

BILL GATES, "KEYNOTE ADDRESS TO THE CREATING DIGITAL DIVIDENDS CONFERENCE"
(18 OCTOBER 2000)

Sandra L. French
Radford University

Abstract: In the first twenty-five years of Microsoft, Bill Gates established himself and his company as a powerful social force in the advancement of technology. Gates' keynote address to the 2000 Creating Digital Dividends conference, however, surprised attendees and the press by arguing against the establishment of technology in underdeveloped nations in favor of promotion world equity in healthcare. This speech presents a major shift in Gates' persona, and was largely derided as insincere philanthropy.

Key Words: digital divide, technology, Bill Gates, health, crisis, computers.

The influence of Bill Gates on technology, society, and global economics is undisputed. He co-founded Microsoft in 1975 with the vision of a "computer on every desk and in every home"—a computer that would, of course, be running Microsoft software. In the first twenty-five years of Microsoft, their software products have become the primary method for working, obtaining information, and communicating online. Gates' tenure as Microsoft's chief executive has come to symbolize for many the dawn of the information age and the resultant digital capitalism.

Images of Gates are filtered to the public through the mass media and the increasing technological literacy of the global world. Technology is a popular subject of study for contemporary rhetoricians, and has been examined at the micro and macro levels. While much has been written about the development of the personal computer and its impact on society, little attention has been given to technology's business leaders. Gates' standard oratorical themes include presenting the Internet as an autonomy-enhancing tool that will assist in gathering information, communicating with friends, and structuring our time. For him, computers must be tools of empowerment; therefore, the overarching theme of his oratory is lauding technological progress. Gates consistently articulates his admiration for technological progress, his appreciation of capitalism, and his belief that the personal computer is a tool of empowerment for all. Thus, he offers his career as much more than an effort to amass a huge personal fortune. He offers it as work in service of the betterment of society. Indeed Gates' public relations are heavily invested in his images as the technology industry leader.

Gates' Biography

Sandra L. French: sfrench5@radford.edu

Last Updated: January 2007

Copyright © 2009 (Sandra L. French).

Voices of Democracy, ISSN #1932-9539. Available at <http://www.voicesofdemocracy.umd.edu/>.

The most famous businessman in the world, William Henry Gates III, was born October 28, 1955, to William H. Gates II and Mary Maxwell Gates in Seattle, Washington. He is one of three children. In elementary school Gates excelled in math and science. In 1967 Gates enrolled at Lakeside School, a private school for grades seven through twelve. Lakeside provided Gates his first exposure to computers. Gates quickly exhibited a passion and adeptness for computer programming, recalls Bill Dougall, one of the Lakeside teachers: "I go around saying I taught him all he knows. It took him a week to pass me."¹

In 1968, Lakeside school was one of the first to obtain a computer for student use. Lakeside rented computer time on a PDP-10 minicomputer manufactured by Digital Equipment Corporation. The school drastically underestimated the computer's allure as Gates, Allen, and several other Lakeside students became inseparable from the computer. In late 1968, Gates, Allen, and two other Lakeside students formed the Lakeside Programmers Group. They were determined to find ways to apply their computer skills in the real world. Computer Center Corporation (C-Cubed) provided their first opportunity in 1968, hiring the boys to find bugs, or weaknesses, in their computer system in exchange for free computer time. Unfortunately, C-Cubed went out of business in March 1970. In 1971, Information Sciences Inc. (ISI) hired the Lakeside Programmers to create a payroll program. The group was again given free computer time but also earned royalties when ISI made money from the groups' programs. Gates and Allen then created their own company called Traf-O-Data. Traf-O-Data tabulated readings from pressure hoses used on roadways to measure traffic flow.²

During Gates' junior year at Lakeside, the school's administration offered him a job computerizing the class scheduling system. Gates asked Allen to help with the project, and the following summer they wrote the program. In his senior year, Gates and Allen were hired by defense contractor TRW. Like ISI, TRW was having trouble with computer software bugs. This time their job was not simply to uncover the bugs, but to rewrite the software in order to eliminate them. It was then that Gates began to develop a serious interest in programming and started talking with Allen about forming their own software company.³ Following his high school graduation in 1973, however, Gates enrolled as a pre-law student at Harvard University. Gates would later tell a friend he went to Harvard University to learn from people smarter than he was . . . but he left disappointed.⁴

In January 1975, Allen and Gates read an article in *Popular Electronics* about the Altair 8800, the newest, most powerful microcomputer of its time. The machine came with 256 bytes of memory—less than half the capacity of the now outdated floppy disk. It was hailed as the first commercially successful personal microcomputer. The price was \$297 or \$395 with a computer case and did not come assembled. Thousands of orders for the 8800 rescued Micro Instrumentation and Telemetry Systems (MITS) from bankruptcy. Hobbyists who successfully put together their Altair kit ended up with a blue, box-shaped machine without a keyboard, monitor, or paper tape reader. To enter programs or data, one set the toggle switches on the front. Results of a program were indicated by the pattern of flashing lights on the front panel. Further, the computer did not come with any software—no operating system, no programs. According to the

