

A Conversation with Bill Gates: Global Development Opportunities

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Transcript of Q & A Session with Larry Cohen

LARRY COHEN:

Thanks for joining us. My name is Larry Cohen and I'm here with Bill Gates, who is just back from Davos, Switzerland, where he was talking with government leaders about global development, food, and other topics in his annual letter. We've had lots of great questions coming in from students and others around the world. Before we get to the questions today, I want to ask you, Bill, what was the main point of this year's annual letter and how has the response been?

BILL GATES:

Well, I wanted to share the incredible success we're having in helping the poorest in the world. Helping them survive the tough disease challenges, helping them be able to feed their children. And a lot of that comes because people broadly, through their governments, are generous about aid. And, they should know that it's making a huge difference.

LARRY COHEN:

That's great. A question that we got from a number of people deals with how times are tough in the countries that they live in. So they want to know-- how do you balance the desire to help those in other countries, when things are so tough in the country that I live in?

BILL GATES:

Well, there's a huge disparity of levels of wealth between the poorest countries and the richest. And its unfortunate people can't get out and see these basic needs that aren't met. You know, a child starving to death, a child dying because of lack of a bed net. The way I think of it is that you can only justify taking money from a rich country and sending it elsewhere, if you have a very high confidence that that money is far more effective than what you're doing in the rich country itself.

That is the impact of \$100-- is huge, like saving a life, in the poor country. Whereas it couldn't do anywhere near that much in the rich country. The most generous countries in the world spend a few percent of their government budget-- which is about 1% of their economy, to the poorest countries. And so we're not talking about some gigantic amount, 5%, 10%, which people often guess before they're asked-- told what portion of the government budget goes there.

So it's got to have huge impact-- like 50 times more effective, and it's got to be a modest percentage. With that in mind, my view is that even the tough times we're experiencing; those are even tougher for people who don't have enough to eat. And so that as we balance budgets, we should not go after this piece, the small, small piece that's there to provide aid to the poorest. Because after all, we're getting better every year at making sure that money is very well spent.

LARRY COHEN:

Well, speaking of impact and effectiveness, how do we ensure that once the aid is committed, it actually gets

to where it's supposed to go. And that once it's there, it's actually effective in its work?

BILL GATES:

Well, there are many different ways that that money's spent. A big one and one that's grown a lot is health. And in health, the idea of seeing that the drugs or vaccines get bought, seeing that they get shipped, seeing that they get out to the kids and people who are in great need, that's reasonably straightforward.

And so we monitor. We go and do statistical analysis. We look for the challenges there. And so in the area of health, we can say that the vast, overwhelming amount of money is very well spent. There's sometimes a few percent that gets misdirected. And we have systems that catch that.

The basic room for improvement is more in innovation-- inventing drugs that are cheaper, inventing things that don't require so much personnel. We're going to keep trying to minimize the few percent that gets redirected. But if people care about impact, it's that innovation, new approaches, where we can often come up and be 20% better, 30% better. And, you know, that's my full-time work is going in and thinking, "Do we have the smartest people looking at these approaches and being willing to try new and better ways?"

LARRY COHEN:

There were lots of questions that came in regarding GMOs. A lot of people want to know how you balance the opportunity to address food scarcity with the concerns that many have around GMOs.

BILL GATES:

Right, so genetically modified organisms, that's where you create a new seed by using some biological approach that changes the gene. One example is you can put a gene in that prevents the plant from getting disease. And so a disease that's wiping out the crops of poor people and causing tens of thousands to starve, you can get rid of that. The techniques we're using here were actually invented for human medicine.

And in the case of human medicine, we don't have a total ban on all drugs that are created this way. Nor do we have a total acceptance. What we do is each drug gets created. It's trialed. And then each country has scientists who look at, "Okay, what are the benefits and what are the risks of that new drug?" And they decide. And it's a very sophisticated system that's trying to maximize human welfare.

For plants, it's going to be the same. That is, to a priori say, "No, we don't want that seed that blocks disease--" you know, that's dooming the poorest to never have this kind of tool. And it'd be ironic, since many of these advances are creating things like drought tolerance that poor people only need, because rich people have been emitting so much CO2 that the climate conditions are worse for those poor people.

