



The Evolving Role of Philanthropy in Global Problem Solving *Transcript of Interview with Miguel Veiga-Pestana*

Participants:

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The Interview:

Bigham: Ok, let's begin. First, I'd like you to identify yourself and provide a little bit of background on your organization and your role there.

Veiga-Pestana: My name is Miguel Veiga-Pestana. I am the Chief Communications and Engagement Officer at the Bill and Melinda Gates Foundation. We are one of the largest philanthropic organizations in the world, although not the oldest. We are now about sixteen years of age, so we are still relatively new. Our co-chairs believe that all lives have equal value and we see ourselves as "impatient optimists" who work to reduce inequity. Our focus primarily is on helping people lead a healthy and productive life. So we look to improve health outcomes and create economic empowerment opportunities.

We have four missions. The first is around combating infectious diseases which hit the poor hardest. We are trying to either eradicate or combat diseases like HIV, TB, pneumonia, polio, malaria, but other more unusual diseases like elephantiasis or guinea worm as well. For us this involves both upstream investments in the development of vaccines which are still the most cost effective intervention in this area, and then we look at the way in which those vaccines can actually find their way to the poorest people in the world.

We describe our second mission as helping young people and children survive and thrive. So essentially helping children make it to their fifth birthday, which is still one of the biggest challenges we face in the world. It requires multiple interventions – supporting the mother and the family unit – helping with child

birth (because most childhood deaths occur in the first 48 hours after birth) – as well as investments in things like nutrition, particularly the promotion of breastfeeding.

I don't know if you knew this – a recent Lancet Study highlighted that only 37% of women now breastfeed their babies for the first six months, yet we know that breastfeeding offers a number of

benefits to a baby, not least of which are cognitive, but also health benefits. It's the first and cheapest vaccine you will ever get, because of all the natural immunization that the mother transfers through her breast milk to the baby. It's a natural form of immunization against disease.

Our third mission is to help promote economic empowerment of the poorest, particularly our women and girls. This is why we focus our efforts on things like financial inclusion, and on helping smallholder farmers – most of the poor are in fact in farm communities and are small subsistence farmers. About 45% of them are female. So something like family planning is also a way of enabling a woman to make choices about when she has children and how many children she has, because that actually has huge economic impacts, as well as health and other impacts.

We also invest a lot in education in the United States. About 30% of the funds of the Foundation are spent on helping address educational gaps in the United States, and we are now starting to look at global education.

Then lastly, we talk about the fact that we see ourselves as a “catalyzer.” We want to inspire others to help change the world, and that focus is in terms of engaging with government and helping to safeguard aid and the utilization of aid for the poor.

Increasingly, however, we are working to incentivize broader engagement with philanthropy, so we are trying to convince some of the wealthiest people on the planet to agree to pledge 50% of their net wealth towards philanthropy. So it's both on the policy side and the fundraising side. We are trying to incentivize a culture of philanthropic giving, not just for the rich, but because everybody in a sense can be a philanthropist.

You know, you will find that people on quite low incomes can often be philanthropic in the way that they look at the world. So that is something that we feel is quite an important part of our work. Those are kind of the broad brushstrokes of what we do at the foundation.

Bigham: Yes, great. And a little bit about your role?

Veiga-Pestana: I head up Communications and Engagement, so I am responsible for building and protecting the reputation of the Foundation. As part of this role I help co-ordinate the use of Bill and Melinda's voices, as well as that of our CEO, Sue Desmond-Hellmann. My team manages all our channels – so everything from the way we show up digitally on Facebook, etc. to the way we engage with media and other stakeholders. I also have a media grant making role, which means that we actually help support media programming and the generation of content. And then of course, as importantly, we have 1300 employees in the Foundation located in nine different country offices and so part of my remit is also around employee engagement. I am working closely with our HR partners and our leadership to help reinforce our values and strengthen our culture, which is so key to retaining and attracting talent.