Microsoft website, Gates and Allen "seized this opportunity to transform this early PC into a breakthrough—the Altair needed software, a programming language that could make it perform useful computing tasks. That's when it all began."⁵ Gates, Allen and friend Monte Davidoff co-wrote a version of BASIC, a programming language previously used on other types of computers, and licensed it to MITS as the first programming language for the Altair. That year Gates dropped out of Harvard and joined with Allen to co-found Microsoft.⁶

In April, 1975, Gates and Allen opened the first Microsoft⁷ Corporation facility in Albuquerque, New Mexico—a site chosen because MITS was located there. Gates and Allen hired high school friends Marc McDonald and Ric Weiland to help with the company's expansion. Microsoft's business arrangement with MITS was based on the number of Altair units sold with the BASIC software. Many computer enthusiasts were buying one Altair with BASIC and then sharing the software with friends at computer club meetings. Growing frustrated with the illegal sharing of his BASIC software by computer enthusiasts, Gates published a polemic, an "Open Letter to Hobbyists," complaining about people using his software without paying for it. While this did little to stop the piracy, Microsoft enjoyed success with BASIC and several other software programming languages. By 1978, the company's year-end sales had exceeded \$1 million.

On January 1, 1979, Gates moved Microsoft and its sixteen employees from Albuquerque to Seattle, Washington. In 1981, Gates purchased the SCP-DOS operating system from Seattle Computer Products, later modifying it and changing its name to MS-DOS (Microsoft Disk Operating System). In what many now see in hindsight as the deal of the century, Gates licensed MS-DOS to IBM, who in turn included this operating system software on all its new IBM PCs beginning in 1981. This arrangement solidified Microsoft's position of dominance in the operating system market. It is now estimated that 90 percent of the world's computers use the Microsoft operating system software.⁸

Microsoft made additional technological breakthroughs in the 1980s. In April 1983, Microsoft introduced the first "mouse," and in November 1983 a graphical user interface for operating systems, "Windows," was introduced. In 1983 the company revenue rose to \$32 million. In 1984, Gates made his first of six appearances on the cover of *Time* magazine, introducing his name and his company into mainstream media. On March 13, 1986, Microsoft went public, selling stock on the NASDAQ stock exchange. At its initial offering, Microsoft stock sold for \$21.00 per share. Gates became an instant millionaire. Since its initial public offering, Microsoft stock has split 9 times, and it currently trades at approximately \$25 per share.⁹ According to the Microsoft Corporation Investors website, the company garnered revenue of \$9.74 billion for the quarter ending September 30, 2005.¹⁰

Under Gates' leadership, Microsoft has frequently been accused of unfair business practices. In 1998 these critiques culminated in a lawsuit, *United States v. Microsoft*, in which the government accused Microsoft of monopolistic practices in its marketing and sales related to the Windows operating system and its Internet Explorer web browser. The government argued that Microsoft violated the Sherman Anti-Trust Act by attempting to create and maintain a monopoly.¹¹ At issue in the case was

Microsoft's tying or bundling of their web browser Internet Explorer with their Windows operating system, which was already dominating the operating system market. The government did not accuse Microsoft of illegally establishing its operating system monopoly, but rather of attempting to maintain its dominant position by making Internet Explorer a mandatory component of computers running Windows, thereby giving Microsoft an edge over other Internet browsing that did not come with a PC purchase.

In November 1999, U.S. District Court Judge Thomas Penfield Jackson handed down a strongly worded decision finding Microsoft guilty of monopolistic practices. On December 6, 1999, Judge Jackson's proposed conclusions were released in *U.S. vs. Microsoft*:

The findings of fact issued by the Court on November 5, 1999, establish that Microsoft violated the Sherman Act in at least four ways. First, and most comprehensively, Microsoft violated Section 2 of the Sherman Act, 15 U.S.C. § 2, through a host of actions that illegally maintained the critical barrier to entry into, and hence its monopoly in, the market for operating systems for Intel-compatible personal computers. Second, Microsoft's several related means of illegally tying a web browser to its operating system violated Section 1 of the Sherman Act, 15 U.S.C. § 1. Third, Microsoft also violated Section 1 of the Sherman Act when it entered into a variety of illegally exclusionary agreements with personal computer manufacturers, with Internet access and on-line service providers, and with Internet content providers. Finally, Microsoft's anticompetitive campaign to impair Navigator's competitive access to consumers constituted an unlawful attempt to monopolize the browser market in violation of Section 2 of the Sherman Act. The Court should conclude that Microsoft has violated Sections 1 and 2 of the Sherman Act and proceed to consider the appropriate remedy.¹²

Following an appeal by Microsoft, however, the 9th Circuit Court of Appeals concluded that most of the violations found in the District court could not withstand scrutiny. In June 2001, the U.S. Court of Appeals voided part of Judge Jackson's ruling and removed him from the case, citing violation of a number of "ethical precepts" including talking to reporters and publicly deriding Gates during the trial.¹³ The remainder of the case was returned to the U.S. District Court.

The government asked the District Court to consider breaking Microsoft into two companies, one that would handle software operating systems and one that would deal with office products and other "productivity" tools. The government further suggested that the two companies be monitored by imposing restrictions on their conduct, including forced sharing of their intellectual property (i.e., the source code for their software) and limits on their ability to integrate features into their operating system products. The District Court agreed with the remedies, but that decision was later reversed on appeal.

