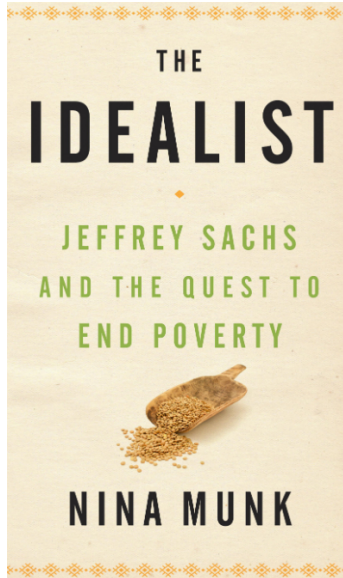


— *Edited Transcript* —

The Bradley Center for Philanthropy and Civic Renewal and the *Chronicle of Philanthropy* were proud to host a discussion of Nina Munk's new book, *The Idealist: Jeffrey Sachs and the Quest to End Poverty*



Thursday, February 20, 2014
12:00 – 1:30 PM

Panel Participants

Pablo Eisenberg, Senior Fellow at Georgetown University

Nina Munk, Author of *The Idealist*

William Schambra, Director of the Bradley Center for Philanthropy and Civic Renewal

WILLIAM SCHAMBRA: Good afternoon. On behalf of Hudson Institute's Bradley Center for Philanthropy and Civic Renewal, Kristen McIntyre and I welcome you to today's discussion of a terrific new book entitled, [The Idealist: Jeffrey Sachs and the Quest to End Poverty](#). Those of you familiar with the Center's panels here at Hudson will note the different format today. I'm pleased to welcome [Pablo Eisenberg](#) as my fellow moderator; in the first of what I'm hoping will be a popular and long-running series of Pablo and Bill shows. Pablo and I both write regularly for the *Chronicle of Philanthropy*, which we're pleased to say is a co-host of today's event. I hope the prospect of such a series of Pablo and Bill shows strikes fear in the hearts of foundation CEOs everywhere, but I suspect we're more likely to be viewed as the two old guys in the

balcony, Statler and Waldorf, who heckle the Muppets [LAUGHTER] in every episode of that show.

Anyway, we are grateful to have with us, for our inaugural episode, the author of *The Idealist*, Nina Munk. Nina is a contributing editor at *Vanity Fair* and the author previously of [Fools Rush In: Steve Case, Jerry Levin and the Unmaking of AOL Time Warner](#). So, welcome, Nina. I'll pose the first question, if I may. You spent, as you note, some six years working on this book, doing the kind of intensive, on-the-ground investigative reporting that we don't see much of anymore. And in the nonprofit sector, other than Rick Cohen at *NPQ* and a handful of folks at *Chronicle of Philanthropy*, you never this in philanthropy. So what prompted you to take on this monumental effort?

NINA MUNK: I wonder if I had known how monumental it was, I really would have done it upfront. I went into it a little unaware, as I admit. The genesis of the book was a profile for *Vanity Fair* magazine of Jeffrey Sachs, which I started working on in 2006. It was published in 2007. And at the time, it was not long after Jeffrey Sachs's bestselling book, [The End of Poverty](#), had come out. I'd read that book and it had moved me tremendously. It's a very powerful book. At the time it felt very powerful. It was an important book. And it struck a chord in me. I had only been to Africa once before. I'm very happy to say that I know very little about poverty at firsthand. And I had really spent most of my career, before I was at *Vanity Fair* I was at *Fortune* magazine, and before that, at *Forbes* magazine, so I was really a financial reporter above all. And even at *Vanity Fair*, I had spent most of my time writing about what we now refer to as the one percent.

And it suddenly occurred to me in 2006, after reading Jeffrey Sachs's book, that there was something in the air, and I think a lot of us, if we didn't realize it at the time, in hindsight, of course, it turns out that 2006 was a very, very pivotal year. It turns out to have been the point at which the so-called bubble burst, the peak of the housing market, the peak of the stock market. There were all kinds of markers out there and suggestions that we were at the beginning of just a real awareness and the beginning of a cognizance that we now are acutely conscious of, which is this growing gulf, and potential problems we were going to face between the very rich and the very poor. And I felt that starkly when I contrasted the work I was doing and reading Jeffrey Sachs's book, and I very much wanted to understand this more deeply.

It suddenly occurred to me that there was no story more vital than to understand or to write about poverty. And Jeffrey Sachs had just launched something called the Millennium Villages Project. He had received \$120 million in funding, about half of which came from George Soros's foundations, to effectively put into practice the theories that he had outlined in *The End of Poverty*. His idea was that with this money, he would put into practice these ideas in about a dozen villages across Sub-Saharan Africa. He would give it five years, and the idea being that in those five years, by systematically following his prescriptions, he would be able to lift people, if not exactly out of poverty entirely, certainly onto what Jeffrey Sachs often referred to as the first rung on the ladder of development. And having been given this decisive upward push, people would then, after this five-year project ended, after the money ran out, would then on their own have the sort of momentum to continue the upward climb on this ladder.

So for *Vanity Fair* I started out by visiting a few of these villages with Jeffrey Sachs, interviewing George Soros, doing the background work, and that turned into a much longer term project, and resulted in this book, six, seven years later. And that's where we are.

WILLIAM SCHAMBRA: Terrific. Thank you.

NINA MUNK: And I'm still alive to tell the story. [LAUGHTER]

PABLO EISENBERG: Let me ask one question pertaining to Sachs. Even the most unsophisticated people that do development know that when they do their work, it's going to be affected by issues of personality, culture, violence, corruption, politics, and unexpected developments. What is it in Sachs's DNA that prevented him from taking those factors into account? That is the big mystery when I read that book.

NINA MUNK: So you're suggesting my book doesn't turn out very well. You read it to the end [LAUGHTER].

PABLO EISENBERG: I read it to the end. [LAUGHTER]

NINA MUNK: And wouldn't want to give away the ending here to anyone. You know, when I interviewed George Soros at the beginning of my project —

WILLIAM SCHAMBRA: Pablo's friend.

NINA MUNK: I'm a fan of George Soros, too, in my own way. I have a soft spot for Hungarians. But he said something just kind of wonderful to me. I had asked him if he was concerned about his investment. And he said "There is something I am concerned about and that is that Jeffrey Sachs has a messianic complex." And George Soros being George Soros, by the way, said, "Of course, I'm very familiar with this complex [LAUGHTER] since I myself suffer from it," but he was quite cute about that. And it was a comment that really stuck with me because I really do believe that there is a certain messianism that we're talking about here.

In the people that I have written about over the course of my career, you see it again and again among very successful people. There is this idea of infallibility. It's incredibly dangerous and it's incredibly powerful. And it allows people to throw themselves into experiments, allows them to try things that I think most of us lesser mortals would never even dare to do. However, it also sets yourself up for a potentially enormous failure. And there's a terrible arrogance that is built into it.

