STILL ON my knees behind the Rolls Royce, and I felt pretty silly about that, so I got up and looked around. There were some people here and there who might be described as appearing anxious, but appearing anxious was pretty much the usual state of most people in a gambling town like Macau, and no one really looked like they had just survived a barrage of gunfire.

Near the end of the driveway two Chinese men in dark suits were punctuating their conversation with animated gestures. The loud, harsh cadence of their Mandarin made them seem as if they were about to start swinging at each other. I doubted they were. Mandarin is an angry-sounding language at the best of times. I remembered somebody once telling me that Mandarin isn’t a spoken language at all. It’s a screamed language.

Back in the other direction, a black and cream colored taxi was

unloading two women and a man who could have been almost any nationality. The man was badly dressed in long black shorts, flip-flops, and a wrinkled t-shirt, but the two women were costumed as if they were going to a ball. One was in a long silver sheath that glittered in the light, and the other was wearing a short purple dress that displayed her legs to maximum advantage. I glanced at the man's face as they passed. He looked as smug as someone who had hit the daily double. Which, in a manner of speaking, I guess he had.

I looked out toward *Avenida 24 de Junho* where the shooter's bike roared away not two minutes before, and I watched as a young woman in a short yellow dress and red heels pattered past on a sea-blue motor scooter that looked like a Vespa. I doubted it actually was a Vespa, but rather almost certainly a Chinese copy. The woman was slim and small-boned with tightly cropped hair and a dazzling smile, and I wondered briefly if she was a fake, too, a sort of Chinese knock-off of Audrey Hepburn.

Then I stopped wondering about the people around me and started wondering about something far more important.

I started wondering what I was getting myself into there in Macau.

3

I DIDN'T SLEEP WELL that night, probably because being shot at makes you pretty jittery. Or maybe that's just me...

After tossing and turning for a few hours, I woke around dawn to murky grey light creeping past the heavy wine-red drapes in the bedroom. For a minute or two there I couldn't even remember where I was, but then I did, and I sat up, found the phone, and called room service for toast and scrambled eggs. And coffee. Lots and lots of coffee.

I showered, shaved, and dressed in khakis and a white shirt while I was waiting for breakfast. I pulled out a lightweight blue blazer, but I didn't even think about putting on a tie. I stuck with the uniform I had settled on some time ago for first meetings with new clients. The jacket said I was a lawyer, but I figured the open-neck shirt added that I wasn't anything like the rest of those pompous pricks.

Breakfast arrived and I ate the eggs and toast and drank coffee out in the living room while I watched the New York market wrap on CNBC. When it was over, I shut off the television, poured the rest of the coffee out of the pot, and unfolded the copy of the South China Morning Post that had been left outside my door. I read for a while and was wishing I had some fresh coffee when, at

exactly nine o'clock, the suite's doorbell rang. I folded up the paper and opened the door.

"I'm Gerald Brady, Professor Shepherd. Welcome to Macau."

"Call me Jack, huh? I haven't been Professor Shepherd for quite a while."

We shook hands and Brady nodded slowly. Something close to a smile slid over his face and was gone. I was left with no doubt Brady knew the story of my hasty and slightly undignified exit from the academic life. At least now I wouldn't have to tell it myself.

"I'm a vice president of MGM Macau, Jack. I'm in charge of security for the company."

I guess that explained why I had such a nice suite.

When I stepped back and invited Brady in, a room service waiter wheeling a cart followed closely behind him. The cart was covered with a crisp white tablecloth and held a silver urn, a silver tray with a cream and sugar service, and two cups. The cups rattled against their saucers as the waiter pushed the cart across to the two love seats upholstered in dark green velvet that faced each other across a large glass coffee table.

"I hope you don't mind," Brady said. "I had some coffee brought up."

"I never mind coffee."