In November, 2001, Microsoft settled with the Justice Department. Since November 2001 Microsoft has been engaged in extensive efforts to meet the milestones established under the settlement decree which involves allowing computer hardware companies the option of removing access to certain Windows components as well as disclosing and licensing technical information to other vendors.

Despite his legal troubles, the 1990s proved an exciting time for Gates and Microsoft. In July 1990, the Microsoft Corporation became the first software company to earn over one billion dollars in annual sales. Windows 3.0, released in May 1990 received rave reviews, and in June 1992, President George H. W. Bush awarded Gates the National Medal of Technology. On January 1, 1994, Gates married Melinda French, a marketing manager from Microsoft, and they subsequently had three children. In 1995 Gates published *The Road Ahead*, which remained at the top of the *New York Times*' bestseller list for seven weeks. In 1999, Gates published his second book, *Business @ the Speed of Thought*, which was published in 25 languages and sold in more than 60 countries. It also appeared on the best-seller lists of the *New York Times*, *USA Today*, the *Wall Street Journal*, and Amazon.com. Gates donated the proceeds of both books to non-profit organizations that support the use of technology in education. Microsoft, now thirty years old, earns annual revenues of \$39 billion and employs 60,000 people in more than 60 countries. According to *Forbes* magazine, Gates is currently the wealthiest person in the world with a net worth of approximately \$50.1 billion.¹⁴

Although many admire Gates' savvy business decisions, others continue to see him as a threat to fair competition and free market enterprise. The demonizing of Gates has grown in intensity along with Microsoft's market share. In 1989, a *Fortune* cover story about an alliance between Apple's Steve Jobs and IBM portrayed Gates as a sullen little boy, unwilling to share the spotlight—or his profits—with others. T.R. Reid echoed these sentiments in a 1992 *Washington Post* article that began: "These days, it seems as if everybody in the PC is ganging up on Microsoft Corp."¹⁵ Unquestionably, the fiercest criticisms of Gates and Microsoft have come from their competitors, including Apple, Sun Microsystems, Novell, and Lotus. "It's like a greyhound race, and the CEOs are all greyhounds," said Scott McNealy, chairman of Sun Microsystems Inc., in Mountain View, California. "This guy [Gates] caught the bunny. He's driving the damn bunny cart. . . No one's supposed to be driving that cart."¹⁶ As Richard Shaffer of *Time* has concluded, Microsoft now fills "the bully role once held by IBM."¹⁷

Despite this image, Gates has strengthened his commitment to public service and philanthropy in recent years, stating publicly he would not leave the bulk of his fortune to his children. In January 2000 he created the Bill and Melinda Gates foundation, merging two smaller philanthropic entities, the Gates Learning Foundation and the William H. Gates Foundation. According to its website, the Foundation works to promote greater equity in global health and education, and it has supported public libraries nationwide, and at-risk families in Washington and Oregon. The Seattle-based foundation currently has an endowment of approximately \$28.8 billion.¹⁸ The Bill and Melinda Gates Foundation has committed more than \$3.2 billion to organizations working in global health and more than \$2 billion to improve learning opportunities, including the Gates Library Initiative to bring computers, Internet Access, and training to

public libraries in low-income communities in the United States and Canada. The foundation also has committed more than \$477 million to various community projects in the Pacific Northwest. And more than \$488 million has gone to special projects and annual giving campaigns.¹⁹

Known worldwide as a technology evangelist, Gates' philanthropic pursuits have surprised many observers and prompted skepticism from some of his colleagues within the computer industry. Some have even deemed his passion for global health a public relations ploy designed to distract attention from the anti-trust litigation against Microsoft. On occasion, some of his colleagues have even criticized Gates in public for the philanthropic priorities. One such occasion was the Creating Digital Dividends conference in Seattle in October 2000, where technology enthusiasts from around the country gathered to talk about an issue that they saw as both a problem and an opportunity: the so-called "digital divide."

Contextualizing the Speech

In 1989, Tim Berners-Lee invented the World Wide Web, an internet-based hypermedia initiative for global information sharing. In 1990, he wrote the Hypertext Transfer Protocol (HTTP), the computer language still used today to navigate hypertext documents on the Internet. He also designed an Internet addressing system, initially called Universal Resource Identifiers (URIs), now generally known as a Uniform Resource Locator (URLs).

By the end of 1990, Berners-Lee had also written a program to retrieve and view hypertext documents—what we now call a browser. Originally called the "WorldWideWeb," it was later renamed to avoid confusion with the abstract space known as the World Wide Web. In 1991 he made his web browser and server software available on the Internet. Thanks to Berners-Lee's insistence that web code be available to everyone royalty-free, programmers and software developers around the world have been able to introduce their own modifications and improvements. In August of 1993, Marc Andreessen, a programmer and graduate student at the University of Illinois, joined with other programmers to release a free version of their web browser, Mosaic, for Macintosh and Windows operating systems. This was a significant event in the evolution of the World Wide Web. For the first time, a web browser with a relatively consistent and easy to use point-and-click Graphical User Interface (GUI) was available for free on the most popular operating systems available at the time.