The book very much follows my own kind of gentle, so to speak, learning curve on this. When I began, having just read Jeffrey Sachs's book, and I'm not sure if any of you here have met Jeff Sachs or heard him speak, but he's a remarkably charismatic person. He is obviously a brilliant person. He's someone whose powers of conviction are extraordinary. Certainly, he is a lot smarter than I am. And it's impressive and who doesn't want to believe that poverty can be ended? So I think that with Jeffrey Sachs one is very quickly willing, or at least I was willing, to follow him and to believe. And it can be surprising, once you really become well versed in the

subject, once you have come to understand the full complexities involved, the difficulties involved, what after the fact, of course, appear to be obvious. And so you sit back and you ask, did Jeffrey Sachs not take these issues into consideration? Now, I don't know what to say. I think in some ways, someone of Jeffrey Sachs's conviction, someone who, since the age of five, has always been the smartest boy and then man in the room. Again and again and again. Who had tenure at Harvard by the time he was 28. Who at every stage of his life has been the best of the best. I do think that this dangerous sense of infallibility comes into play. You no longer believe that you can be stopped by anything. You believe that the hurdles that have tripped up other people are not of consequence to you, because you're smarter, better, more capable and so on. And that, I think, is what is known as hubris.

WILLIAM SCHAMBRA: So how did it turn out? I don't think it's going to be shocking for the audience to be told the end of the book. Things turned out differently than obviously you had expected. And how was that? What were the consequences of hubris?

NINA MUNK: Yes, it was a very disillusioning and disappointing process. I wrote my proposal for my publisher, for example, saying that I very much hoped the book would turn out well. I hoped it would have a happy ending. And frankly, I would sell a lot more copies of the book if it had a happy ending. I'm quite sure of that. And I was both startled and disappointed as the years went by and as it became more and more evident to me and I think to the people on the ground, and to many of the people working in this project, that the problems were just compounding. I've compared it in previous interviews and talks to that game that some of us played as a child, Whac-A-Mole. Every time they imagined in the field, in the villages, that a problem had been solved, six other problems would crop up.

The complexities were so much more enormous, so much greater than anything that Jeffrey Sachs and his colleagues at Columbia University had predicted. This is, of course, the great danger of coming up with a model in the safety of a laboratory setting. Africa, people, human beings, villages. None of these things are scientific laboratories. Human behavior is deeply unpredictable, and even more so when you have the arrogance of being Jeffrey Sachs, when you have the arrogance not just of Jeffrey Sachs and any number of outsiders, of people who really at their core know nothing about the places that they are trying to help, about the people whom they're trying to help. They don't understand the history. They don't understand the culture. They don't understand much of anything is really the terrible sadness that I came to understand as the time went on.

PABLO EISENBERG: Who were Jeffrey Sachs's advisors during this project? Did he have any? Did he have a team of advisors from Columbia or elsewhere? Who did he listen to?

NINA MUNK: There was quite a large staff at one point on the Millennium Villages Project itself. Certainly, there was a lot of involvement in different ways by other NGOs and nonprofits, and even the big donors, as we refer to USAID and the English development agencies and so on. There was a lot of crossover and meetings that went on. A lot of these people's work, of course, as any of you who work in these fields know, a lot of it trips over itself and it's hard to get involved in development work and not cross over with other folks. By the same token, I'd say that, again, those of you who know Jeffrey Sachs can probably recognize he's not someone

whose strongest suit is listening to the advice of other people. This is someone who has very firm convictions and pretty well has answers to just about everything out there. And whether he's talking about our national debt, whether he's talking about gun control, whether he's talking about saving Africans, pretty much any subject you give Jeffrey Sachs, he is the reigning expert. So I do believe categorically that one of his failings in terms of this project, was a refusal very often to listen to people or to take their advice seriously.

One of the extraordinary experiences of this book is that I was able to sit in on meeting after meeting with Jeffrey Sachs, with officials from the World Bank, with officials from the UN, with very top aid development people, people on the foundation side, and I had the extraordinary luxury, I suppose you could say, of really being there while Jeffrey Sachs and these folks sometimes went at each other's necks. I mean screaming, swearing, just really horrible abuse of the kind that I certainly had never seen. And it was just kind of astonishing to see how much egos, of course, play a role here, how very rarely Jeffrey Sachs seriously took other people's advice into consideration, how he steamrolled over people on the ground who had worked in these fields for many, many decades, how he treated them with condescension. And it was disturbing because Jeffrey Sachs is a very, very bright man, a very capable man, and it was disturbing to see how rarely he was willing to fully take other people's advice into consideration. That lack of humility, I think, is a very serious contributing factor to not just some of the failures that Jeffrey Sachs experienced, but I think that many of the failures that happen on the ground, in the field, in development work, happen for a lack of humility.

WILLIAM SCHAMBRA: Incidentally, just so it's clear, we invited Jeffrey Sachs [LAUGHTER] to be on this panel. I'm kind of glad we have been spared the abuse, but we did in fact send an email to his office. We invited him or we invited him to send a representative to discuss this, and both offers were declined.

However I did come across in one of the interviews that Nina did previously, and you'll find this amusing, Nina, and I'm sure you've had some time to think about it. Apparently, Mr. Sachs sent an email to a friend, which was then forwarded to Nina. "I can't account for Nina Munk's cynicism. It is what it is, but it's not at all the real story, which she simply missed. Sorry to say, but it's like Vanity Fair meets extreme poverty. Well, so be it." Anyway, that seems like such a modest response. [LAUGHTER] I can't imagine him being abusive. So how did you mysteriously turn so cynical in the course of this? [LAUGHTER]

NINA MUNK: One of the hardest things about promoting this book, which is I've had many people say to me, you wrote this book and in the end, you've done a terrible disservice both to the poorest of the poor, to those of us who work in foreign aid. You're really exposing something that basically shouldn't be exposed. And even though you claim that you care deeply about the poor and you care about these problems, at the end of the day, you've basically made life worse for us. I have been very shocked, actually, by those accusations. I've been very shocked by people who, on the Left, because I think of myself as more Left than Right, certainly, and I've been very shocked by those on the Left who have attacked me for the conclusions I reach in this book. And I'm shocked because I guess maybe I'm old fashioned and I think that my job as a journalist is to tell the story that I see. I am not an advocate. My job is not the job of

a lobbyist. My job is to be a reporter. And did the very best I could in this book to report as fairly and as accurately exactly what I saw on the ground.

Those of you who have read the book will know that I almost never insert myself in this book. I don't offer opinions. Very often, there are pages and pages of just dialog. I literally spent six years carrying around a tape recorder, interviewing Jeffrey Sachs dozens and dozens and dozens of times in VIP waiting rooms in airports, on airplanes, in his townhouse in Manhattan, in his office at Columbia University, all over the place. I was in long rides in Land Rovers with him crossing Africa. And at the same time, I did what I think really makes this book what it is, I juxtaposed that with many, many visits to the two villages over and over and over again, so that I could report on the ground, so that I could have the kind of access and the kind of understanding of what was really happening in the villages, that neither Jeffrey Sachs, nor frankly, from what I've seen, anyone who works in development gets to see.

Because what happens far too often in development, whether it's from the foundation level, whether it's from the donor level, whether it's USAID, whether it's the UN, is money gets allocated to projects. People might go in once for half a day in their Land Rovers with the air conditioning on and the bullet-proof UN convoy vehicles. They come in and the whole village has turned out, and people sing and dance and present them with special gifts. And it's almost unavoidable. I mean, that is really not a criticism. It's almost unavoidable to be an outsider and to come into a small village that is waiting, hoping, praying that you will decide to spend your money on their village. And they've slaughtered a few goats to make sure there's enough food for your visit. And you see nothing. You don't see anything.

