

Dialogue with Sir Richard Branson

Moderator: Alastair Stewart

Stewart: So what are you going to do next?

Branson: Oh, I don't know, every minute of life is, extraordinary, and I don't know what's going to happen next, I'm off to India tonight to launch a mobile phone company there, but lots of wonderful wonderful challenges, lots of wonderful people and had the most incredible twenty-four hours here in Saudi Arabia.

Stewart: I was going to say if I may I had the honor of being with you and Sami (JEF Chairman) last night, you and Jane (Duke University) as well, at the party, and you put the head gear on and you participated and, listened to the music, and the musician came and spoke to you afterwards, but what was your first impression, of Saudi Arabia? There you were everything happening to you, but you must've formed an impression!

Branson: Well, I think its, it's a much more positive impression perhaps than the what the world has given Saudi Arabia the last five years, and, enormous warmth from the people, and I think, you know, a real urgency to try to want to, to show the rest of the world that Saudi Arabia is not this very conservative country that perhaps the impression is around the rest of the world, and I think I've met a lot of people who, perhaps particularly the women who want to see a movement, they want to see Saudi Arabia moving forward, and they want to see a bit of change, and so, anyway, it's been a delightful twenty-four hours.

Stewart: All right, I mentioned in my introduction of you, the UN citizenship of the world award which was corresponding and you were given it by the UN Secretary General, and you are, as that video made clear, and any body who's read anything about you knows, that you are very successful, you're very wealthy, you're very well known, but also you are very influential, so what in your view Richard, made you a leader? And what do you see as that leadership role in the world? Because it isn't just business, we saw you there with Al Gore we saw you in Africa, we know you worked with Nelson Mandela. What made you what you are? And what do you see as your role?

Branson: Well, I think the best leaders are people who are good at motivating people, and dealing with people, the best leaders are people who look for the best in people, people who are good at praising people, and fortunately ever since I was a young man I've loved people, so it hasn't been difficult for me, I think, to be a good leader, and I think that if you're a good leader, people will do anything for you, if they really believe in what you are, believe in you and if they believe in what you are trying to do. I think the second important thing about being a good leader is to make sure that what you're doing is worth while, so, there's no point I think in just thinking you know, I want to set out to make a lot of money, I think you must feel passionate about what you want to do, you must feel, you really want to change the world for the better as a result for the time you're spending doing it, and that applies as much to business as it does to tackling social issues, so if you're going to create a business, you know there's no point in spending time creating a business unless you're going to be really proud of the business you've created, that its making a massive difference to people's lives, that all the staff who work for you, you know, a hundred percent believe in what you're doing, a hundred percent believe in what they're doing, and when they go home at night, they can passionately say, I'm proud to work for that company, you know, we've made a real difference to other people's lives, the by product of making a difference to people's lives is hopefully you'll be able to pay the bills, and you'll be able to make some money, but you're not going to get satisfaction from the amount of money you've got in your bank account, you're

going to get the satisfaction from people saying to you, you know, it's just wonderful what you've managed to achieve with this company or that company or with the other company, so I think the first, you know, in the sense the first half of someone's life is, you know building a brand, you know or building a company that everybody can be proud of, the by product can be that great wealth comes to you, and with that wealth I think comes enormous responsibility.

Stewart: but when you use the word brand , and brand is something that you are recognized as being an expert in nationally setting up businesses that may do very well or do reasonably well , or even occasionally not do as well as you'd hoped for, but the idea of brand and I've no idea how this translates ,but I've spoken to many Saudi people ,who certainly know what brand is all about , and the classic definition of brand isn't simply something that you stamp on a product , it is something that speaks to values , and speaks to beliefs , can you encapsulate what Virgin , whether it's on an airplane , on a train , on a mobile telephone is supposed to say to people .

Branson : An amusing thing is that The Telegraph did an examination of my surname , and they went back a few hundred centuries , and they found that my great great great great whatever , they used to , we used to brand cattle , and I was son of brand , was someone that used to brand the back of cattle. Brand-son , anyway they ,but I think , you know , what we've tried to do it to , the brandies only as good as your product, and our brand we'd like to think stands for good quality , I mean if you can be the best quality in any area , you will never go bankrupt , I mean , good value for money, if you've got good quality, generally speaking , a lot of people will come and demand your product, so , you should be able to offer good value for money as well , and we try to do everything with a bit of fun and enjoy what we're doing ,and make sure that our staff are enjoying what they're doing as well , and so , having fun doing what we're doing is very important as well .