Bigham: That's a big portfolio, congratulations. Let me just ask a couple of probing questions, to see if we can get into some details. Because of your strong corporate background, what do you think are

some of the differences between the role of the charities and foundations and the corporate sources of philanthropy? Do you see a difference emerging in your new role?

Veiga-Pestana: There's more of a tradition in the United States of creating corporate foundations. There is less of a tradition for doing that in Europe or in Asia or Africa. You don't tend to find that that's the case. Individuals who have succeeded in business will often set up their own foundations, separately from that of their corporation.

I think it's important to understand that sometimes corporate foundations are separate and are constituted as separate from their parent corporations as well. If you look at Pepsi Foundation or Coca Cola Foundation, that's not the same thing as saying that they're a formal part of the corporation. They have a series of statutes and rules that govern the way they work as a foundation, which are not totally dissimilar from our own.

The legal requirements that apply to foundations are pretty much the same irrespective of what the root or the origins of the organization are. But if you talk about corporations, philanthropic organizations, even the philanthropic arms of the corporation, then I think there are three differences.

First, we have hired high caliber people at the Foundation who are experts in their field. There are acknowledged experts, so it's not just about money and the capital you bring – it's about the capitalizing benefits of that. So when we talk about helping markets work for the poor, this is about correcting market failures. If the private sector will not develop a vaccine for, let's say, elephantiasis or for HIV or if the market doesn't want to do that, the pricing signals don't work. Part of what we see as our role is to help find ways of making the market shift so that they are actually there to help the poor. It's market failures that we are trying to address, or structural weaknesses within the market.

The second thing is, we talk about taking risks that others can't or won't. So it's risk capital. When you are dealing with very complex, systemic issues, the advantage that we often bring, because we are not tied to a shareholder who expects a return on capital, and often short term return on capital, or a government which sometimes has the problem that government is only in power for four or five years. We can take either a longer term bet, we can play a ten year or more commitment, or we can take the risk in a way that some other organizations would find it hard to take. Taking risks, as I said, that others can't or won't – we think it's a part of what we do as a philanthropic organization.

The third area is, and this is very much about how we approach it as opposed to how others might, but the way that we look at things as a foundation is to say, we know that there are lots of other stakeholders that can play their part in trying to address very complex societal issues. What we are trying to do is focus on where the areas of greatest need are, or where a razor-like intervention from us can make the biggest difference. What we are trying to do is find where the gaps are, as opposed to taking on the things that others can do.

Bigham: That's great, and that's a perfect segue into this whole area of collaboration. You mentioned, for example, working with mothers and children where huge NGOs like Save the Children are investing, and of course there are others. How would you describe the level of collaboration or the role that the

Foundation takes in these projects, finding the gaps, as you said, versus being the leader or a stakeholder in these initiatives?

Veiga-Pestana: Well the organization you just mentioned, we are a funder of their work, so the first thing we do is we help them through grant making and capital allocation. We are an enabler of them doing their work day to day. I think the second thing is that we sometimes can, because I think we have some degree of credibility (or some of the people who work for us have credibility) with established scientists that are recognized academics or they come from a background in the field, whether they are agronomists or whatever it may be, we can be a convener or a catalyzer of bringing people together. The Foundation can often play that role – it can be a broker of bringing the right people into a room. And we play that role because we think that’s the important part of partnership collaboration. It requires creating those partnerships or leading those partnerships or catalyzing them. We may not end up chairing them or organizing them, but we are certainly in the frontline of helping get them off the ground, and sometimes we are willing to help finance the creation of a secretariat or an organization to help get those kinds of organizations going, because that’s a very big gap sometimes if you are trying to do cross collaborative platforms. It’s ultimately, who is helping to run them, and get them started, and who is funding that, that’s always the big question, and are they seen by everybody else who is part of that collaborative platform as being sufficiently neutral and representative of everyone?

Bigham: And then after the network has been catalyzed or orchestrated, would you ever take the leadership position or stay in a leadership position or do you try to move that to someone else?

