



## **Does Bill Gates Have a Lot of Money?**

### **Activity by**

Lesley Mace, senior economic and financial education specialist at the Federal Reserve Bank of Atlanta, Jacksonville Branch

### **Concepts**

Money  
Net worth  
Wealth

### **Objectives**

Students will be able to:

- Calculate how many goods and services on a shopping list can be purchased with \$76 billion.
- Explain the differences between money, net worth, and wealth.

### **Time required**

Quick Pick: Steps 1 through 4 (5 minutes)

Power Up: Steps 1 through 7 (15 minutes)

Deep Dive: Steps 1 through 8 (20 minutes)

### **Materials**

Handout: "Bill Gates's Shopping List," one per student or group of students

### **Procedures**

1. Ask students: "Who is the richest person in the United States?"  
(Answers will vary but may include Bill Gates, Oprah Winfrey, Beyonce, Warren Buffett, Mark Zuckerberg, Larry Page, Sergey Brin, George Soros, and celebrities and sports stars.)



## Bell Ringer



2. Let students know that the richest person in the United States is Bill Gates. According to the 2015 Forbes 400 list, Gates is worth \$76 billion.
3. Write this number on the board to show how much it is numerically: \$76,000,000,000.
4. For perspective, you may also want to show this online illustration: [What Does One Trillion Dollars Look Like?](#)
5. Divide the class into groups of three or four students and give them a copy of the handout “Bill Gates’s Shopping List.” Tell students to calculate how many of each of the items on the list could be purchased using all of Bill Gates’s \$76 billion fortune. (Prices are listed in parentheses next to each item.)
6. To sum how large an amount of money \$76 billion is, ask students to do one more calculation:

If Bill Gates spent \$100 million a day, how many days would it take for him to run out of money?

Answer: It would take 760 days, just over two years.
7. Write the following question on the board: Does Bill Gates have a lot of money?  
Discussion: Students will probably say yes, but Bill Gates does *not* have a lot of money. Bill Gates’s **net worth** is \$76 billion. **Money** is the medium that buyers give sellers in exchange for goods and services. What Bill Gates has is a lot of **wealth**, which is determined by his net worth (the difference between his assets and his liabilities). Bill Gates does not have \$76 billion in cash stashed away somewhere or in his checking account; his assets include his Microsoft stock and his 22-bedroom home in Washington State, which is valued at over \$150 million. He cannot take his house or his Microsoft stock to McDonald’s and buy a cheeseburger with it, but he could take a \$5 bill there to buy one.
8. To put things in further perspective, write this number on the board above Bill Gates’s 76,000,000,000: 19,000,000,000,000. Could Bill Gates pay off this number? No. What number is this? It is the approximate level of the U.S. federal debt as of April 2016. (You may want to show students the [U.S. National Debt Clock](#) for a look at even more large numbers in real time.)



## Bell Ringer



### Handout: Bill Gates's Shopping List

(Note: Prices were taken from the web and may vary by store and website.)

<b>Shopping List Items</b>	<b>Estimated Prices as of 2016</b>	<b>Quantity \$76 Billion Will Purchase</b>
1. 1988 Porsche 959	\$1.75 million	
2. Two years' tuition at Harvard (Gates attended only two years; divide by two years' tuition rate)	\$86,560 (based on 2016–17 tuition rate)	
3. Two-liter bottle of Coca Cola	\$1.79	
4. Nike Air Force 1 shoes	\$105.95	
5. Boeing 787 jumbo jet	\$218.3 million	
6. One kilo 24-karat gold bar (32 oz.)	\$40,409.58	
7. iPhone 6	\$299	
8. Sony PlayStation 4	\$358.70	
9. Round-trip flight from New York to London	\$845.13	
10. Private island in Belize	\$56 million	



## Bell Ringer



### Handout: Bill Gates's Shopping List (Answer Key)

(Note: Prices were taken from the web and may vary by store and website.)

Shopping List Items	Estimated Prices as of 2016	Quantity \$76 Billion Will Purchase
1. 1988 Porsche 959	\$1.75 million	<b>43,428</b>
2. Two years' tuition at Harvard (Gates attended only two years; divide by two years' tuition rate)	\$86,560 (based on 2016–17 tuition rate)	<b>878,004</b> (Only 13.2 million students attended four-year universities in the fall of 2015.)
3. Two-liter bottle of Coca Cola	\$1.79	<b>42,458,100,558</b> (World population in 2016 is 7.4 billion, check out this <a href="#">video</a> .)
4. Nike Air Force 1 shoes	\$105.95	<b>717,319,490</b> (The U.S. population is approximately 323 million, so Bill Gates could buy everyone two pairs of shoes and have millions left over.)
5. Boeing 787 jumbo jet	\$218.3 million	<b>348</b>
6. One kilo 24-karat gold bar (32 oz.)	\$40,409.58	<b>1,880,742</b>
7. iPhone 6	\$299	<b>254,180,602</b> (The population of Indonesia is 258 million—Bill Gates could buy enough iPhones for almost everyone there.)
8. Sony PlayStation 4	\$358.70	<b>211,876,220</b> (Brazil's population is 206 million. Bill Gates could buy everyone there a PlayStation and still have over 5 million left over—about enough for the number of residents in Maryland.)
9. Round-trip flight from New York to London	\$845.13	<b>89,926,993</b> (It would take Bill Gates 629,488,951 hours or 71,859 years to complete these flights.)
10. Private island in Belize	\$56 million	<b>1,357</b>