Now making sure that there's that scientific depth so that they can analyze crop by crop that's something that the foundation is helping to invest in. But each country will have its own decisions. And there are in the pipeline some fantastic crops that need to be looked at. You know, we have decades of experience where rich countries have used GMOs. Some countries like South Africa, Burkina Faso, Egypt are using some GMOs right now. But the big wins are ones that come later. And, you know, each of those should be looked at as a special case, not ruled out or ruled in, based on the general perception.

LARRY COHEN:

Interesting. Let's go to a couple questions that we've actually received since we started the webcast. The first is on population growth. And the question is, "One of our most pressing issues is population growth. How do you expect this to be addressed?"

BILL GATES:

Well, the population growth issue, at the global level, is not that daunting. That is, the population, percentage-wise, is growing slower today than in the past. And so it will actually peak out. The problem is that the population is growing the fastest where people are less able to deal with it. So it's in the very poorest places that you're going to have a tripling in population by 2050.

And so their ability to feed, educate, provide jobs, stability, protect the environment in those locations means, they're faced with an almost impossible problem, Northern Nigeria, Yemen, Chad. And so what we need to do is take this aid generosity and this innovation and go into those places-- offer the women better tools, where they want to space birthing or have a smaller family size, and improve health, because it's amazingly as children survive, parents feel like they'll have enough kids to support them in their old age. And so they choose to have less children.

Niger, right now, it's still seven children per family. Whereas in the richer countries you're often at a stable point of which is 2.1 or even less. And so it's really an acute problem in a certain number of places. And we've got to make sure that we help out with the tools now so that they don't have an impossible situation later.

LARRY COHEN:

In your letters, you've written about Hans Rosling as someone that you've learned a lot about this dynamic from. Is that something you'd point other people to if they wanted to understand this a little more?

BILL GATES:

Yeah, Hans is the most articulate on how development has been a big success, what the trends are, comparing different countries. He's at www.GapMinder.org, with lots of great stuff. And, it's really inspiring. And the more people who see it the better.

LARRY COHEN:

One other question that we'll do that we just got in is on Global Fund. The question is "Should we continue supporting The Global Fund, despite recent issues I've heard about?"

BILL GATES:

Well, Global Fund was created ten years ago completely from scratch, because the world wasn't paying attention and funding the needs of the poorest for three big diseases, malaria, tuberculosis, and AIDS. And the level of generosity of the Global Fund has been amazing.

In those disease areas other than what the U.S. spends on HIV, it is the biggest funder. So it's the biggest bed net buyer. It's the biggest buyer of the drugs that cure you from tuberculosis. And along with this U.S. program called PEPFAR, it's the big funder for HIV medicines. So there's over seven million people alive today, who wouldn't be, because of Global Fund.

So it's hard to beat that, you know? It's not like any new tech start up that I know has saved seven million lives. I mean, it's nice that you can do all these things. But this is something that really improved humanity's situation. Now it's gone through some management changes. It had some grants that it detected, where the training that it had paid for wasn't done. It's put new systems in place for that.

So I was able to announce the confidence I have and the foundation has in this group with the new \$750 million grant last week. That shows that we feel, you know, we're tough about getting value for money. And 0 we really see that they are super-efficient and that these are important needs. They've got a really good plan going forward, but because more and more people are getting to the point in their HIV disease that they need these drugs, the question is will the generosity be enough so that we're not turning people away?

And it's very tough, because you have to keep people on the drugs the rest of their life. You don't ever cure, at this point, somebody from having AIDS. So it hangs in the balance. And certainly my voice is strongly out there saying, "This should remain a priority. We should grow this if we can, because for every \$300, you can keep somebody on these life-saving drugs for another year."

LARRY COHEN:

We had a great question from someone. They wanted to know are there things that countries can do in addition to giving just money to those countries in need?

BILL GATES:

Well, aid dollars are a big thing, but a country can have research activities even done inside the country, that are discoveries on behalf of the poorest. So if you're working on a malaria vaccine, you know, that's a great scientist being funded in your country. But if they're successful, then it improves the conditions in those poor countries.

You can also have technical expertise, where you're going out and helping them land rights, systems of justice, going out and having people volunteer in those countries. Amazingly having immigration policies that allow people to come in from these countries is actually beneficial as well. Because the remittances, the money sent back by those workers is gigantic, often even greater than the aid money. And so that sense of opportunity and what they learn is important there. So a lot of different elements that you can do to try and reduce this unbelievable inequity.