Veiga-Pestana: The Foundation isn’t about owning or leading, as I said. We can sometimes help convene, sometimes help catalyze, but we don’t see ourselves as the owners or drivers of a process, we are supporters of it.

Bigham: Okay, that makes perfect sense. Is there an opportunity for you to participate in delivery of some of these initiatives? As a funder and orchestrator, do you also get involved in delivery?

Veiga-Pestana: Not so much. Essentially all our delivery work is through partners, because again, to create all of the infrastructure and everything else, you would be duplicating a lot of effort, and there are enough people already who have the capacity or the capability to do the work that needs to be done. But having said that, one of the things we are keen to do is always try and ensure that we are tracking how well we are doing, and to ensure that we are learning and adapting as we go. As you know, we have relatively small teams that work on some of these issues, but part of what the Foundation does is put a lot of emphasis on data, knowledge management, how we track and measure and assess performance.

Bigham: And what about redundancy? There’s lots of talk about people going after the same problems, redundancy in efforts, is there anything that Gates does particularly to avoid redundancy and increase the efficiency of investments?

Veiga-Pestana: That's a good question. We work with a range of different partners. If you asked me on a personal level, I would say not enough is being done. I think there's far too much competition sometimes between organizations, and too little integration. As I have said many times before, my big frustration is when there's a child we vaccinate, against Malaria or polio, but then the child drinks contaminated water and gets diarrhea and dies. That to me says that we have failed, because a child has died. Vaccination combats one potential threat to the child and the health of the child, but obviously we need to have much more of a child centric point of view about the things that make the biggest differences, and that means that you have to look at more of an integrated and holistic approach to interventions. You really do need to make it child centric, or woman centric or whoever your stakeholder is, you need to understand that there may be nine or ten different things that you have to consider when you are really addressing the survival of the child, or as we've talked about, helping the child both survive and then ultimately thrive. It's one thing to help the child survive, great, we have enabled that child to be alive, but then there's a bigger challenge, which is then that child has to grow, and what do we do to ensure education, and what happens with nutrition, and ultimately, jobs, and economic opportunity.

If you're not addressing those issues, you're not seeing the bigger picture. So I feel like we are very early. I think the SDG framework, and some of the things that are beginning to happen show people recognizing the overlap between crises – between climate change and agriculture and all those things. I think that's healthy, but there's a lot more that we need to do to join up the dots between organizations and think in more integrated and holistic ways.

Bigham: We completely agree with that, because we have talked so much about global solutions and the need for collaboration. Do you find, though, that to do things like look at the whole child in a particular region, it calls for more government collaboration, and do you find yourself funding government programs?

Veiga-Pestana: It's difficult because governments themselves tend to be siloed and ministers have different responsibilities. The Minister of Agriculture is interested in helping a farmer produce more or grow more crops – it's about farmer income. The Minister of Health is interested in nutrition, looking at the health of the nation and what kind of food they eat. We know that there are challenges in how you get food to poor people that's affordable. Well, it's a structurally huge problem, so it's the Minister of Transport that's often responsible for infrastructure but doesn't necessarily prioritize building roads for the last mile for a farming community. So consequently, who is going to make them all work together? How do you break the boundaries that exist between these different government ministers and officials?

Ultimately you have to do that at presidential level, and then to help you do that, you need to have the road map that we are working towards, and that's where frameworks that try and make these things more integrated, like the SDGs, are helpful because they get the conversations started in a way that may not otherwise happen.

Bigham: Can you think of an example where you have seen a multi stakeholder group come together and be successful at a project, or is this more of an emerging phenomenon of having multi stakeholders at the table? Have there been some major Gates successes in that area?

Veiga-Pestana: We would argue things like the GAVI, the Alliance on Vaccines, where donor governments, civil society, NGO communities and philanthropy are all coming together to focus on how children are immunized. Fourteen months ago, GAVI raised \$7.5 billion to immunize 300 million children by 2020. So I think that's a good example of where progress is being made.