Brady and I sat opposite each other on the two love seats while the waiter fussed about, drawing us coffee from the urn. I examined my prospective client while the waiter worked. He was wearing an obviously expensive grey suit with just a bit too much sheen to it, an expensive gold watch that was just a bit too chunky, and an expensive haircut that was just a bit too perfect. Brady's face also had that curious perma-tanned look everyone associated with Las Vegas and Hollywood. I had always wondered why chemically induced tans inevitably come out as an odd shade of color never seen in nature. How hard can it be for a nation that has sent men to the moon to come up with a cream that turns people's skin brown instead of orange?

After the waiter finished, he bowed slightly toward Brady and slipped out without hanging around for somebody to produce a tip. It was obviously good to be vice-president.

I took a sip of coffee. It was a lot better than the room service coffee I'd had for breakfast. Maybe the executives at the MGM got classier coffee than the guests.

"Is this a corporate matter?" I asked to get the ball rolling. "Your email left me with the impression that it was personal."

"I don't like to be too specific in emails. You never know who's reading them, do you?"

I thought I knew who was reading my emails and, hysterical claims aside about how NSA is watching us all, I was pretty sure it was the people to whom I sent them. But then I wasn't running security for a major casino in Macau. Maybe that was a whole different deal.

So I nodded, drank some more coffee, and waited. When in doubt, I have always believed, drink more coffee. And wait.

"YOU COME WELL RECOMMENDED, Jack."

"By who?" Or was it whom?

"He asked me not to mention his name."

Okay, I thought, *at least that narrows it down a little*. Brady said 'he', so both of my ex-wives were out as the source of my testimonial. Not that I was hugely surprised by that.

"Why did he tell you not to mention his name?"

"I don't know. You'll have to ask him that."

"Which is hard to do if I don't know who to ask, don't you think?"

Brady gave a tiny nod that appeared to concede the point, but he said nothing else.

I thought about that for a moment. Then I put my coffee cup down, leaned back on the love seat, and laced my fingers together behind my head.

"Okay, Mr. Brady. I'm listening. Why am I here this morning?"

BRADY RAMBLED ON FOR at least ten minutes while I listened and drank coffee. I didn't really mind because it was good coffee, but the story Brady told was pretty simple and needn't have taken nearly that long.

The casino at the MGM Macau had recently experienced an unusual spike in its drop, the gambling industry term for the total amount of money the punters throw on its tables and push into its slots every day. I nearly went to sleep while Brady explained how they recognized the spike was unusual and not merely a matter of business getting better. I was willing to assume Brady, since he was head of security, recognized unusual when he saw it. I didn't really need for him to persuade me.

The bottom line was that Brady suspected the MGM casino was being used for large-scale money laundering. Only he didn't know quite how or, naturally, by whom.

"I understand, Jack, you're pretty good at getting to the bottom of things like this."

I was, so I didn't say anything. I think modesty is tedious, and false modesty is downright obnoxious.

"We want you to find out what's going on. If we're being used to launder money, we want you to find out who's using us and what the source of the funds is."

"That's all you want?"

"That's all."

Brady didn't seem to realize I was joking, and I didn't bother to tell him that I was. When you have to explain irony, it's no longer particularly ironic, is it?

"Do you have any suspicions?" I asked instead.

"Of course. We always have suspicions."

I said nothing and, after a moment, exactly like I knew he would, Brady told me exactly what those suspicions were.

"The triads aren't as powerful in Macau as they once were," he said. "But they're still very much here."

"So you think this is triad money?"

“It’s certainly a possibility that has to be considered.”

I gave him a look.

He cleared his throat.

“I guess it’s a fairly strong possibility,” he murmured.

MOST WESTERNERS THINK OF the Chinese triads, if they think of them at all, as something out of a Bruce Lee movie. Just a bunch of crazy Chinese guys, mostly fictional, and even a little comic. The truth is that there’s nothing fictional about the Chinese triads. And absolutely nothing about them that is even slightly comic.

The triads have been established in Macau for at least four hundred years. The Sun Lee On, the Dai Huen Jai, the 14K, and the United Bamboo are the biggest players, but there are others, too. They’re all involved in drug trafficking, extortion, kidnapping, loansharking, smuggling, gambling, prostitution, and most every other form of criminal activity that anyone has been able to think of.