With this added ease of use, Internet usage soared during the 1990s to more than 400 million users by the year 2000. These statistics seem staggering until put in perspective. The Internet is still used by less than 10 percent of the world's population. Further, Internet users in all countries tend to be young, urban, male, and possess higher levels of education and income. Thus arose the problem of the "digital divide": the division between technology "haves" and "have nots" along lines of economic status, race, education, gender, and geographic location. According to Lisa Servon, author of *Bridging the Digital Divide*, "Living on the wrong side of the digital divide, as do the persistent poor, means being . . . disconnected from the information society."²⁰

Finding solutions to the digital divide has become both a national and international priority. In 1995, the National Telecommunications and Information Administration (NTIA) released the first of four reports on the subject, "Falling Through the Net: Defining the Digital Divide." Subsequent reports were published in 1998, 1999, and 2000. The first three reports focused on defining the problem and identifying the technology haves and have nots, while the fourth report recognized that progress had been made in providing universal access to technology for Americans. The 2000 report was also the first to include statistics on high-speed Internet access and the use of Internet technologies among Americans with disabilities.²¹

In the first NTIA report in 1995, the widening information gap in the United States was documented with comprehensive data on access to telephones, computers, and the Internet. The Census Bureau compiled the data after NTIA contracted with them to include questions on computer and modem ownership in the Current Population Survey (CPS), conducted in November 1994. After the CPS was concluded, NTIA asked the Census Bureau to cross-tabulate the information gathered according to such variables as income, race, age, educational attainment, and region. The data were also categorized in terms of geographic types: rural, urban, and inner-city. The data showed that generally, those with limited education had less access to telephones, computers, and modems; within a given level of education, inner-city households generally had the lowest penetration for both telephones and computers. Rural households consistently trailed both urban areas and inner-cities. The report recommended that traditional providers of information access assume a more active role in providing Internet access to those who did not have it at home.²²

The second NTIA report, "Falling Through The Net," was released just three years later. It revealed that:

- Urban households with incomes of \$75,000 and higher were more than twenty times more likely to have access to the Internet than rural households at the lowest income levels, and more than nine times as likely to have a computer at home.
- Whites were more likely to have access to the Internet from home than Blacks or Hispanics have from *any* location.
- Black and Hispanic households were approximately *one-third* as likely to have home Internet access as households of Asian/Pacific Islander descent, and roughly *two-fifths* as likely as White households.
- Regardless of income level, Americans living in rural areas were lagging behind in Internet access. At the lowest income levels, those in urban areas were more than twice as likely to have Internet access as those earning the same income in rural areas.²³

In a letter introducing the 1999 NTIA report, Commerce Department Secretary William M. Daley wrote:

In a society that increasingly relies on computers and the Internet to deliver information and enhance communication, we need to make sure that all Americans have access. Our domestic and global economies will demand it. Ready access to telecommunications tools will help produce the kind of technology-literate work force that will enable the United States to continue to be a leader in the global economy.²⁴

Solutions offered in the report included encouraging competition among telephone service providers to reduce costs of Internet access, expanding community access to computers in libraries and schools, and building public awareness of the importance of Internet access to people of all ages. As the report concluded: "We need to reach out to these communities and let them know why they should care—how new technologies can open new opportunities for them and their children."²⁵

The 2000 NTIA report showed that the overall level of digital inclusion was on the rise, with an increase in Internet access among Black households to 23.5 percent and Hispanic households to 23.6 percent. Internet access in rural households also increased 75 percent between 1998 to 2000, to 38.9 percent. More than half (51 percent) of American households now had computers, with 41.5 percent also having Internet access.²⁶

By the turn of the century, the digital divide had become a political priority in the United States. The Clinton administration launched several technology initiatives, including the creation of the E-rate program in 1998 to bring low-cost Internet access to schools, libraries, rural health facilities and hospitals. In 2000, Clinton also hosted a White House panel discussion on economics and the digital divide, as part of his New Economy Summit. At that summit, Bill Gates declared: "These are amazing times. And I am proud and grateful to have the chance to be a part of the technology revolution at the heart of so much of the progress we are making. Because technology has the power to make such a positive difference in people's lives, we have a simple obligation: spread it."²⁷

Internationally, the digital divide became a primary theme at the G-8 economic summit in July 2000. Creating a digital opportunity task force, the summit urged collaboration between companies, Non-Governmental Organizations (NGOs), and national governments to support technology enhancements in specific countries. The G-8 leaders also agreed to revisit the issue at the 2001 G-8 meeting and to keep the digital divide at the forefront of their cooperative efforts. However, following the terrorist attacks in New York and Washington, D.C. in September 2001, subsequent G-8 summits have focused on issues related to international terrorism, with little attention given to the technologically underserved of the world.