A few people who are presented to you are very likely to lie. I have a funny anecdote in my book. Jeffrey Sachs's people, of course, would go through and try to take household surveys to understand the people in the villages, how they were doing. And at one point, I'm there when one of the surveyors comes through and chats to a woman who became a friend of mine, Beatrice. They ask how many pregnancies she's had and how many more children she intends to have, and so on. And Beatrice, with a totally straight face, looked at this nice young surveyor, I think it was an intern from Columbia University, and said two children. So I looked at her after the surveyor left, I said, "Beatrice, you already have five kids." [LAUGHTER] She sort of shrugged, she goes, "Ah, you know what you mzungu want to hear." And I just thought it was so marvelous, because she had kind of exposed basically the bullshit of the effort, at the same time had clearly demonstrated how smart she was, because she knew how the game was played. She knew what we wanted to hear and she knew what needed to be done to get more money into her village. And that was that. There is this elaborate dance that is performed. And I forget what the question was or where I was going, but there you go.

PABLO EISENBERG: [LAUGHTER] That was a good answer.

NINA MUNK: I went off track. It's complicated.

PABLO EISENBERG: At this point, why don't we open up to questions, and then we can interject.

WILLIAM SCHAMBRA: Sure. We have a microphone, yes. Please, a brief question, not an alternative thesis to Jeffrey Sachs's approach with 12 point plans. [LAUGHTER]

Q: You described Jeffrey Sachs as being much smarter than you, and that was probably some humility in your description. But, as you pointed out, his weakness is that he lacked humility. So is he really that smart in that sense? And secondly, did you ever write about the gentleman that did the Ponzi scheme?

NINA MUNK: Madoff?

Q: Madoff and Milken and all the folks, is that part of your menu, so to speak?

NINA MUNK: Well, first, on the subject of humility, I actually really believe that the only reason I was able to do this book is because I knew nothing about the subject when I started writing about it. It is the luxury really of going into a subject cold and therefore having the privilege to ask the dumb questions. And people talk about that when you're in school, there's no such thing as a dumb question. It is so vital when you're doing work like this because in development work, people so quickly become jaded, start to believe that they really do know everything, and I think that is part of what held back Jeffrey Sachs, which is in some ways, he is too smart to ask a lot of the really dumb questions. He himself is expected and often does have the answer. And so, that helped me tremendously here.

Yes, I've written a lot on financial scandals. If you go to my website, www.ninamunk.com, you can read practically all of my stories from *Vanity Fair*. I've covered finance and also though just business in a very general way. It's really just about following numbers. So I've written stories about [Harvard's endowment](#). I've written articles about the [Metropolitan Opera](#), because at the end of the day, all those things are about money. And unfortunately, development in Africa, and poverty, and foundation work, and philanthropy is all about money, too. So it's sort of in some very loose way, fits into what I write about.

Q: You write about nefarious activities.

NINA MUNK: Not only. But yes.

WILLIAM SCHAMBRA: Let me just follow up on that notion. You're writing about business. At the end of this sort of phase one of the Millennium Villages Project, there was a determination that it was time to turn from what would be considered foreign aid to something like economic development. And the reason I ask that is this is a very common prescription now for nonprofits in America. A big question is how can we get nonprofits to be self sustaining? How can we get them to adopt more corporate languages, more corporate structures and so forth and so on? The language of business is very much in vogue in the nonprofit and philanthropy world today. And we sort of saw in your book this encounter between the notion of business and the realities in Africa. How did that turn out? What was that encounter like? And are they on the path now to self-sustaining economic development?

NINA MUNK: I think there are two issues. One, which we've talked about briefly before, but charity has, for some strange reason now, seems to just not be a positive word anymore. People talk about charity as if it is something very old fashioned. In many respects, so much of the best work that I saw in the villages of Africa was just old-fashioned charity, and no one liked to use that word. But when you give a child a scholarship to help him pay for secondary school fees, when you build a maternity ward in a village hospital that has no place for a woman to give birth, I mean that's just old-fashioned charity and it's terrific. It has a lot of influence and it saves the lives of many, many people.

That is something very different from what most people talk about now. What is fashionable is economic development. Very few people say that they are involved in charity in Africa. It kind of runs flat. So economic development is what Jeffrey Sachs set out to do. The reason why I think that the Millennium Villages Project was a failure is that Jeffrey Sachs did not set out to improve the lives of a few thousand people, or even 10,000 people, or even 100,000 people in a dozen villages. He set out to do something far more ambitious than that, which is probably what a number of you in this room set out to do, which is to change the tide, to change the fortune for an entire continent, and to find a long-lasting, sustainable, to use another big buzzword, scalable, to use another buzzword that I'm sick to death of, to find a sustainable, scalable way to end poverty decisively.

And not just decisively, by the way. His original intention was to do it in five years. That wound up coming out to a 10-year period. But that was the big goal. And in no way did he manage to pull off that goal, because it is so difficult. You can go into the villages that I spent a lot of time in, and I can talk to you firsthand about the improvements in people's lives. People are clearly better nourished when they've received fertilizer and their crops are better than they were before. People clearly have better health when they are given mosquito nets to protect themselves from malaria. People are clearly doing better when they're given the money to build a protected water source. Those are all great, important vital works to sustaining human lives, and to helping people to grow into productive human beings.

That is something very, very different than making sure that a godforsaken village, really, these are places that are in the middle of nowhere. There are no roads. There is no power. There is no running water. There is no connection to the outside world, and there is certainly no connection to the global economy of the 21st century. And so, if your goal is to make sure that these people have some way of sustaining themselves and their children and their grandchildren, of having some way that they can produce income, that they can be gainfully employed, that they can start businesses, that they can develop something that leads to what our ideas of progress are, I don't know what to tell you because this certainly is not the solution.

WILLIAM SCHAMBRA: Well, Pablo, being a creature of the Left, haven't we just described the progressive model for not only Africa, but for America? This kind of grand root cause oriented, solve the problems once and for all, rather than relying on charity?

PABLO EISENBERG: It reminds me of my old boss, Sargent Shriver, who said we're going to end American poverty in 10 years. Well, it's not necessarily the answer of the Left. There needs to be some large goals, but they need to be implemented with people in mind at the grassroots

level, and it's got to be a combination of a national policy and local policy. And in a sense, what I infer from parts of your book, is that a lot of people are trying to draw a rigid line between what is charity, namely foreign aid, and what is economic development or as Jeffrey Sachs tended at the end, commercialism. When in fact, that is not a necessary separation. Both of them working together is probably the right answer. Giving a million mosquito nets may be termed charity, but if it leads to several indigenous folks setting up manufacturing plants to build mosquito nets, that's economic development. So, without one, you don't have the other, and I think there is a tendency now it seems, you can comment on that, of too many people downgrading charity or foreign aid, partly for political reasons, partly for budgetary, and not acknowledging that both working together are probably the answer.

NINA MUNK: I think you raise a big point, and I think the larger point really is one about accountability. And this is really, I think in so many ways, the core of what my book is about, because however much people like Jeffrey Sachs may insist that there is going to be more money for foreign aid, or continue to demand more money for foreign aid, I should say, I think most of us who are realists recognize that probably not any time soon is there going to be a significant uptick in the amount of money spent on foreign aid. So the question then becomes a very vital one, how do we make the most of the money that there is?

