

Howard Buffet in an Interview with WFP Director of Public Policy, Communications and Private Partnerships, Nancy Roman – 20 May 2010

Nancy Roman I want to focus our discussion about Purchase for Progress, but before I do, I want to ask you about your book. What inspired you to write your book *Fragile, the Human Condition*.

Howard Buffett I think that having travelled a lot in the last 10-12 years and having the privilege really to spend time with organisations like WFP or in the field and with people on the ground, facing the reality of hunger and starvation and even death in extreme cases, just made me feel that that it was a message that should get out and, you know, you never know how effective a book is or how effective a news story is or anything else. But having accumulated enough of those stories while travelling to 70/80/90 countries and interviewing enough people, I just felt like it was time to put it together and get those stories out so it really kind of evolved. It wasn't something I decided to do one day, it was just something that really kind of evolved.

NR And how much would you say that hunger was part of the fragility that you witnessed as you were in those 70-90 countries?

HB Well, actually, a lot of times this is going to sound a little morbid, but when you land in a country like Niger or Central African Republic or Burundi, wherever you are, you know sometimes you have to look for the things you want to learn about and if you want to understand hunger and you want to understand how families struggle through it, how mothers make decisions about who they feed and who they don't feed, which are decisions mothers make every day in those conditions, you have to look for it, as it's not always right in front of you. It's not always like the stories you see on CNN or the photographs you see when there's a serious and huge situation where you have 20 million people that need to be fed or something like that. Those don't happen every day and they don't belong all the time, so on a regular basis often times you have to actually look and you have to search out and figure out where are people hungry and it's not always easy to talk to them, to see them, because they are not proud of their situation, they have bigger problems to worry about than to talk to you and it's not always easy. But hunger was a real driver for me in this book. I would say the two big drivers or maybe three, were hunger, refugees and the immigration issue because they're all really complicated, difficult issues.

NR You know, it is true, it's not just the personal vignette. What's your most vivid personal memory of hunger and malnutrition?

HB Well it's actually a young girl who, and this is in the book, was in Ghana, We were way up north, I couldn't even tell you where, this is 10 years ago, and we walked into what you could call a hospital, but it wouldn't really qualify as that -- full of malnourished kids -- and I just remember walking over. It was late afternoon, the light was kind of coming through on this girl and her eyes just...you know... she had this huge tummy and these arms that were just stick thin and her eyes just never moved. I kept watching her, her mother was sitting there, she was severely malnourished. I found out that 3 days later she died, she's probably the 3rd or 4th person over a period of time who I photographed, who later, it was confirmed, died from malnutrition. I think that had a lot of impact because she was in the best facilities that were available which were not even modest in terms of our standards and no one could save her and her mother was there and she just couldn't do a thing about it, she was completely helpless. I think if I pick one incident it's either that or I have to take the second one

which is in Huambo province in Angola. We drove about five hours to get to this village and in every village we would drive by, before we entered it, there was a fresh grave site of maybe 20-30 graves. Most of them were 3-4 feet long, they were all children. There had been a really severe drought for 2 years in a row and Huambo is often not on anybody's radar screen. When we arrived at this village, we drove into it and I just felt like you could see the death, you could pick out the children that were not going to make it the next week or the week after. This woman came up to me, at first in a very calm way, and started talking to me, obviously we needed a translator. She tried to hand me her small baby and of course I told her no I couldn't take her baby. She then got more and more worked up, finally it took three other women to come get her, to calm her down and move her away, but she was basically saying to me you know if you don't take my child, my child is going to die and so my child's life is in your hands, This was really the first experience. I then started asking questions I hadn't asked before and I really learned about WFP's help. It was a real learning experience for me to understand how complicated and how expensive it is to go in and try to help just a single village. In many ways it's almost not realistic. So I drove away from that and while we were driving away, I remember just thinking there is almost nothing we can do for those people and yet hundreds of those children are going to die and they suffer as they die. I'd say that those two experiences are what really started to drive me to think about better ways to deal with this.

NR Once you feel the need for a stand, as you did in those two instances – but as surely you have in many others given the places you have been to – how does a philanthropist like you decide where to put the money? Of the many places it could be put, where do I want to put it how do I want to use it?