All these developments established the context for the 2000 Creating Digital Dividends Conference, held October 16-18 at the Bell Harbor International Conference Center in Seattle, Washington. The conference, sponsored by the World Resources Institute (WRI), and attended by venture capitalists and technology leaders, was to address this question: "Is the global Digital Divide a problem or a business opportunity?"²⁸ Organizers of the conference hoped to build momentum for efforts by

the digital and venture capital industries to improve technology in developing countries.²⁹ The WRI, an environmental think tank, is also committed to responsible global economic development. By organizing this conference, the WRI hoped to narrow the perceived gap between those who had access to computer technology and those who, for socio-economic and/or geographical reasons, had limited or no access.³⁰

Approximately 350 people attended the conference, including senior executives from technology companies, venture capitalists, policy-makers, government leaders, and entrepreneurs from around the world. Many technology industry leaders spoke at the conference, including Jeff Bezos from Amazon.com, Carlene Moore Ellis from Intel Corporation, John Cage from Sun Microsystems, and Carly Fiorina, former Chairman of Hewlett-Packard. The highlight of the conference, however, was expected to be the closing keynote address by the chairman of the most successful technology company in the world, Microsoft's Bill Gates. As it turned out, Gates had a big surprise for those in attendance: rather than the digital divide, Gates chose to speak about the more basic problems facing underdeveloped countries.

Interpreting the Speech

As the final speaker at a conference on the benefits of bringing technology to underdeveloped nations, Bill Gates was expected to deliver a rousing speech consistent with his public reputation as the most famous and successful technology evangelist of our time. Instead, he focused on problems of health care and literacy in the third world, surprising and disappointing many in attendance. According to one media account, "Gates' comments let some air out of the tires at the three-day conference, which had focused on the ways that private industry can make investments in developing countries."³¹

Gates began this speech as he does most of his public appearances: celebrating the advances in technology over the last 25 years. Defining the PC as a tool that let individuals find, create, and share information, Gates marveled at how, in 1999, the United States reached a new milestone: over 50 percent of American households now owned a PC. Gates then informed the audience of the progress made by both Microsoft and his personal foundation in bringing high-speed Internet access to every U.S. library. Continuing with a discussion of the advances made in computer access for Americans, Gates observed: "It sort of goes back to reinforce a very optimistic premise that I have, which is, that if you give people tools, their natural ability, their curiosity, they will develop it in ways that will surprise you very much beyond what you might have expected" (5).³² At the outset, then, Gates' speech sounded like many of his other public appearances promoting new technologies. But then, after comparing new technologies to the development of new medicines, he transitioned to a new focus on world health:

On a worldwide basis, it's not just sharing about software and medical advances; it's sharing about every type of advance that is taking place through this technology. Now, as we think about world equity, though, just focusing on access to computers is a fairly narrow way to look at these problems. (9)

Gates attempted to soften his audience to the change of topic by recounting a statement made by Ted Turner at a recent event regarding the uselessness of getting computers out to people who don't have basic health care needs met. Gates argued:

I know there was a conference that Ted Turner went to a few months back, and they were talking about, okay, let's get computers out to everybody, let's get computers out to everybody. And Ted was kind of a troublemaker. Ted was true to form. Ted said, come on, these people don't have medicines, they're dying, they don't have electricity. Why are we just sitting here talking about computers? And it was very disruptive, because, you know, the whole assumption had been, look, you get computers to these people. It's almost like saying, well, how about the auto divide, people who don't have cars. So what if they don't have roads, we've got to get them cars. (Audience laughs.) (9)

Gates then discussed his own philanthropy, surprising his audience by talking more about population control and health care than the digital divide. "When I first started thinking about philanthropy," he began, "I looked back and studied what some of the foundations had done over history, and looked at what kind of things could really make a difference. One of the first causes I got attracted to was the issue of population growth" (10). No doubt to the surprise of his audience, computers and computer literacy were not on Gates' list of things that could "really make a difference." Identifying population control and health care as the greatest global challenges, he urged a massive new effort to address these problems: "We're going to have to have a lot of government involvement; we're going to have to have a lot more philanthropy than we've ever had in the past, that's going to be critical" (22).

Gates then laid out his priorities for helping to improve conditions in underdeveloped nations. First, he argued, population growth must be controlled. Gates explained that as health care equity improved, populations actually decreased: "You get this connection that if they can assume that those kids will grow up healthily, then they don't need to have five or six or seven kids in order to have a high probability of being supported in their old age" (13). Second, Gates focused on the need to improve worldwide access to vaccinations, claiming that the current world vaccination rate was only about 70 percent. "And so today," he noted, "we can say that there are about eight million children who die each year who shouldn't die" (15).

Despite these shocking numbers, Gates argued, the media had ignored the problem because it was a daily occurrence, and thus it had remained "below the surface." He then revealed that this issue had become a much higher priority for him than the digital divide. Sounding a personal note, he stated:

Nowadays when people ask me what I'm reading, it's not quite exciting to tell them, oh, I'm reading about the evolution of infectious diseases, or the history of malaria. I haven't gotten many people enthused about reading these things, but once you get into it it's really quite fascinating. The gaps in terms of living

conditions are much more dramatic than I think at least on a daily basis we think about, or that we prioritize our activities around. (20)

Philanthropy and government investment needed to be greatly increased in order to address these problems, he concluded, and he argued for an increase in personal giving as well.