I would argue that gender, particularly goal five, offers a great red thread opportunity, because if you put women at the heart of everything, you tend to find that things happen in a more effective way, and that women are the enablers. I mean, if you give a woman a dollar, she spends 90¢ of that dollar and invests that in her children and her families' health and education and nutrition. If you do that, you can have a tremendous knock on effect.

Bigham: I just read a piece by Howard Buffett saying that getting programs and funds to women continues to encounter cultural resistance from men, especially in developing areas. I guess one of the questions is, are we driving these issues with enough cultural sensitivity, is the gap we are filling our own gap or is it a real local gap, what's your sense of that?

Veiga-Pestana: Well, I am not talking about gaps here, but I have been arguing for a long time that if you really want to address women's economic empowerment, you need to understand that you also need to invest in changing male mindsets. So actually what we need is more male role models who are able to speak to men about why this makes sense.

Bigham: I am digressing I know, it's so fascinating. Let me switch back to some of my questions. So generally, are you seeing a change – I know for your own tenure it's been a short time, I am sure you have been immersed in the industry – are you seeing a change in the role and behavior of the philanthropies, in the solution of problems over the past few years?

Veiga-Pestana: I think so, I think so. But you know, again, philanthropy as a term is pretty broad. There are still a lot of organizations for which philanthropy is really still a process of funding and so you have seen, you know, just like in a company, if you talk about companies looking at sustainability – there's a lot of differences in how some people do that. Some people are mainstreaming it and looking at something that they incorporate right across their organizations, others are still thinking of it as something that's marginal, or it's just driven by legal compliance.

If you look at philanthropy, you have got everything from people who just want to ensure that they write checks for organizations they think are good organizations and that's about it, and their engagement is fairly limited to that. Others like ours are trying to get involved in mainstreaming and systemic change. So it really depends on who you are talking about to answer that question.

Bigham: Yes, that makes perfect sense.

Veiga-Pestana: I do think that there is a trend amongst the bigger ones, like the Rockefellers and us, towards doing more of that, towards being more of a systemic player.

Bigham: Yes, and I think at the same time, being more of a multi stakeholder champion and role model. One of the things we say about successful multi stakeholder networks is the creative use of technology, let me jump over for a second, I had a look on your website, you said the website's in your domain – it's lovely, it's nice and clean and simple, congratulations.

Veiga-Pestana: Thank you.

Bigham: What about the role of technology in some of the things we have been describing, are you seeing it playing a role? Could it play more of a role? What do you think?

Veiga-Pestana: I think it will totally change the way philanthropic organizations work. We have a new head of Digital here at the foundation and he is making it his life's mission to talk about digitization of philanthropy. The ability to use and access information, knowledge and data systems, is hugely transformative. We are at the point now where farmers will be able to access everything they need on a phone. They will migrate to the smart phones that we are all using now, the phones that they will be able to use and have access to in the next year or two. In many places they are already accessing things like tablets and so on, so this gives us a tremendous opportunity, both in terms of knowledge, awareness raising, best practice, but also, measurement and evaluation, cashless transactions, funding... it can go directly to the farmer, for example.

Bigham: Yes, I have heard some case studies of data that can be gathered from wells and from water systems, directly to smart phones. It's really astonishing.

Veiga-Pestana: Yes, phones that can track farming practices, can look at landscape utilization, all sorts of things. My sense is we are just beginning to understand what that all represents, and I think the philanthropic sector has a little bit of a catch up to do in appreciating what journey that is going to take us on over the next five to ten years. I am convinced certainly that the speed of change, for example, social media platforms are also a vehicle for understanding consumer behavioral change. If you want to educate, well there's a tremendous opportunity to do personalized learning, the provision of educational materials, you can go direct to school, direct to teacher. There are a tremendous number of things that we can do that we are just beginning to unlock, and I think digitization of philanthropy is going to have a significant bearing on future strategy.