HB I think that that's a learning experience and I think we've learnt a lot over the last five to six years. We started with what might be considered more typical development projects. I'd say it was about two years ago that I realise that we're engaged in these and there are a few commitments I made that I have to follow through on, but I really started losing enthusiasm and confidence for just a standard development project because often times there's not a good exit strategy and that relates back to what you hear people talking about in this scenario, which is developing a dependency on what an NGO or organisation is doing. So I started to really see that develop right in front of me as I would visit projects. I also learned that it's really hard to find organisations – it's not even the organisation, it's very difficult if you are in an environment like North Kivu in DRC, to try to get talented people and people who have the experience to come in and help. It's incredibly difficult. It's only logical that it's very difficult to find people that are indigenous to North Kivu in this situation, that have the experience or the training or the education to carry out the kind of project that you want to do. I also learned how incredibly important it is to have the right people and the third thing I learned was you've got to think about systems and I have never been a systems guy, I just never thought that way but I realised if you don't have the right things in place to make things work long term, and that means systems and policies and governance and those things, then you can't be successful. Somewhere along the line, things will break down. And typical development projects have a beginning and an end and when the end comes, as I said in the beginning, often times an exit strategy is a very difficult to have and when you do exit, even if you have a good strategy, you give it enough time and you go back and look at that and you'll find that a lot of the success you achieved isn't where you want it to be today. So it's been a learning experience for me. Having said all that, the answer to your question, I thought we have to keep looking for more innovative ways to do things and that's not easy to do. You have to figure out what kind of new

process, what assets are out there, that you can leverage? Is there technology that can make a difference, new technology, so it's not an easy thing people have been trying to deal with for years and we've not been very successful.

NR So with that as the backdrop, tell me how the Howard Buffet Foundation decided to invest in P4P.

HB Well it's two fold. One goes back to some of what I just said, which is, as I left that experience in Huambo Province – it was probably the second experience I had where I really wanted to understand WFP better and I wanted to learn more about what they did and how they did it and so that drove me to visit WFP in more countries and the one thing I learned out of that was that, and this is not patronising at all, WFP has done an incredible job of putting together very effective and very experienced teams. And so I saw that there are really good people with innovative ideas that are willing to take risks and I think that's an important thing. If you can't take risks you're never going to solve the problem. The more staff I met, the more countries I visited, the more I realised these are innovative thinking people, they are independent people, they are willing to take risk, but yet they have a system that supports them at work, so that was the big thing to me because I could see some of the really critical ingredients just in WFP as an organisation. Then P4P came along, which I looked at. There are people like David Stevenson who are already thinking about this and others who, in little ways, try to implement similar programmes and concepts, but the way I see it was P4P coming down from the Executive Director and saying we're going to engage in this in a serious way, we are going to make the changes we have to make internally to make this work on scale and we are going to be committed to it and we're going to follow through on it, so that gave it a different life and that gave it a real life and so when I saw that I was already familiar, because of some of my visits, with what P4P was all about and I was very familiar with what was lacking in terms of agricultural development, market access and those things, because of some of the other projects we had done. So I looked at all of that and I thought this is the project that, well it's more than a project, this is an opportunity to try to connect different sides of this, that have never really quite been connected very well and certainly not on this scale and certainly not with the systems and the people that can support it. So our original investment in P4P was to help get the whole concept initiated and get people in place and help support the office and do the things it takes to make it happen as well as some of the funding for, in our case, seven different countries that would be able to purchase projects for small farmers and then we went on to look at how do we leverage that beyond what we are already doing.

NR You are a hands on investor so I know you've been in those seven countries and, as you've watched the P4P pilots ramp up, tell me some examples of things that you think are turning out to be harder than what you would have initially expected and then maybe a couple of things you think are going particularly well.

HB There are a couple of difficult things and they're not just in P4P, but when you go into a country and you have a real gender divide and you have a lot of women responsible for agriculture, but a culture where men are in control, you really need women to buy into this and you really need to be able to train those women and work with those women and you bump up against that. As you go and you want to implement how this will work in terms of procurement or whatever the case may be, it's really difficult culturally in these countries because you have the women doing a lot of the