Next, Gates focused on the problem of literacy in underdeveloped countries. It too needed to be addressed before it made sense to promote new information technologies, Gates reasoned. He then summarized his priorities: "And so it would all come together, if you get health, then you have opportunity for literacy. Health first, then literacy, once you have literacy then you have a chance to bring in the new tools of communication" (23).

Gates concluded by restating his optimism about "where all this will go, including the health elements, including the digital elements" (25). Yet few in his audience appeared to share his enthusiasm, at least if the question-and-answer session that followed may be taken as evidence. Moderated by Scott Shuster, editor for *Business Week* and the conference's chairman of events, the question-and-answer session clearly revealed the conflict between Gates' position and that of most of the other conference attendees. Reading questions from audience members on cards, Shuster's website described the exchange this way:

This 35-minute one-on-one discussion with Bill Gates received very wide attention (including coverage in the *New York Times*), as the chairman of Microsoft Corporation repeatedly stated his strong opposition to the central premise of the conference. It was up to Scott to present the conference viewpoint and to challenge Bill Gates to defend his position.

At the start of the session, Shuster pressed Gates to comment on the potential health benefits of providing computer access to the world's poor. Citing his own experiences as a journalist encountering a village riddled with elephantiasis, a form of malaria, Schuster asked:

The point is that in a world where you have a new sort of economy developing that is in orbit around the PC, isn't there a health enhancing aspect to introducing the PC, and helping people step away from this, you know, tote and bare kind of lifestyle that is so inimical to health, and helping them to achieve a higher standard of living?³³

Gates responded that specific disease problems must be addressed before computers could help. Also, not to be outdone, he added: "People who have lymphatic filariasis, which is the name for elephantiasis, they're not going to be using the PC. I mean, they're not."³⁴ Here Gates displayed his knowledge of world health by referring to the disease by its more scientific name.

Shuster next asked Gates to comment on business opportunities for the computer industry in the underdeveloped world. Defining the poor as those who made less than \$1 a day, Gates replied: "Do people have a clear idea of what it means to make \$1 a day? There is no electricity. No power systems. These people are trying to stay alive. There is no need for a PC." Shuster responded by declaring that Gates simply didn't "get it." Gates' retort: "I've never been a 'get it' kind of guy. But I get there are other things these people need other than technology." Shuster then took Gates to task again, stating: "I'm suggesting that closing the digital divide has significant health improving aspects." Gates responded by repeating his position: "they're not going to become literate if they don't have good health."³⁵ Gates' vision did not include economic development as a *precursor* to good health, a view widely held by the other conference attendees.

Not surprisingly, media reports on the Digital Dividends Conference focused on Gates' speech and the confrontation with his fellow technology leaders that followed. In the *New York Times*, Sam Verhovek wrote: "For a man often thought of as the world's chief evangelist for technology, Mr. Gates is assuming a surprising role these days, in which he seems to be taking his own industry to task for having far too much faith in digital solutions to the planet's worst ills."³⁶ The British newspaper, *The Guardian*, had a similar slant on the story, concluding: "Bill Gates poured scorn yesterday on the computer industry's attempts to improve access to technology in developing nations." *The Guardian* further reported that one of Gates' critics, John Gage of Sun Microsystems, called his speech "flippant" and accused the Microsoft founder of "missing the point of the conference."³⁷

Thus, audience responses and media coverage suggested that Gates' speech was a failure. A simple explanation for this failure is that he did not fulfill the requirements of the rhetorical situation. In Bitzer's terminology, the "exigence," or situation, that called this discourse into existence³⁸—the conference itself—had a specific agenda. Its chief objective was to engender enthusiasm for spreading new technologies into underdeveloped nations to spur progress and economic development. Gates' address clearly violated the audiences' expectations, especially since Gates had been known for celebrating the positive effects of technology on society. The audience members, in theory, were all there for this same purpose: to explore how technological advances might help solve the social and economic problems of underdeveloped countries. Other speakers at the conference met this demand for arguments that would further these purposes. Gates clearly violated these expectations in the minds of the press and the audience, and for that he was harshly criticized. Gates argued that technology can achieve little where basic subsistence needs are yet to be met. Gates called upon his fellow technology leaders to embrace his broader view of economic and social justice.

Business Week provided a special report on the Creating Digital Dividends conference in its December 18, 2000 issue, highlighting the programs and initiatives suggested by various conference speakers. Gates was not among those listed in the highlights, apparently because his speech did not fit the agenda: "speaker after speaker made the case for real business opportunities in creating a new portfolio of digital products and services to meet the needs of developing regions."³⁹ The report devoted

one paragraph to the coverage of Gates and his views, noting that he called attention to the health needs of the world's poor: "He argued that poor people need more basic things than access to technology and doubted the business opportunities in indigent communities."⁴⁰ This was quickly followed by a dismissal of Gates' view in light of the "tangible enthusiasm" of others for expanding technology into underdeveloped countries. The "consensus of those attending," *Business Week* concluded, "was optimistic" about the prospects for expanding the technology market in the underdeveloped world.⁴¹

