

Does Bill Gates Have a Lot of Money?

Lesson Author

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Grade Level

6–8, 9–12

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 \$98 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, Jeff Bezos, Oprah Winfrey, Beyonce, Warren Buffett, Mark Zuckerberg, Larry Page, Sergey Brin, George Soros, and celebrities and sports stars.)
2. Let students know that in 2019, one of the richest people in the United States was Bill Gates. At that time, *Forbes* listed his net worth as \$98 billion. (You can check the current list at <https://www.forbes.com/billionaires/>.)
3. Write this number on the board to show how much it is numerically: \$98,000,000,000.
4. For perspective, you may also want to show this online illustration: [What Does One Trillion Dollars Look Like?](http://www.pagetutor.com/trillion/index.html) (<http://www.pagetutor.com/trillion/index.html>)
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 \$98 billion fortune. (*Prices are listed in parentheses next to each item.*)
6. To sum how large an amount of money \$98 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 980 days, over two and a half 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 \$98 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 \$98 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 approximately \$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 98,000,000,000: 24,000,000,000,000. Could Bill Gates pay off this number? *No.* What number is this? *It is the approximate level of the US federal debt as of April 2020. (You may want to show students the [U.S. National Debt Clock](https://www.usdebtclock.org) (<https://www.usdebtclock.org>) for a look at even more large numbers in real time.)*



Handout: Bill Gates's Shopping List

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

Shopping List Items	Estimated Prices as of 2020	Quantity \$98 Billion Will Purchase
1. 1988 Porsche 959	\$1.25 million	
2. Two years' tuition at Harvard (Gates attended only two years; divide by two years' tuition rate)	\$95,460 (based on 2019–20 tuition rate)	
3. Two-liter bottle of Coca Cola	\$1.89	
4. Nike Air Force 1 shoes	\$90	
5. Boeing 787 jumbo jet	\$119.6 million	
6. One kilo 24-karat gold bar (32 oz.)	\$56,517.16	
7. iPhone 11	\$699	
8. Sony PlayStation 4	\$299.99	
9. Round-trip flight from New York to London	\$782	
10. Private island in Belize	\$4.5 million	

Does Bill Gates Have a Lot of Money? (Updated 2020)

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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 2020	Quantity \$98 Billion Will Purchase
1. 1988 Porsche 959	\$1.25 million	78,400
2. Two years' tuition at Harvard (Gates attended only two years; divide by two years' tuition rate)	\$95,460 (based on 2019–20 tuition rate)	1,026,608 (Only 19.9 million students attended four-year universities in the fall of 2019)
3. Two-liter bottle of Coca Cola	\$1.89	51,851,851,851 (World population in 2020 is 7.8 billion, check out this video [https://www.youtube.com/watch?v=2msbfN81Gm0].)
4. Nike Air Force 1 shoes	\$90	1,088,888,888 (The US population is approximately 327 million, so Bill Gates could buy everyone three pairs of shoes and have millions left over.)
5. Boeing 787 jumbo jet	\$119.6 million	819
6. One kilo 24-karat gold bar (32 oz.)	\$56,517.16	1,733,987
7. iPhone 11	\$699	140,200,286 (The population of Mexico is 129 million. Bill Gates could buy enough iPhones for everyone there, and then give a phone to everyone in the Dominican Republic, with a population of 11 million.)
8. Sony PlayStation 4	\$299.99	326,677,555 (Bill Gates could buy a Sony PlayStation for almost every person in the United States.)
9. Round-trip flight from New York to London	\$782	125,319,693 (It would take Bill Gates 1,879,795,395 hours or 214,588 years to complete these flights.)
10. Private island in Belize	\$4.5 million	21,778

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