work and the men trying to be in control or they are in control. I think one thing I've seen that's a big challenge is getting past that gender issue and making sure that all people that are engaged in the process are treated fairly and equally and that's a huge challenge and it isn't just for P4P, but it's certainly one for P4P. The other is contracts, you can't implement this concept without contractual arrangements and people have to say they are going to deliver. You have to be able to depend on them to deliver and those deliveries are going to go out and, whether it's mother and child health programmes or school feeding or emergency relief whatever it is, you have to know you have a reliable source. Contracts in a lot of countries today are really difficult because farmers aren't familiar with them. A lot of people are not literate and so that makes it a challenge, they are not literate in math which makes it a challenge, and on top of that if I sign a contract and I'm a small farmer in some place in a developing country that's very poor and I say I am going to sell it for X amount per ton and something happens, then all of a sudden when it's time to deliver I can sell it for 2X per ton somewhere else, I don't want to deliver it for 1X because I want the money and so you know there's not a system in place. There's not the training in place or the education in place that allows people to think more long term and understand this is building something here and that long term is going to be better for me. It's very hard to get people to see that. I'd say those are two very big challenges.

NR So, how would you define success at the end of this pilot project? You look to your seven countries and surely some will be more successful than others, but if you were going to say here's what I'd like to see in El Salvador or one of the other places where you are helping to fund this work, what are you looking to see?

HB Well I'd divide that into two things because I think in terms of the original pilot projects of some of the countries, part of my interest in looking at what we are going to do in the 3 countries in Central America starting this year, was a feeling that I don't think we can have enough success under this scenario because success in the pilot project is getting everything in place, getting the rules changed within WFP so that you can procure much smaller amounts, that you have more flexibility in contracts, getting all of that in place and watching WFP adjust to that, watching those individuals that have to make it happen, make it happen, that would be success at the pilot stage. Then it would show that at least you can get the stuff and so you are purchasing products. The problem is that success is limited because in the end you won't always have enough money and you won't always have the farmers that are capable and in a position to supply that, so the next step is to say we need to go to the supply side, we need to go to the farmers, we need to figure out what does it take in addition to what we're doing under the pilot programme, to try a second pilot which is engaging farmers at a completely different level. And I think what I really challenged WFP to do in Nicaragua, El Salvador and Guatemala was, I challenged the staff and the country directors to do this without giving anything to anybody because when you give it to people they won't have learned to do it themselves and that's been one of the problems with a lot of the standard kind of things that we funded. We've learned from that there's been a lot people who benefitted from it, but I don't think it's, in the end, the most successful or the best way to do it – so our project in Central America that we're starting this year has got huge potential, it's an experiment. We don't know how, if at all, it's going to work so we'll find out, but in the end, the idea is that the success of that will be that you have taken 8/10/12 thousand farmers, multiply that times four or five for family members, and you've moved them permanently into the economy so when you walk away from it, you don't need an exit strategy because the success of the project was the exit strategy. As these farmers move into

the economy, and it's all been done through securing credit and some guarantees, lots of training, training in terms of how to use better input and better seeds, training in how to enter into a contract and write a good contract, training on quality, training on overall management and a lot of it is being done through coops which is important because you get the depth of more than just the single farmer that's going to learn how do this and it can be carried on and can be expanded. I think success for Central America, as we look back three or four years from now, is going to be that we moved X amount of people, we have numbers, we don't know whether we can be successful with those numbers or maybe we can exceed those numbers, but that's not the most important part. The most important part is if it worked and we'll learn what are the challenges, what did we calculate wrong, what do we need to adapt this to make it work. But in the end, the success will be that in Nicaragua we had 5,000 farmers that were able to develop and get trained and get educated and enter into successful contracts WFP procured, that and then when WFP isn't purchasing corn someone else can purchase because these are now farmers that don't have to grow a lot in terms of production. What they have to do is improve their production and be sure they can provide quality. It isn't just in the numbers, it's really in the fact that the whole concept will work.

NR Let me ask you one macro question and then anything else you want to comment on. What do you see as the key structural factors behind today's one billion hungry people?