The Legacy of the Speech

Despite the disappointment and confusion expressed by many who attended the Creating Digital Dividends conference, Gates' speech highlighted the disagreements over the importance of the digital divide in areas still threatened by overpopulation, inadequate health care, and abject poverty. Nonetheless, the topic of the digital divide continues to be a major theme in discussions of social and economic justice. During the 2001 G-8 meeting, the world's big eight powers endorsed a nine point action plan, known as the Okinawa charter, to bridge the digital divide. It stated:

Our vision of an information society is one that better enables people to fulfill their potential and realize their aspirations. To this end we must ensure that IT serves the mutually supportive goals of creating sustainable economic growth, enhancing the public welfare, and fostering social cohesion, and work to fully realize its potential to strengthen democracy, increase transparency and accountability in governance, promote human rights, enhance cultural diversity, and to foster international peace and stability.⁴²

Priorities for the G-8 include: improving connectivity and lowering costs, helping establish national Internet strategies, and deploying information technology in health care, developmental aid, and entrepreneurship.

In 2003, the Business Council of the United Nations sponsored another conference, "The Net World Order: Bridging the Global Digital Divide." Participants in this conference developed visions, strategies, and innovative business solutions for expanding IT in today's global economy. At the conference, UN Secretary-General Kofi Anon stated: "Information technology is not a magic formula or panacea. But it is a powerful force that can and must be harnessed to our global mission of peace and development." At another conference, the Commonwealth Technology Forum held in London in July 2005, many of the big names in technology from government, academia, and industry, came together to consider issues of IT outsourcing, technology innovation in Europe, and how ICT (Information and Communications Technologies) can help the developing world.⁴³

Despite the negative reactions to his keynote address at the Creating Digital Dividends Conference in 2000, Gates continues to support efforts to improve health care in impoverished areas of the world. A 2003 interview of Gates conducted by Bill

Moyers at Columbia's Mailman School of Public Health demonstrated Gates' continued commitment to improving health conditions in underdeveloped nations as a precursor to technological developments.

In that interview, Moyers asked Gates about a trip to Soweto, South Africa that supposedly changed his views on philanthropy. Gates once again explained why he believes basic needs must be met before people can benefit from new technologies:

Well we took a computer and we took it to this community center in Soweto. And generally there wasn't power in that community center. But they'd rigged up this thing where the—the cord went 200 yards to this place where there was a generator. You know powered by diesel. So this computer got turned on. And when the press was there it was all working just fine. And it—it—it was ludicrous, you know. It was clear to me that the priority issues for the people who lived there in that particular community were more related to health than they were to having that computer. And so there's certainly a role for getting computers out there. But when you look at the, say, the 2 billion of the 6 billion . . . who are living on the least income. You know they deserve a chance. And that chance can only be given by improving the health conditions.⁴⁴

Ironically, the businessman long criticized for his egotism and his singular desire to promote new technologies has become one of the world's most generous philanthropists. The December 2005 issue of *Time* honored Bill and Melinda Gates, along with U2 lead-singer Bono, as their Persons of the Year, for their work fighting worldwide poverty and disease. The following statement appeared on their Bill and Melinda Gates Foundation website shortly after the announcement: "We're grateful that *Time* recognizes the importance of the world's inequities, whether they are in the United States or thousands of miles away. We are also pleased by *Time's* recognition that we can solve these problems and that many people must play a part in doing so."⁴⁵ Notwithstanding his rocky foray into world health at the Creating Digital Dividends conference, Gates finally may have established a solid reputation for himself as a sincere and altruistic philanthropist, culminating in his January 2006 announcement that he is stepping down from an active role in Microsoft to concentrate more fully on his Foundation's work.

Sandra L. French is an Assistant Professor of Communication at Radford University. She would like to thank J. Michael Hogan for his guidance on this unit.

Notes

1 Stephen Manes and Paul Andrews, *Gates: How Microsoft's Mogul Reinvented an Industry and Made Himself the Richest Man in America* (New York: Simon & Schuster, 1994), 27.

2 James Wallace and Jim Erickson, *Hard Drive: Bill Gates and the Making of the Microsoft Empire* (New York: Harper Business, 1993), 44.

3 Wallace and Erickson, *Hard Drive*, 49-51.

4 Wallace and Erickson, *Hard Drive*.

5 Microsoft Fast Facts, *Microsoft Website*, http://www.microsoft.com/presspass/inside_ms.mspix (accessed on October 5, 2005).

6 Wallace and Erickson, *Hard Drive*, 90.

7 Originally spelled Micro-soft.

8 Adam Penenberg, "Microsoft vs. Computer Security: Why the Software Giant Still Can't Get it Right," *Slate.com*, <http://www.slate.com/id/2133993/> (accessed on November 26, 2007).

9 Stock trading value accurate as of June 2006.

10 Annual Report for 2005, *Microsoft Website*, <http://www.microsoft.com/msft/reports/ar05/staticversion/index.html> (accessed on November 26, 2007).

11 David S. Evans, "Introduction," in *Microsoft, Antitrust and the New Economy Selected Essays*, ed. David S. Evans (Boston, MA: Kluwer Academic Publishers 2002), 4.

12 United States of America vs. Microsoft Corporation, *United States Department of Justice Website*, <http://www.usdoj.gov/atr/cases/f3900/3932.pdf> (accessed on October 15, 2004).