And I'm not just talking about foreign aid spending at a government level, by the way. Whether it is coming from the Gates Foundation, the Hewlett Foundation, or whether it's coming from individual grants to small NGOs that are working in these areas, the amounts of money are not going to radically change, so it becomes even more important that every dollar we spend is spent well. So accountability is essential and there is just not enough time spent on accountability. There is not enough focus on it. It's part of what has upset me tremendously, and upsets me when people criticize the conclusions I come to in this book.

You know, the conclusions that I come to in this book, that your money is just completely wasted, is a conclusion that I wish more foundations and more NGOs would be willing to share with their donors. Because the truth is, as anyone who has worked in the field knows and will admit behind closed doors, a huge amount of money goes to waste, and it doesn't go to waste because it's stolen. It's not all the clichés. It goes to waste for any number of reasons. It goes to waste because people make mistakes. It goes to waste because you're making decisions sitting in Washington, or sitting in New York, or sitting in Los Angeles, because you're clueless. And sometimes you just have to admit that you're clueless. And I wish so much, and I think there is some work being done in this area, but it is so rare to go to the website, for example, of an NGO or a major foundation, and actually find the dropdown menu for where we screwed up. [LAUGHTER] Because those lessons are as vital as the lessons about where we've succeeded. Otherwise, we are just doomed to keep making the same kinds of mistakes.

Q: My name is Ruth Lubic. I'm a nurse midwife, and also, a MacArthur fellow who came to Washington to try to prove that the disparities that the African American people suffer here are not intractable. The question I would like to ask you because of my own experience, is who were Jeffrey's enemies? Who tried to keep him from doing what it was he wanted to do? Because when you change any system, somebody is going to object. And I have very strong

experience with that, with trying to make things better for people and there's a whole other group that looks at the business aspects of it. So, could you answer that for me?

NINA MUNK: I think what you're talking about is sort of the status quo, people hold on very tightly to the status quo even when it is not working. And Jeffrey Sachs, to his great credit, came in and recognized there are major flaws in the way development is done in Sub-Saharan Africa, and in the ways in which we try to end poverty is clearly flawed. Otherwise, we would have ended poverty by now. And I sat in on meeting after meeting with him, where he was with people who had been on the ground for decades, people who had worked for USAID or the various European equivalents, or the Canadian equivalents, and some of the major foundations, and he would really butt heads with them.

I would say that one of the things I did appreciate very much about Jeffrey Sachs, and certainly early on, was that he would confront those who were sticking with the status quo, and he'd say that you can't stick with the status quo because it's clearly not working. We have to do something differently. And when you talk about Jeffrey Sachs's enemies, so to speak, I would say that some of the greatest forces that slowed him down or prevented him from being able to fully pull off or accomplish what he hoped to, were very often people who had been there for many, many years. Some of the folks who work in development, they live in parts of Nairobi or in other capital cities in Africa, have been there for a very, very long time. There is a complacency that can set in. I think anyone who has worked with major institutions can see that, and it can be dangerous, and it can be suffocating. It can very much slow down the pace of change and work to stop change in its tracks. And so, yes, I think Jeffrey Sachs was up against that and I think that was difficult.

I would say that in many of the arguments that I witnessed, Jeffrey Sachs's absolute, both power of persuasion and power of personality, and his fantastic ability to reach out and lobby directly to the highest levels of power, both in the African capital cities as well as at the UN, and in European and American capital cities, allowed him to make far greater changes than most people can.

Q: Two questions. Bill Easterly, did you talk to him and interview him? And Jeffrey Sachs is associated with the Global Plan to Fight AIDS, TB and Malaria, the Commission on Macroeconomics and Health. Do you see things wrong with that in the same way you see wrong with Millennium Villages?

NINA MUNK: Regarding Bill Easterly, I've read every one of Bill Easterly's books. For the purpose of this book, I probably read 100 books about development. And I desperately for a while actually thought that if I just kept reading, I would finally have an answer. I soon gave up on that. [LAUGHTER] I don't know what I was thinking. But also, I will tell you that during the course of actually reporting the book, I purposefully did not interview those who I knew were Sachs antagonists, Bill Easterly being, of course, the most famous. And I did that for a good reason. I did not want afterwards anyone to say to me that I just got suckered by someone on the other side. I'm deeply not an ideological person, and I didn't want to get caught up in the ideology of development and the ideology of poverty. And there is a lot of it, as some of you in this room, I'm sure, know. Instead I wanted to be able to say that I came into this as a reporter

who knew nothing and I just reported. I came to my own conclusions based on what I saw, what I heard, what I recorded, and what I learned along the way. I didn't want individuals to be swaying me.

Your other question was a more important one, macroeconomic on health. One of Jeffrey Sachs's most important contributions to the area of development and poverty really was a lot of the early work he did in the area of health. For those of you who are not familiar, Jeffrey Sachs did something quite remarkable. I interviewed Dr. Paul Farmer on this subject early on. Jeffrey Sachs took his great macroeconomic brain and background, and applied it to the area of health care, and particularly, humanitarian health. And he put numbers to bear when it came to saving people's lives in global health. And alluding somewhat to what Pablo brought up earlier, that a mosquito net isn't just a mosquito net. It allows people to be productive in a certain way. And when you're spending money on global health and on saving people's lives, that is not just charity. That is an investment into the economic output of a nation.

He managed in a brilliant way to use those numbers to make a very convincing argument that that kind of foreign aid isn't just "charity." It is something much larger. It's imperative to helping the economic output of a nation. And Dr. Farmer said that Sachs really changed the way people think about the problem of health. They had been using millions of dollars, thinking that was a lot of money to be asking for, and Jeffrey Sachs just came in there dismissively, and said, what are you doing, talking in millions? Start speaking in billions. Because really, relatively speaking, these are tiny sums of money. We're talking about a single day's spending by the Pentagon, for example. And these are tiny sums of money that can change the lives of millions of people. So, yes, thank you for bringing that up.

WILLIAM SCHAMBRA: Speaking of Bill Easterly, incidentally, May 7, mark your calendars, May 7, right in this room we'll be taking up Bill Easterly's new book, [*The Tyranny of Experts: Economists, Dictators, and the Forgotten Rights of the Poor*](#).

Q: Bob Woodson, Center for Neighborhood Enterprise. I was at a conference when a young woman, who is now running her father's foundation, described how her father came from overseas with a sixth grade education and built a billion dollar business. But yet, when she described the people who were going to run his foundation, she talked about the number of PhDs they had hired.

NINA MUNK: Interesting.

ROBERT WOODSON: The question is, why do we not apply the principles that operate in our market economy to the social economy? If we had these kinds of failures in a market economy or in sports, the coach would be fired or the CEO would lose their job. However, no one seems to lose their job for failing in the social economy. Any thoughts on that?