Stewart: So if you stick those two together , my next question is very much to what this economic forum is about, as you can see, is everywhere , the brand if you will of this forum is , value creation through alliances and partnerships .

And you've talked about those alliances and partnerships with your staff, with your team , the people that you work with , and your role in that as the leader , and the definer of the brand, so you have , as it were an agenda that you would like business people particularly , to work toward , when they look at the world out there , not simply as a theater in which you can make money ,but a world which can be improved and should be improved by men and women of wealth and influence.

Branson: Yes , I think that , business leaders have an enormous responsibility , and they , you know , I am no more successful than you or than a successful nurse or a successful doctor or a successful , you know a driver of a taxi ,but you know I'm successful in my profession. And enormous wealth comes with being a successful business leader , and therefore gigantic responsibility comes with that as well , and we cannot rely on publications, I think to sort out the problems of the world they are not necessarily trained to sort out the problems of the world , where as a business leader , you know you got business leaders who often used to be entrepreneurs , and therefore they can see problems differently than perhaps , you know , politicians , and they've obviously got wealth as well , so a good business leader , I think , once they've actually secured their company , and they know that it's safe , and they're no longer struggling to survive , then they should turn their attention to addressing some of the global problems , they can either do it by reinvesting their money in , in creating new jobs , or they can use their skills in actually , in investing in social areas , not just giving the money in my opinion , but actually investing in social areas where they can use their entrepreneurial skills to make a really radical difference in the world.

Stewart : How do you , and you have a lot of experience on this in the United Kingdom , and you've negotiated with governments around the world ,, It may not last when you're setting up an airline , because governments clearly have a crucial and not unreasonable safety interest in such matters, as have you , but you've had a lot of experience of negotiating with the British government , sometimes gone very well indeed , but you had a recent stumble over a particular issue which we may talk about in a minute , but what you've just said , I think is of great significance to this audience , which is not only in Saudi Arabia , it's broader than that , and that is the relationship between the business class as it were , entrepreneur business , industrialists and the rest of it , and government, and the way in which you can have a developing partnership where each knows what his or her role is , I mean is there a Branson theory on that or does it have to be pragmatic? Does it have to be dependant upon where you are and what the challenge is? I just think it's a very important ratio question , almost.

Branson: Well, I think, I mean I think it's very important that government and business keep their distance, because government are often the judge and jury decisions over different business people. I think it's extremely important that the business leaders do not get tempted to bribe government leaders, because I think once you start having a situation where politicians become suitable to bribes it trickles down, if the politicians are being bribed , then the customs officers think that they can get involved in that , then the police too, think that they can get involved in that , and the society starts to rot , and the innocent people get arrested because they can't afford to pay bribes. So , and I think the people actually offering the bribes are actually as guilty as the people receiving the bribes. So I think on the world wide basis I think it's absolutely , on the world wide basis I think it's up to the business community together to actually get together ,and say we know that you are bribing people , none of us must do that , and nobody must break ranks on that. And nobody must get an unfair advantage over anybody else in that point , so but otherwise , I think there are , you know what business people must not do is think that government can deal with all the social problems of the world , there are a lot of social problems in the world that

actually business people are equipped to deal with much better than government and they should get on and do it .

Stewart : But we have had the enormous honor of having Mohammed Yunis from the Grameen Bank speaking to us earlier , and got a standing ovation like you did when I just announced that you were going to be here a little while ago , and that was precisely the point that he made , that very often , it is imaginative business partnerships that can go and resolve such problems. I want to talk a little bit more about business partnerships if I may , because a lot of your enterprises started off as a Branson – Virgin idea , and then you've moved on , and you've gone into partnership with various people, and I'm interested to know what you're looking for when you get to that point with a business , are you simply looking for a partner who can bring capital to the party , are you looking as many business people in this audience will fully understand , the notion of spreading risk , you want to say look there's a lot of money at stake here let's spread around a little bit , or are you also looking for people with whom you are comfortable to do that business ---you can form an alliance , someone's got capital, they're prepared to take the risk, but he or she is not for me , so what are the values you set, that you apply when you're examining potential partnership .