13 U.S. Court of Appeals Opinion, *Microsoft Website*, <http://www.microsoft.com/presspass/legal/06-28opinion.mspix> (accessed on December 12, 2005).

14 Lea Goldman and Luisa Kroll, "Billion Dollar Babies," *Forbes*, March 28, 2005, 175-176.

15 T.R. Reid, "The Future According to Gates: Reign and Sunshine for Microsoft," *Washington Post*, March 9, 1992, p. F18.

16 Elizabeth Corcoran, "Microsoft Heads Home; Software Giant Targets Huge Consumer Market with a Host of High-Tech Innovations," *Washington Post*, November 13, 1994, p. H01.

17 Thomas McCarroll, "Ending the Paper Chase," *Time*, June 14, 1993, 60.

18 *Bill and Melinda Gates Foundation Website*. <http://www.gatesfoundation.org/default.htm> (accessed on December 28, 2005).

19 Foundation Fast Facts, *Bill and Melinda Gates Foundation Website*, <http://www.gatesfoundation.org/default.htm> (accessed on December 28, 2005).

20 Lisa J. Servon, *Bridging the Digital Divide: Technology, Community and Public Policy* (Oxford: Blackwell Publishers, 2002), 2.

21 National Telecommunications and Information Administration, "Falling through the Net: Toward Digital Inclusion," *National Telecommunications and Information Administration Website*, <http://www.ntia.doc.gov/ntiahome/fttn00/contents00.html> (accessed on November 26, 2007).

22 National Telecommunications and Information Administration, "Falling through the Net: A Survey of the 'Have Nots' in Rural and Urban America," *National Telecommunications and Information Administration Website*, <http://www.ntia.doc.gov/ntiahome/fallingthru.html> (accessed on November 26, 2007).

23 National Telecommunications and Information Administration, "Falling through the Net: Defining the Digital Divide."

24 National Telecommunications and Information Administration, "Falling through the Net: Defining the Digital Divide," *National Telecommunications and Information Administration Website*, <http://www.ntia.doc.gov/ntiahome/fttn99/contents.html> (accessed on November 14, 2005).

25 "Falling through the Net: Defining the Digital Divide."

26 National Telecommunications and Information Administration, "Falling through the Net: Toward Digital Inclusion."

27 Bill Gates, "Economics and the Digital Divide," *Microsoft Website*, <http://www.microsoft.com/presspass/features/2000/04-05wh.mspix> (accessed on November 20, 2005).

28 "Is the Digital Divide a Problem or an Opportunity?," *Business Week*, December 18, 2000, special section.

29 Creating Digital Dividends Conference Information, *The World Resource Institute Website*, http://www.digitaldividend.org/confrence_highlight/confrence_highlight.htm (accessed on October 22, 2001).

30 The Digital Strategy: Glossary of Terms, *The Digital Strategy: Creating Our Digital Future Website*, http://www.digitalstrategy.govt.nz/templates/Page_60.aspx (accessed on December 30, 2005).

31 Charles Bermant, "Gates Deflates Digital Dividend Moguls," *Tech Web: The Business Technology News Network Website*, <http://www.techweb.com> (accessed on October 1, 2005).

32 Here and elsewhere passages in Gates' Creating Digital Dividends Speech are cited with reference to paragraph numbers in the text of the speech that accompanies this essay. See William Gates, "Keynote Address to the Creating Digital Dividends Conference," The World Resource Institute, October 18, 2000, video recording.

33 Gates, "Keynote Address to the Creating Digital Dividends Conference."

34 Gates, "Keynote Address to the Creating Digital Dividends Conference."

35 Gates, "Keynote Address to the Creating Digital Dividends Conference."

36 Sam Howe Verhovek, "Bill Gates Turns Skeptical On Digital Solution's Scope," *New York Times*, November 3, 2000, A18.

37 Jane Martinson, "Gates Derides Digital Donors," *The Guardian*, November 4, 2000, 25.

38 Lloyd Bitzer, "The Rhetorical Situation," *Philosophy and Rhetoric* 1 (1968): 1-14.

39 "Is the Digital Divide a Problem or an Opportunity?," special section.

40 "Is the Digital Divide a Problem or an Opportunity?," special section.

41 "Is the Digital Divide a Problem or an Opportunity?," special section.

42 Okinawa Charter, *G8 Information Centre Website*, <http://www.g8.utoronto.ca/summit/2000okinawa/gis.thm> (accessed on November 1, 2005).

43 Commonwealth Summit in London, *Ghana Cyber Group Website*, <http://www.ghanacybergroup.com/articles/getart.asp?id=263> (accessed on November 26, 2007).

44 Bill Gates Interview with Bill Moyers, May 9, 2003, NOW transcript, *PBS Website*, http://www.pbs.org/now/transcript/transcript219_full.html (accessed on November 26, 2007).

45 Statement by Bill and Melinda Gates About Being Named Persons of the Year, *Bill and Melinda Gates Foundation Website*, <http://www.gatesfoundation.org/AboutUs/Announcements/Announce-051218.htm> (accessed on November 26, 2007).