NINA MUNK: Bob, I wish I could help you. I think I do say at one point in my book, frankly, that if the same sort of scrutiny was applied to this particular NGO that was applied to publicly-traded companies, for example, you'd be in serious trouble. I have point after point in the course of my book, where I recount problems with the financial reporting, problems with the data. You

know, data collecting for a lot of NGOs, for a lot of nonprofits is deeply problematic. It's just not good, and a lot of it is rubbish, frankly. And it can be very, very difficult to get to the bottom of those numbers. It is an ongoing problem, and it's certainly one that a lot of people talk about, and some headway has been made. There's been a lot of progress, thanks to the availability, for example, of financial reports on the Internet for philanthropic enterprises. But I find it disappointing to say the least. I'm always shocked by how out-of-date the numbers are, how hard it is to get the numbers, and worse of all, how people who run nonprofits seem to recoil when you ask or demand hard numbers. So I certainly, on the part of financial accounting, I agree with you entirely. I think there is a double standard.

BOB WOODSON: Well, we make a lot of his being smart, and what does that have to do with his having the wisdom to create something in a market?

NINA MUNK: I'm going to defer on that, Bob. [LAUGHTER]

BOB WOODSON: Did Jeffrey Sachs build in any accountability mechanisms in the project? You mentioned at the end that there was a total lack of transparency. What sort of accountability did he hold to himself? Did he think about evaluations?

NINA MUNK: There are tons and tons, reams of data produced by the [Millennium Villages Projects](#). If you go to their website, you can find all kinds of things. There are a couple questions. How reliable is the data? Let me cut to the chase here. If you're a nonprofit and you depend on people to continue to give you money to remain in business, so to speak, you've got 10 dependent employees, 100 dependent employees, 10,000 dependent employees, depending on the size of your organization. What is in your interest to have the greatest transparency for your numbers?

The SEC requires that a publicly-traded company have transparent numbers. People are caught. They're sometimes fraudulent. They're thrown into jail on a good day, but we do the best we can to keep those numbers there. Who is the watchdog agency for NGOs and for nonprofits? And the number of small foundations, in particular. The number of these organizations is growing exponentially. It's really astonishing and it's almost impossible to get really good data out of them. As the woman I mentioned earlier in the village in Uganda, who just looked right at the surveyor and lied about how many pregnancies she'd had and how many children she intended to have.

So what I saw happening in the case of the Millennium Villages Project, that I've seen happening in other cases, you begin increasingly only to report the good news. There is a bias selection, because you want your donors to be happy and you want the money to keep coming in from your donors. You start to really, I think, believe in some ways, like some people who run Ponzi schemes start to believe, that you're just holding off, you're doing the best for the people in the villages. If you tell your donors this project's not working, let's just pull the plug, you have abandoned all these people in your village.

So probably on some level, you believe you are doing the right thing by keeping it going, by fudging the numbers a bit, or at least by not being fully transparent about the numbers. You may

hope, if you just give it another year, you can just hold out and things will suddenly start to look up. So I think there are a lot of complicated reasons, both good and both bad. I certainly don't think it is outright fraud that leads people to manipulate numbers. I think it's a combination of ignorance, of denial very often, of hopefulness. There are a lot of problems. And I think if we were all more honest about the failures, it would help tremendously.

ROBERT WOODSON: So, what's the answer? More journalists like you? More watchdog groups? More legislation demanding accountability? How does one better the situation?

NINA MUNK: That's a very good question. I think to some degree, it's just going to have to happen because the individuals decide that it matters, and because people are no longer embarrassed to say we made a mistake and that it's not held against them. Because there are never going to be enough watchdog agencies to make sure that every single foundation and NGO out there is reporting its numbers properly. I think some of it is really about changing the way we talk about our charitable giving. And to acknowledge failures and not to be embarrassed by them, and just to be willing to really be forthright about what we can and we can't accomplish, and to stop believing that everything we do can wind up being some heroic act of success.

WILLIAM SCHAMBRA: I should point out we did actually do a panel not too long ago on learning from failure and so forth here. There is actually a group in Canada, [Engineers Without Borders](#), that do international work and a section of their website is explicitly devoted to learning from failures.

NINA MUNK: Part of the problem is we are not just talking about numbers and financial statements. You are also talking about being on the ground and really seeing what is going on when you're dealing with development work in poor countries, in the middle of nowhere. And who can afford to do the kind of work, for example, that I did? It's very, very hard. It's excruciatingly difficult. How do you actually send someone in there on the ground to get as close to an unbiased view as possible, to be able to spend the amount of time and to get to know the villagers?

I was invited out to San Francisco not long ago to talk to a major foundation there, just an internal discussion. And they really were fretting about this, and they were very honest. They said that they give money to a lot of these villages and actually do some of the same work that Jeffrey Sachs has been doing. However they don't know how to evaluate it. They show up and it's their top people, the funders, and they throw up sort of a party for them, and they know they are not really seeing what is happening. What can they do about this? And I don't know what the answer is. I don't know how you can really ever know what is happening in a village, because it took me six years and I'm sure I've only got the tip of the iceberg, even then.

WILLIAM SCHAMBRA: Yes, let me just underline a point which you make in your book, and that is, as you just said, there are reams of data. There is no end of statistical descriptions of what is being accomplished and how things are moving along and so forth and so on. I mean, this is what data is for, of course, is to enable you to be in a remote place and understand what kind of effect the money is having in Africa. So there is no end of numbers. It's all there, and yet, this is what is kind of really mind-blowing about the book, when you go to these villages and

the numbers have been so glowing, what you see is something very, very different. The description of Dertu is striking. The numbers for the specific measures probably showed a good thing happening, and yet --

NINA MUNK: I was going to say what about the fertilizer in Ruhira? That is a perfect example, too. The two villages that I focused on, one is on the border of Somalia and Kenya. It's ethnically Somali, but it is geographically located in Kenya. The other village is in southwest Uganda, and it's a village that is largely agricultural. Banana is their main crop. A banana they call matoke, a cooking banana, a green banana. And one of the main interventions outlined both in *The End of Poverty* and in the Millennium Villages Project, is the use of fertilizer and high yield seeds. And many people have talked about this. These are not interventions that are unheard of. The idea here really is to bring to Africa what happened in Indian, for example, a long time ago, Mexico and so on, which is to bring the green revolution to Africa. Some of you in this room may even be involved in such initiatives. And by any account, Sub-Saharan Africa, agriculturally, is just in a state of utter despair. Yields are abysmal because no one uses fertilizer. Very few people, I'm speaking in gross generalizations, in many of the villages certainly that I was in, the most advanced technology gets is the use of a hand hoe on a good day.

So one of Jeffrey Sachs's initiatives was well, you know, this is crystal clear. We go in, we give people fertilizer, we give people improved seeds, and almost overnight, certainly in a matter of a single growing season, in a matter of a few months, you will see the most extraordinary results. And in the village of Ruhira, I saw it firsthand. In this case, they were growing maize corn and beans. And they gave them fertilizer and improved seeds for both of those, and from one growing season to another, there was a bumper crop. It was extraordinary. I was there. We had parties. There was dancing. There were celebrations. Suddenly it seemed the promise of everything that modern farming has brought to us would now be happening in this village.

Then within a week or two the village was confronted with the terrible reality of what to do with this excess crop. What do you do? What do you do with bags and bags and bags and bags and bags and bags of corn and beans? Because now everyone is fed. Everyone's really happy. However you have no warehouses to protect the stuff from rats and bugs. You have no roads to get it to market. You have no buyers. Now, the fellow who was running the organization for Jeffrey Sachs on the ground starts scrambling to find buyers anywhere. Who the heck is going to take this stuff? Right, who really wants corn? They don't even like corn in southwest Uganda, by the way. They call it prison food. I mean they really don't like corn. But by the brilliance of our decision making back in New York City, we have decided corn is the perfect, perfect thing to grow.