HB Well, I think a lot of it's just agricultural production, because a huge proportion of those people, not all, but a huge proportion, the majority of them are living in rural areas and primarily subsistence farmers and so you have to divide that billion in those in rural areas and those in urban areas because there are completely different issues and I'm not very familiar with the urban area, that's not something we focused on and that I understand well, but in terms of the rural areas we tend to look at, there's a couple of mistakes we make. One is everybody wants to talk about small scale farmers, small hold farmers, subsistence farmers, resourceful farmers. Who are those farmers? How do you define who those farmers are? First of all, they're net buyers. That's the whole paradigm shift for us here in this country because a farmer here, you know, I'm farming 2,600 acres here, today I'm producing enough to feed 152-156 people every year, for me to think about a farmer whose family is starving that's a huge paradigm shift. So I think one of our problems is we don't see it the way we need to see it and that means that, as Albert Einstein said: "If you don't define the problem right you won't get the solution right" and I think that's been part of our problem, we're not defining it right we're defining it our way and the way we see it and the way we relate to it and that's been a huge oversight. We have to look at this problem differently, which means you're going to have to have different solutions. The second challenge is that those solutions aren't things that neatly fit into, that we've spent research on what a corporation wants to look at because there's not commercial opportunity so this is a long term problem and a lot of people who don't have experience in agriculture think you can fix it short term. There is no short term fix in agriculture so you are talking about things that could take years to destroy or years to build up whether it's soil health, water resources, training and education so I think that where we've kind of gotten off track, in terms of solving the hunger problem, is we're not solving the core problem and so the one other point I think often doesn't really get discussed thoroughly is everybody wants to talk about it as farmers and agriculture. The truth is these are very poor people and trying to get poor people into an economy, whether it's agriculture or whether it's an urban setting or whatever it is, is extremely difficult. We don't have a lot of success with that anywhere, so often times the focus is agricultural production: let's get that right and we'll solve the problem, but getting that right doesn't solve the problem so I

think we've really misdirected our thinking and a lot of times we haven't defined the debate very well and we have also kind of forgotten that this isn't just agricultural farmers, these are very poor people living on the equivalent of maybe 50 cents or a dollar a day. How do you take that demographic and move that up a notch or 2 notches? When people talk about trade and infrastructure and markets and regional integration those are all things that have to happen, but they don't mean anything to somebody who is living off 50 cents a day and can't see their family and that's where I think we've had a big disconnect.

NR Yeah, really interesting. Well, how would you say Howard, as an Ambassador Against Hunger that you want your personal contribution to be used? You've contributed a huge amount financially, but what do you really hope to achieve through your ambassadorship?

HB Well, actually, I would say this in complete honesty: it has been an incredible honour to be an ambassador for WFP. I think that just, and I'll answer your question in a minute, but I have to say this because I just think you know I ended up with a relationship with WFP as an ambassador probably a bit differently than most. First of all I'm not as good looking as most of your ambassadors or as famous, but you know I did learn on the field and build relationships from the bottom up so when Josette Sheeran came to WFP and was so articulate and had a real vision and was willing to take some risks and take on some challenges, to me it was a privilege to be part of an organisation like this, especially after I'd seen and met so many people that were on the ground that were committed to this and people don't understand the sacrifice that, it's not just WFP, it's a huge personal sacrifice in many cases to go and live in a container in Darfur for six months and leave your family at home or whatever it is. So to me it's a privilege to be part of an organisation like WFP, but I think personally what I hope I can bring is a little different viewpoint to help with the innovative part of it. Obviously I'm fortunate enough that we can participate financially which makes all those things a little bit easier, but I think that if I could convey to those who are willing to listen the kind of dedication and commitment and innovation and work that every day hundreds and thousands of people that work for WFP put into their job and the millions of people that are affected positively by that, I think that getting that message out. You sit at home really in the US or Europe or Australia or any developed country and you have your own things to worry about, you have things going on in your family or financially or at work or whatever it is, so it's pretty hard to relate to somebody's problems 10,000 miles away and we respond really well when something happens like Haiti or the tsunami or because that's a big event and you see it. American people are incredibly generous and so it's easy to respond to that, but I think if in some way I can help WFP get the message out, everyday there's a tsunami, there are 25,000 people dying from hunger related diseases so it isn't the big event, it's every single day, that needs support. If I can somehow help with that message – and I don't know how that is, and I think often times it's hard to measure – but that would be something that I would be proud and feel good about being part of because it is tough, the one thing I get to do you know I may get to go to Pakistan or Malawi or wherever it is with WFP, but you know, I come home in five days. You know my life is not too difficult so I get to pack my bags go see it, meet these people, it's an incredible experience and I wish everybody could have it, but I get to come home, so my job I think is to do the best I can to let other people understand, those who will listen, those who care, that this is what is going on in the world and I really think that the way to relate that often times is personal stories and so I guess that you know for me just being able to relate what my experiences have been would probably be one of the things I would hope to accomplish

NR Well thanks Howard I think that's perfect that's really great