Officials in Macau routinely deny that the triads are active there, but nobody even pretends to believe them. Macau is the biggest gambling city on earth. It floats on an ocean of cash. Get serious.

In the 1990’s, Macau was a sanctuary for gangsters, gunrunners, pimps, corrupt officials, and spies of almost every nationality. It was a mixture of Chicago in the 20’s, Shanghai in the 30’s, and Casablanca in the 40’s. The Chinese triads controlled the streets, and everybody else kept their heads down. Most locals were smart enough not to go out after dark.

Then, on December 20, 1999, the first day of Chinese sovereignty over Macau, heavily armed convoys of PLA troops rumbled over the border in trucks and armored personnel carriers. They were greeted with cheers by thousands of Macanese. The message was clear: the Portuguese had been hopelessly inept in dealing with the violence and lawlessness in Macau, but the Chinese would impose order because order was good for business.

I thought back to what my bobble-headed friend had said the night before when we were sharing the shelter of that Rolls Royce. He said that the Chinese hadn't stopped the triads at all. They had just stopped people from talking about them.

"SO YOU WANT ME to investigate the triads," I said to Brady.

"I didn't actually mean—"

"You said you wanted me to get to the bottom of a spike in your drop, you think is money being laundered through your casino, and you think it is triad money."

"We want you to find out the source of the spike in funds, Jack. Perhaps it's triad money, perhaps it's not."

"You know it's triad money, Mr. Brady. In Macau, what else could it be?"

Brady looked down at his shoes, which pretty much answered my question.

"There's no way I'm going to get involved with the triads," I said. "I was outside the Wynn last night when somebody plinked a few shots in my direction, apparently for grins. I'd hate for them to be serious about it next time."

"We're not asking you to get involved with the triads, just to—"

"You're asking me to finger the triads for washing dirty money through the MGM casino and to find a way to stop them from doing it anymore. How is that not involved?"

Brady looked away. He didn't say anything.

"Forget it," I said. "I'm not your guy."

"Will you talk to someone else before you make your final decision?"

"That is my final decision. I'm not going to change my mind."

"We paid you a substantial retainer for this meeting, Jack. It seems only fair to ask you to give us just a little more time. If you don't want the job at the end of the day, we certainly can't make you take it."

I had to admit that was a reasonable point of view. I could

always give Brady his ten grand back and go home to Hong Kong, of course, but the idea of returning money I had already been paid wasn't very appealing. The other possibility was that I could stick around a little longer and listen to somebody else try to persuade me to investigate the triads in Macau.

One way, I was out a fair amount of dough. The other way, I would have a few laughs.

“Who do you want me to talk to?” I asked.

I COULDN'T HELP BUT smile when Brady told me, although I tried not to be obvious about it. I knew who Pansy Ho was, of course. Anybody who read the business papers in Hong Kong knew who Pansy Ho was.

Pansy was a daughter of Stanley Ho Hung Sun, one of fifteen or twenty children the old man was willing to admit to, and she had become quite successful in her own right as MGM's local partner in Macau. Recently she had been keeping a low profile. Some of the gambling regulators in the US had begun pressing MGM Mirage to explain their involvement with Pansy in connection with MGM's licenses in New Jersey, Nevada, Maryland, and other places in the United States. It wasn't really Pansy who was making American gambling regulators nervous. It was her father.

Stanley Ho was at least ninety now and he had never been charged with any crime in Macau or anyplace else, but the stories about his supposed triad connections wouldn't die. Ho and his companies held an absolute monopoly over all the gambling in Macau for nearly two generations, and he still controlled a couple of dozen major casinos as well as Macau's whole transportation infrastructure. How could that be possible, people wouldn't stop asking, without, at the very least, Ho making a few deals with the triads along the way?

American gambling regulators are particularly sensitive to anything that smacks of organized crime, even if the crime is

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Chinese, half a world away, and not actually all that well organized.

So Brady wanted me to meet Pansy Ho and talk to her about investigating the triads, huh?

That was worth hanging around for.

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