So now, they scramble and lovely David Siriri, who was one of the main characters in my book, does manage to make a deal to sell a few bags of this grain to some folks in neighboring Rwanda. However he can't get anyone, because of the cost when you don't have any roads, no one has any trucks, the cost of just getting a truck from the capital cities, from any of the bigger cities, up to this isolated village up in the mountains, if the truck is not completely destroyed by the time you've done that trip, and you actually make it back, any profits you might make on corn are completely wiped out. You just can't make money. And it was this terrible tragedy. It seemed to me really, to go back to this Whack-A-Mole incident, this is the kind of thing that

happened again and again, which is you came up with a solution, something obvious and immediate. It's self evident. Fertilizer. And then you go, Jesus, there's a whole host of other things that need to be in place.

I had a really kind of an epiphany of sorts one day when I was lucky enough to sit in on a meeting with the president of Uganda, Museveni, and Jeffrey Sachs, I followed along Jeffrey Sachs in a meeting with Museveni. And Jeffrey Sachs was in the meeting with him in the state capital, beautiful state house, and he was going on and on about the success of this, using fertilizer in this village called Ruhira. And you know, Mr. President, and if you just roll this out across the country, and if you can give bags of fertilizer to everyone, and I'll help you get the money to give out this fertilizer, it'll be a huge success and your economic productivity will go up X fold, and this will transform the lives of your people. And there was this dead silence at the end of the meeting. And there's Jeff Sachs, rah, rah, rah, rah, rah. Magnificent as always. And Museveni just stops at the end. He's rocking back and forth in his chair. And he says, "Yes, I see. But there are other things to consider, Professor. You know, in these countries of Africa, we have many other problems. This is not India or China. There are no markets. There is no network. No rails. No roads. We have no political cohesion." And he got up and it was the end of the meeting. There was suddenly the reality interjected into the situation by the president of the country itself.

WILLIAM SCHAMBRA: All of which you saw because you were on the ground doing the reporting and yet, back in New York City, the data show a huge increase in agricultural output.

NINA MUNK: The bumper crop. Well, this is exactly it.

WILLIAM SCAMBRA: Ergo, it's a success, right?

NINA MUNK: Well, the Millennium Villages Project kept reporting bumper crops. They continue to this day when you go to the website. One of their great success stories is the bumper crop and it is a success. It means people are well fed when they weren't well fed. There is nothing wrong with a bumper crop. It's just that it does not mean that you can take it to the next level. It doesn't mean that there is now employment, or that there is an ability to sell these products. And these are not cash crops. Even when they thought they were growing cash crops, they couldn't find buyers. And this is the great difficulty. How do you translate that low-hanging fruit, as Jeff Sachs himself would call it, and how do you take it to the next level? How do you really change people's lives and change their children's lives and change their grandchildren's lives?

PABLO EISENBERG: Let's go to the audience.

Q: Hi, my name is Yulya. I work for the [Center for Global Prosperity](#) here. Since this is a philanthropy center, I was really impressed at the massive amounts of donations he received from individual donors and from corporations to jumpstart this project. And I only just got through the part on Quiznos, the marketing and how he sort of shut that down. Now people were funding this, and I'm just wondering where the accountability was from the donor side. Maybe there wasn't any. Maybe for them it was just a bet?

NINA MUNK: It's a great question. However I actually think George Soros puts it better than anyone in my book, because I asked George Soros exactly that question. He had just given Jeffrey Sachs \$50 million. This is back in 2006 when it began. And it was by far, and still remains today by far, the single biggest donation that the Millennium Villages Project had received. And I went to George Soros's office in Midtown Manhattan, and I asked him if he felt that this is had been an enormous risk? I mean, what if it's a disaster? What if nothing goes right? What if the project doesn't work out? And George Soros sort of shrugged and he said, "Even though it's a large amount of money—fifty million dollars—I thought there was really very little downside. As a humanitarian action, it was a good investment on its own. But if it succeeded, then of course you'd get a reward that would be way out of proportion to the investment made."

I'm unfortunately not in a position to have ever been able to afford giving \$50 million to a cause I believe in, but I think that if you can afford the possibility for downside, if you're a person of risk, I actually think it's kind of wonderful to be willing to take risk on the possibility of the upside. Which, in this case, it didn't turn out. But yes, I think it's hard to know about the accountability, as you say, until rather further along. At which point you just don't give more money and that is really your only way of voting, of showing what you feel about the project.

Q: Ken Meyercord, WORLDDOCS. First, let me thank you for what sounds like a very honest book. I know it took a lot of courage to write it and don't let the criticism get you down. You've done a tremendous service for all of us, including the wretched of the earth. Wasn't Jeffrey Sachs associated with the Harvard group, a group of consultants who went to Russia after the collapse of the Soviet Union to instruct them in free market capitalism, and ended up in such blatant pilfering of the Russian economy that even Harvard had to disown them? That raises a question, is there more than meets the eye to the Millennial Village Project? Especially since with Mr. Soros's involvement, as he's done very well in ending his own poverty?

NINA MUNK: Not to force you to have to buy my book, but I do have a number of chapters that deal with Jeffrey Sachs's background, back when he was really known as Dr. Shock, for his shock therapy treatment that he imposed on a number of countries, both successfully in some cases, and decidedly unsuccessfully in other cases. However, yes, it is very much the same person. It's kind of fascinating when you look at Jeffrey Sachs to see that metamorphosis from someone who was really held up by the Right, especially for helping to move countries to stabilization after the collapse of the Soviet Union, to someone who then became so closely associated with the other political view. And I discuss that a lot in my book. So I'm going to defer, force you to read about it, instead. [LAUGHTER]

Q: Hi, my name is Annette Brown, and I work for the International Initiative for Impact Evaluation. And you've been talking a lot about all of the data and how do we use them to measure accountability and so on?

NINA MUNK: You have the answers, I hope.

ANNETTE BROWN: I don't, but what I want to say is that we are going to get some answers.

So one of the beefs that the more academic development community has had against Sachs from the beginning is that even though he was collecting all this data from the villages where he was, he was not willing to conduct what we call an impact evaluation. That is, research that compares to a counterfactual. Because of course, all the other villages are getting some kind of development interventions at the same time as well.

So a few years ago, the UK Department for International Development said, and I don't know if this was too recent to feature in your book, they said we'll give you a lot of money to implement Millennium Villages in northern Ghana. But at the same time, we are going to hire an independent evaluator to conduct a very rigorous impact evaluation, including quantitative, the survey and the other things that we can measure, but also a very in-depth qualitative evaluation of the project over a five-year period. In addition, we are going to hire an independent peer review group so that the independent evaluators are being reviewed on a continual basis by independent reviewers, which happens to be my organization. So it is still going to be a long time before we have the answer, and Earth Institute hasn't necessarily been real happy about this, but the good news is that --

NINA MUNK: It's happening.

ANNETTE BROWN: -- the donor said we're going to invest a lot of money in maybe proving once and for all, that might be a bit extreme, but trying to finally do the kind of rigorous accountability analysis that can answer some of these questions, rather than throwing around before and after corn crop data and things like that.