LARRY COHEN:

How do you know-- how-- how does anyone know when progress is being made? You know, is there a score card? You know? Who maintains that scorecard? What are the benchmarks? How do we know that we're getting closer to achieving some of the goals that you outlined in your letter and in your work?

BILL GATES:

Well, the most basic thing is health. Not having your children die, having people live a long and healthy life. And there are very clear metrics. The number of children that die every year who are under the age of five, you know, we know that pretty closely. And that's a metric that's now come down to under 8 million a year. Really great progress, because it used to be gigantic compared to that.

Another metric would be people dying from malaria or HIV. Where we have drugs that can save their lives, yet

were not there and not doing enough of that. The goals as a whole were pulled together in the millennium development goals or MDGs for short. And there are eight of those. I think it was a profound piece of work, because it got every country to say, "Okay, what progress am I making on these numbers? Who's doing it best? What should I do?"

The donors would make sure their money was focused on these truly basic needs. And so now the world, in 2015, where those goals will come due, will look and there will be a lot that are achieved. There'll be a lot that are not achieved. But overall, I'd say it's a good report card. And it guides us, in terms of, "Okay, don't just think about how much aid we spend, think about how much progress we make towards those goals."

So I encourage everybody to look those up. The world is starting a discussion about-- what should the next 15 years, the 2015 to 2030 goals be, how ambitious should those be? What should they include? Certainly child mortality, maternal mortality, these key diseases, those are going to stay there because we still have a lot to do.

LARRY COHEN:

Most of the people who are watching today, they're not government ministers, government leaders. They don't control aid budgets. But a lot of them asked, "What can I do to help? How can I get involved?" As I'm sure, after reading the letter, it's a question many people ask of themselves. What would you say to people are interesting ways that they can learn more and get involved?

BILL GATES:

Well, we need people's political voice to say that this few percent of the budget is not what should be cut. So there are groups like One.org that you can sign up for. Depending on what country you're in, they'll send you a regular update about what key decisions are, so you might want to write letters or go to meetings and things about that.

There's a lot of incredible organizations that work in this space, who can use volunteer time, or even a small donation can make a big difference. The Gates Foundation website has the list of our various partners. You know, whether it's Nothing But Nets to buy malaria bed net, going through Rotary to give to the polio eradication campaign, Save the Children, Global Alliance for Vaccines, a lot of them.

And the beauty is the diversity. My children love Heifer International, where you can give money and they give a cow or goats or pigs, quite a few choices, to a poor family. And that family commits as that animal has more, they give those away. So there's some really neat, creative things. Some of which you can clearly get a sense of, "Okay, what difference did my gift make?"

LARRY COHEN:

You've spent a lot of your time, personally, on polio, traveling to Africa and India. We're getting close. There was a big milestone in India. How do you think we're doing?

BILL GATES:

Well, this eradication campaign goes back to 1987. In the first years, we made immense progress. And now we've got some countries that are tough. India was expected to be the very toughest country of all. And in fact, now we've gone more than a year without a single case. So that was very exciting.

We have two countries in Asia, Pakistan and Afghanistan, and about seven in Africa, including Nigeria, where we still have cases. So finding all the kids, convincing the moms the vaccine's a good thing, getting out there many, many, many times, even people who are migratory, in rural areas. It's a big challenge. And this is my biggest activity is trying to make sure that this leads to a success.

It'll take years, but, you know, two, three, four years, we should have this one clearly in our sights. And this looks pretty exciting. We really congratulated the Indians, because they surprised people with the diligence and quality of those campaigns. And all of that learning is now being applied in the other countries, where we still have polio.

LARRY COHEN:

And in this next year, you'll travel back to a lot of these countries to see how the progress is going towards complete eradication.

BILL GATES:

Right. In Switzerland, I met with the prime minister of Pakistan, the health minister of Nigeria. I'll get out to Nigeria later in the year. So the idea of encouraging people, trying to understand what tools we could provide to help them with that, their task. It's a very hands-on thing. There's a lot of great work that still needs to be done.

LARRY COHEN:

That's great. Thanks for your time. Thanks everyone for the incredible questions that you sent in. We'll be doing more of these, so keep them coming. And as Bill said, to learn more about the foundation work, there's gatesfoundation.org. And you can also follow Bill on his blog, which is GatesNotes.com. Thank you, everybody.