Bigham: Let's go back to this question of sharing. As this data is acquired and as we gain knowledge, do you see an opportunity for, I won't say all philanthropies, but for the major foundations to collaborate, to share some of this research, to pull it together?

Veiga-Pestana: Yes, I do. I think that's absolutely where we can go, yes.

Bigham: I know you have a group that focuses on relationships with other philanthropies and foundations, have you had an opportunity to address them or work with them at all?

Veiga-Pestana: I am starting to. We are certainly talking to each other, it makes a lot of sense, and we have the Council of Philanthropic Organizations, and so on, you know, CEOs who sit down and talk. I am new to it, so you have to understand I am expressing points of view which are my own, but I still think there's a lot more to do. It feels to me like a lot of it is still information sharing, as opposed to true partnership.

Bigham: Yes, interesting. I have a question about the macro role of the foundation. Do you get the sense that, with the power of the Gates Foundation and others, that you are driving a global agenda yourselves? You are the communication person, you would appreciate this, do you feel like you are sometimes creating the global agenda or do you think you are responding to a global need?

Veiga-Pestana: I would say it's a bit of both. I think the foundation sometimes will make a case for something because they think it's a really important issue that we feel other people are not paying enough attention to, and so I actually don't think that's necessarily a bad thing to do, to use our voice. So for example, we know the world has not paid enough attention to malnutrition, so we're trying to raise the lid on why we are not investing to address the root causes of malnutrition, or why we are not encouraging women to breastfeed. That is kind of agenda setting, but the role we play is using our voice to try and raise the bar. In other situations, it's not about us, it's about knowing what the issue is and how do we find solutions. So sometimes we do want to put something on the agenda, sometimes we're a follower of what others are doing and are supportive of it.

As I said, if you look at everything we talk about, and read our website, you know, although we are a large foundation in the sense that we donate \$4 billion or \$5 billion a year, in relative terms, we are spread pretty thin because we cover more than 27 programmatic areas.

Bigham: Yes, right, yes, the world...

Veiga-Pestana: As I said before, what we are trying to do is actually be quite laser sharp in how we use our resource, and where. What we spend a lot of time trying to do is figure out where can we make the biggest impact. Part of that is understanding what others are already doing.

Bigham: Yes, the efficiency question. So speaking of efficiency, let me go back to one other point, and I am almost finished and I thank you for so much time. You and I talked awhile back about the network of networks that we are building. We have continued to put onto our website resources around most of the SDG goals. In fact we have a chart there that shows that we have GSN networks in our database that respond to every single one of the SDG goals – it's kind of exciting that we did that before the big UN meeting in New York. But, and this is a really open ended question, we have shared it with many many people, and the question continues to arise, what is the purpose of this network? Now to me it seems obvious, having a resource that you can tap into for the purpose of connecting experts or finding out who is also working in your space would be one example, but we are not getting that kind of uptake.

Do you have comments for me on this network of networks resource and why it works or why it doesn't?

Veiga-Pestana: I think you're a little bit head of your time, and that's not great, in a sense, but I think people's recognition of macro assessment, even people's understanding of the integrated nature of the environment is increasing slowly. The SDGs are a relatively new thing, this idea that you collaborate across issues or across sectors, is also a fairly new idea, even though I can't understand why we haven't done it before. So I think you are kind of plowing into territory where people are just beginning to understand what some of this means and will mean. I think secondly, it's because organizationally, the people you are talking to are just not used to doing it, that's not how they work today.

Bigham: You know, that's really very astute, because I actually went as far as the European Union to present the Network of Networks model, along with GSN, and they thought it was great, but they said to me quite honestly, there is nowhere in this organization that it will fit. I thought that was so candid of them. It's great, unfortunately we can't take advantage of it, and this is the case in many organizations.

Veiga-Pestana: Exactly my point.

Bigham: This has been a really rich conversation. Thanks so much for fitting me in Miguel, so good to talk to you.

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