NINA MUNK: I'm so glad you brought this up. Quite a bit of my book, or certainly one long chapter, is devoted to the whole dispute, among academics in particular, about the way data was looked after, the way the project was evaluated. As Annette says, one of the greatest controversies for academics in particular, for people who know a lot more about this than I do, is when Jeffrey Sachs would say, for example, the incidence of malaria transmission has gone down in our villages by X percent, it was very hard to know what that meant in isolation. Because the fact of the matter is that all across Africa, thank God, the last five to 10 years have shown remarkable improvement among the poorest of the poor. And in country after country after country, statistic after statistic, we have seen improvements. We have seen sharp reductions in maternal mortality rate, infant mortality rates, and the number of children in schools has gone up sharply. Malnutrition has gone down. I mean, really fantastic results.

Many of the economies of Sub-Saharan Africa are now growing at faster rates than our own, not that that's that difficult, but [LAUGHTER] nevertheless. So what a lot of the critics pointed out was, that when Jeffrey Sachs would talk about the accomplishments of his village, how much of this might have happened without Jeffrey Sachs being involved at all? Now this is not exactly what I focus my book on, but I, of course, spend a good amount of time talking about it because there were so many academic studies written. In fact, there was an entire study that Jeffrey Sachs and his team submitted and had published in *The Lancet* that had to do with reduction of mortality, childhood mortality rates in the villages, which turned out to have to be retracted because the data was incorrect, was poorly reported. And so, this project has, among the more anecdotal flaws that I discuss in detail, has been deeply flawed and undermined by problems

with the data. People who know much more about the way data needs to be done rigorously are trying to sort through this. And with any luck, Jeffrey Sachs and his folks are claiming that by 2016, there will finally be more rigorous and better data, some of which is connected to this village in Ghana that DFID is funding. End of lecture. Report back for volume two.

Q: Bill Dietl. Two questions and one comment. Did you interview Paul Collier or Amartya Sen, and if so, what did they have to say about what Sachs's conclusions were?

Second point is by way of a comment. We've heard a lot about evaluation, the undependability of the data being collected, but you yourself have testified to a form of evaluation that has proven immensely accurate. A human being spending time on the ground with the people who are being evaluated by numbers crazies, and all that evaluation money costs a fortune, and not one nickel of it got into the hands of the people they were evaluating.

WILLIAM SCHAMBRA: Can I read Mr. Sen's comments? Is that alright?

NINA MUNK: Yes. Of course.

WILLIAM SCHAMBRA: Amartya Sen, and he must have written it before he read it?
[LAUGHTER]

NINA MUNK: That's what reviewers do all the time, isn't it?

NINA SCHAMBRA: "Nina Munk's book is an excellent and moving tribute to the vision and commitment of Jeffrey Sachs." [LAUGHTER] "As well as an enlightening account of how much can be achieved by reasoned determination." So anyway, yes.

NINA MUNK: It is an enlightening account. [LAUGHTER]

WILLIAM SCHAMBRA: No, no, it is.

NINA MUNK: Says the author. [LAUGHTER] I have the same response as I had to the fellow who earlier asked about Easterly. I did not interview Collier. I didn't interview Sen purposefully. Of course, I really respect Collier. I liked his book, [*The Bottom Billion*](#), in particular. I thought it was terrific and I actually quote it in my book. So I read everything they had written that was pertinent, but I did not interview them. I've never met either man.

As to that question, I, of course, love what you said. I am a firm believer that drop me somewhere on the ground and I will get to the bottom of the story. And that would probably be true for a whole lot of other journalists out there, other folks who know how to listen and how to really take notes, and how to just watch. Sometimes I would be in a village for days and days and nothing happens. And you know, part of good reporting by anyone, not just journalists, is listening and waiting, and waiting, and waiting. You don't sometimes know when the story is going to happen. You don't sometimes know when finally someone is going to trust you enough to reveal what is happening. And I would stay in people's huts, and I would share meals with them, and I would go out and herd camels with them. Well, I didn't herd. I watched them herd.

And I would put in a lot of just kind of old-fashioned hard work and logging the hours. I shouldn't say hard physical work. I don't do any physical labor, but it's just hard work. It's gaining people's trust. It's what therapists, I guess, do on some level. It's getting to the point where someone finally just is ready to leak some document to you, for example, or tell you everything, or give you the real account of what's happening on the ground.

I think part of the problem with NGOs and nonprofits doing that kind of reporting is, how do you pull that off? How do you pull that off in a realistic way village by village, project by project? The same foundation that asked me to come and speak to them in San Francisco last week, they had exactly that same question. What do we do? Can we hire investigative reporters, for example, to go and try to do that work on our behalf? How do you do that kind of collection of information on the ground? But thank you for the question.

WILLIAM SCHAMBRA: Pablo, how does our sector do with that kind of ---

PABLO EISENBERG: It does terribly. The question to ask is, how about poverty in this country? Do you find that reporters and people are digging in to find out what is really going on in communities where both nonprofits and philanthropies operate?

NINA MUNK: I think to start with the obvious top line comment, we obviously do a better job reporting on poverty in America than we do in reporting on the details of poverty in poor countries because we have more reporters on the ground here. That said, there are a tremendous number of hurdles. One of the hurdles is that, to speak as a journalist, there is no budget anymore for the kind of serious investigative reporting that is required to see these projects through to fruition. It's hard work. It's expensive work. It's complicated work, and I am immensely grateful that my publisher, Doubleday, was willing, probably wouldn't happen today, but when I signed the contract, it was 2007. The market hadn't completely collapsed yet. But I am tremendously grateful to Doubleday for having given me the kind of advance that allowed me to travel the way I did in Africa.

And we're not just talking about plane fares or hotels. We're talking about security detail and translators. These are dangerous and difficult places to travel to, and they involve having drivers and cars and armed guards. There are layers and layers to this kind of reporting. And it is excruciatingly difficult to find organizations anymore that are willing to fund this kind of reporting and we're seeing less and less of it. I think in the United States, although you don't face some of the same barriers in reporting on poverty, I'm still rather astonished at how infrequently we get the kind of embedded reporting that we get in wars. Why don't people do that? I mean, I would love to, it's just not something I've done yet. Why don't we have that kind of reporting on poverty? Every once in awhile you do. The *New York Times* happens to be my hometown paper, so I'm biased, but they sometimes do these extraordinary bits of reporting, where a reporter has spent months following around someone who lives in poverty in the outer parts of New York City, for example. That kind of reporting is immensely powerful and important and vital to informing our public discourse on what should be done and how to best advance the needs of the poorest people.

WILLIAM SCHAMBRA: Yes, unhappily, the *New York Times*, who did have a very good reporter on the philanthropy beat.

NINA MUNK: Right. What's happened?

WILLIAM SCHAMBRA: Stephanie Strom. She would actually go into this neighborhood and look and see what was happening. Unfortunately, of course, the *Times* decided it couldn't support that kind of work.

PABLO EISENBERG: Well, not that it wouldn't support it. It could afford it.

NINA MUNK: But [UNINTELLIGIBLE] by the way, a great reporter called Amy Costello, who's become a friend of mine, who is a long NPR radio reporter, and she does a lot of good reporting on charities. So her podcast is worth following.