Branson : Well , reputation is all we've got , there's almost nothing else we have in life but our reputation and so I think the first thing you look for is somebody with a good reputation , somebody that you can trust. The second thing , I think would be to see whether they can actually bring something to the party that we can't bring , and I think the third thing would be , you know to spread the risk , if it's a new venture , rather than putting all our own money is to spread the risk , so I think it's roughly in the order priority .

Stewart : They have got to stand for the same sort of thing that you stand for?

Branson: Yes , and also , it's important you get on well together, yeah , I mean , if , going back to what I said earlier , life is short and you must enjoy what you're doing , and must enjoy the people you are working with as well .

Stewart : Sure.. we've also defined clearly over the last two or three days that another utterly crucial partnership , and you've touched upon this already , is , as we talk about , and that is our people , we're talking about staff , we're talking about employees, the old days of Marxist analysis, we do not wage slaves. But now it's become quite rightly a partnership , is there a message that filters down through the various organization that you're ultimately the head of , that there's , these are the kind of people that we want to be a part of our group because whether you're buying a mobile phone or getting on an airplane , or going on a train from London to Manchester , it's your name that they're riding with , and they are waving the flag for you. They can be great ambassadors for you or they can be down right revolutionary destroyers , so does that message filter to them ? Do you say to people these are the kind of guys and gals that we want.

Branson : Yes , I mean what is a company , I mean , a company isn't this brand and it isn't this piece of metal that flies through the sky , a company is it's people , and when we started Virgin Atlantic twenty five years ago , we had a wonderful team of people , enthusiastic , flying for it , and any one that got on the plane , they knew they were going to get on the plane, the staff were going to smile they were going to have a wonderful experience , and the reason the staff smiled , and had a good experience was because they knew that the people who created Virgin Atlantic got every single little thing right , and therefore , the staff were really proud of the company they worked for. Now the challenge was , could that still be the case in twenty five years time, and I remember sitting on that first flight wondering when , you know we have a hundred planes , will we still have that same spirit , and the great thing I think , you know hopefully people here

have flown on Virgin Atlantic and they will accept what I'm saying , is the staff is still as enthusiastic as they were twenty five years ago , and that a challenge for any company , as a company gets bigger , you know , can you keep that enthusiasm , one way we've kept our companies small was getting bigger , is that when one of our companies get over , say two hundred people in the building , I'll ask to see the deputy managing director , the deputy sales manager , the deputy marketing manager , and say , you are now , the managing director , the sales manager , the marketing manager of a new company , and we'll split the company in two and then when that gets to a certain size , we'll do the same again . So for instance, when we were building our record companies , we had twenty separate buildings with twenty separate record companies , with no more than a hundred people in any one building. And so they had that , they kept that enthusiasm by not ending up in this enormous , you know , big building , you know , just being a cog in the wheel , they felt , they all knew each other , and they felt , you know , highly motivated .

Stewart : Yeah , but you're not a softy either , I mean talking about the airline you recently got within an inch of a real problem . You'd said what you thought the reasonable pay rate going forward was going to be , and some of them said no , they didn't think that was right to be , and some of them said no , they didn't think that was right , and this man who believe in partnerships and works with his people had to say , that's what's right and that's what's fair , take it or leave it , now as it happens , they took it, and the business goes forward , and crisis was averted .Did that hurt or was that simply the right thing to do at the time ?

Branson : I think the most hurtful time of any company is if you have any differences of opinion inside the company , any , you know any battles , external battles you work together to fight , and if you have an internal difficulty , that could be very painful, and most likely it means that , the management had been at fault in some way or another. I mean , so you've got to look yourself in the mirror and see what have you done wrong , if to have a situation where some of

the staff are unhappy and, in this particular situation , I did say , that I believed it was a small minority , and that if they needed higher salaries than the company , that particular company could afford , they should consider looking else where , that they shouldn't affect the whole company , put the whole company at risk , and , you know , I don't regret saying it , I think , personally , it was the right thing to say at that time .

Stewart : Sure , ok . let's broaden it out again, as we've already established , I mean you are conscious of the role that you have in the business that you've created already , and the role that you've played up to now , 2008 , are you conscious of the role that you also have in helping the world of the future ?