PABLO EISENBERG: By the way, has Jeffrey Sachs announced any attempt on his part to look at American poverty? Has he come out with any grandiose schemes?

NINA MUNK: It's a good question. He certainly talks a lot about America's problems. Two books ago he was really focused on domestic issues. So it has become more and more of a focus of his. I know he hasn't had any book since *The End of Poverty* that has had that kind of impact. And a lot of his message has, his talks really on Africa, a lot of it's kind of become blurry. So I don't think there's anything where he's managed to make that kind of headway or had that kind of impact on the domestic front.

WILLIAM SCHAMBRA: Well, part of it, according to your description, is he sort of concluded that even this grand vision that he had wasn't grand enough. That global conditions were --

NINA MUNK: How everything was interconnected.

WILLIAM SCHAMBRA: Exactly. Everything is interconnected, so that is the path to this sort of grand, theoretical, visionary insanity, right? Is you can't do the little bit of good in front of you. You've got to tackle it all at once. You have got to solve all of the problems behind the problem.

NINA MUNK: Well, as Bill Easterly would put it, the tyranny of experts. The title of his next book.

WILLIAM SCHAMBRA: May 7, [*Tyranny of Experts*](#). Okay, we have time for a couple more questions. Yes, please, right here.

Q: My name is Jackie Aldrette and I work for an international NGO called AVSI-USA. And from our experience, one of the solutions or one of the alternative ways of doing development is working with local organizations and really seeking what we like to call authentic participation of people in organizations. In your experience with the Millennium Village Projects, did you see any missed opportunities in that regard? Or did you get any sense of how they might have

otherwise gone about implementing ideas, instead of the top down kind of approach, instead of something else more bottom up? Did you get any sense of that?

NINA MUNK: Well, I should start by saying that I have never met anyone working in philanthropy who doesn't insist that his or her work is bottom up. [LAUGHTER] No one ever says we are top down. [LAUGHTER] That aside, I think the Millennium Villages Project did valiantly attempt to make this a community-led organization on many levels. The leaders of the projects in each of the villages were, if not immediately local, they were certainly people who were from the general region, at least from the country itself. They were usually PhDs, so they were locals who spoke the language, very often actually right from that community. But fundamentally, it's such a difficult, difficult objective to pull off because by definition you are outsiders pushing in money from the outside.

I was giving a talk in Austin last week, and someone spoke in the audience, just very knowledgeably, he said that he worked in the Peace Corps, I think it was in some very remote village in South America, I forget what country, and they just kept trying to be hands off, to just be there to help, that it's all going to be community led. And he said, finally, in the end, it's like you're looking at your watch and you realize you've only got three more months till the project term ends and the money is about to run out, and you're just like God damn it, I'm going to town to find the truck and I'm pulling this in, and I'm planting the crop. In some way, it's almost impossible not to impose. You are leading the project, and you can keep insisting it is community led, it is bottoms up. Yes, we do the best we can. We know that that's the right approach. How do you pull that off? How do you pull it off when, at in the end of the day, the project is coming from you. It's funded by you. How do you do that? And are we conning ourselves to pretend that it's bottoms up, when it is not? I don't know. Let me know when you have the answer.

WILLIAM SCHAMBRA: Pablo, you were with the Peace Corps.

PABLO EISENBERG: No, I was in a Foreign Service, which was even more top down. [LAUGHTER]

NINA MUNK: Listen, I love, by the way, these organizations now, I don't know whether they work or not, that are just about direct giving. I'm sure some of you know this. I just love the concept. I've read a lot of studies. It appears to work very well. However the idea is just purely, you know what, just find people in need and hand them \$10 bucks or \$20 bucks or \$100 bucks. I know people have talked about doing it in our own cities, but I've looked at the studies of how it works in Sub-Saharan Africa, and there's an economist at Columbia, Chris Blattman, who has looked specifically how it works in Uganda with an organization called Give Directly. And his studies, at least, have really demonstrated that people know what they need to spend money on. And they are often far more effective, and they waste far less money when they spend their own money on things. To me, intellectually at least, that has tremendous appeal. Because it eliminates the too often white outsider telling other people what our ideas of progress are. And to me, that's the danger. That's what scares me.

WILLIAM SCHAMBRA: What I would like you to do if you could, you've described Jeffrey Sachs, and in spite of your description, I suspect probably every young person in this audience would love to be Jeffrey Sachs. Well, there are some head shakes [LAUGHTER], but what's not to like about this? He's tenured at Harvard at the age of 28. He has, as you point out, an \$8 million townhouse on the Upper West Side, paid for by the university, one of Pablo's favorite topics [LAUGHTER]. Where the universities spend their money, they buy townhouses for Jeffrey Sachs. What is the lesson a young person should take away from this sort of thinking that maybe Jeffrey Sachs represents the pinnacle of this profession that they're engaged in. Here they are in the nation's capital. They're working for NGOs to do the Jeffrey Sachs world transforming thing. What would you say to a young person in this situation?

NINA MUNK: Be humble. Humility goes a very, very long way. I also believe strongly, and I'm only a journalist, and so, maybe my view of the world is a limited one, but I think that one in life needs to take pleasure in incremental and small accomplishments. Too much of our culture and too much of what we write about, what we talk about, what we praise, what we bow down before is about the great big, the great vision. And sometimes, when you look back, it's the small things. It's the measured, small, narrowly focused accomplishments that add up to something enormous in the end. And I feel I try to do it in my own life, that it's important to value those accomplishments and not to let them be overshadowed by people who just yell louder and stomp their feet more aggressively than other people.

PABLO EISENBERG: One of the enormously important lessons of your book applies to so many of the failures among nonprofits and philanthropy here, and that they're attributable to supreme egos who are not collegiate, who think they can forge their own path and not listen. So there is a real lesson, it seems to me, for some of our both young and old leaders in this country. Not to mention the top down government folks. But that is one of the periodic problems that we face.

And a final thing, in your book, you describe Jeffrey raising enough money to have another five years of Millennium Project. Can you tell us, what has happened in the second half of that project? Are things not working out?

NINA MUNK: We are not going to know for a couple more years definitively, but from what I can tell, from what my sources are telling me on the ground, the people I continue to communicate with in the villages, including, strangely, on Facebook now. [LAUGHTER] You got me. The project is clearly winding down. The project has very few teeth left. The very fact you can just sort of see by doing research, searches in the press, very few people speak about it in any kind of a serious way. Certainly among development experts, I think there are few, if anyone, left out there who doesn't work for Jeffrey Sachs, who still supports this model. So I would say that although certainly, Jeffrey Sachs himself has not yet declared it to have been a mistake, I think most people out there at this point, are disregarding it, and it's going to be kind of left in the annals of missteps that will, with any luck, help lead us to better ways in the future.

WILLIAM SCHAMBRA: I know it's going to happen, that is, in 10 years, if not less, we're going to try it all again. Some new PhD is going to say I have this great idea. What we need is this integrated approach --

NINA MUNK: To rural development. And it's not like it was done before. This is a whole new idea.

WILLIAM SCHAMBRA: And we're going to scale it up.

NINA MUNK: It's sustainable. [OVERLAPPING VOICES]

WILLIAM SCHAMBRA: There you are. Anyway, so let's thank Nina Munk. [APPLAUSE]