I mean , you and Jane are parents , as well as employers , and even His Royal Highness Prince Turki , who spoke on the first day , was saying I'm very conscious of what my children are going to inherit from us . We've not done a great job , and I'm even more worried about my six and a half year old grandson , and we may not have been ----- to have done a great job . Does that drive you or are you here today , do it today man.

Branson : no , it drives me , it drives me a lot now ,and , you know if you say take global warming as an example , it is biggest threat the planet faces , actually , not so much the planet as the biggest threat that mankind who live on this planet face , the planet most likely will survive , and you know , I've studied it , quite you know , in great depth other the last three or four years , I've met numoures scientists , and you know , it would e very comfortable for me , owning you know , five airlines , a train company , a space company , etc. to ignore it , but I know that my children are going to suffer from it and my grandchildren are going to suffer greatly from It, and therefore the question , we all have a responsibility to try it address the problem , so , you know , we have said that all the profit we make from our dirty businesses , our airlines businesses , our space company, our train companies , we will invest in trying to develop clean fuels , fuels that will not pollute the environment , and that's something that we're working very hard

towards , we're also trying to improve things like wind power , and solar power , and other forms of energy that hopefully will enable our children to have a better future .

Stewart : I also mentioned in the introduction, conflict resolution , and let me play devil's advocate for a moment , I mean ,in a sense , what's it going to do with you as a successful business man ,there are crisis around the world , we heard from the prime minister of Palestine on the first day , president of Bosnia and Herzegovina, were talking to what their countries were going through , and had gone through , and what they wanted done by the political class , and the diplomatic class , and what have you , but why do you see that there is a role for someone like you as a successful businessman in conflict resolution and spending time talking to Nelson Mandela about it .

Branson: Well , I'll switch the clock back a few years, it looked inevitable that America was going to invade Iraq , and Saddam Hussein was like animal up against the wall , he had no way of escaping , and the consequence of the invasion of Iraq , I felt , were going to be dreadful , there were going to be hundreds of thousands of people maimed , killed , and , you know there was a real danger this whole region could've been unstabalized ,and , so you know if you , we had to think , was there a way to avoid the war , and I believe that perhaps the only way to avoid the war was to send someone to Saddam Hussain, who he respected enough to fly out of Iraq with his head held high , maybe to go and live in Libya. And so I asked Nelson Mandela , who'd spoken out against the war , and I asked Kofi Annan , who was also concerned about the war , whether they would consider going to see Saddam Hussain , and , it took a week or two , but they agreed to do it , and we sent a plane to South Africa to take them there . And sadly the very day that they were due to go to Iraq , the bombing started and the visit never took place , but anyway , it got me thinking that there are conflicts in the world where , if we could get together , the twelve most respected individuals in the world and if Nelson Mandela and ---- his wife , who I respect,

people they look up to , if they could find the twelve most respected people , that when there were conflicts , that the politicians were having difficulty addressing , and maybe the United Nations was having difficulty addressing , that those people could go to those conflicts and try to deal with them, and so Nelson Mandela has taken this group of elders together , a bit like in an African village , where you know , Africans used to look up to their elders , a bit like in Saudi Arabia , you know a hundred years ago , where people would look up to their elders , but this would be on a global basis , and so for instance in the last month , two of those elders , Kofi Annan and michelle had been in Kenya trying to get the , you know , the leaders of the opposition, and the leaders of Kenya to try to , you know , to reach agreement , and they are hopefully , they're quite close to that , but I think there will be quite a lot of situations in the world , where that may be possible , but to go back to your question, I am just , I was just the entrepreneur trying to get this set up .

Stewart : The enabler?

Branson: The enabler, exactly, and seeing something as an entrepreneur would do, how, you know, I know how to address a business problem, some times you can see a problem on a global scale, that perhaps one could also help address.

Stewart: Let me float another example of that though, because I know, personally, because I'm slightly involved in this as well, but take a charity like the Lombard Trust, which you've been a remarkably magnificent supporter of this, because I know exactly what you've done, and here's a charity that has been established to right a social wrong, but a social wrong that is accepted within the system of a nation's state, it happens to be India, and when a woman is widowed in certain sects within India, she becomes a non-person, and therefore by definition the children become non-people. You think that's wrong. I think that's wrong. I'm sure the vast majority of people in this audience would think it's

wrong. But in parts of India, that's how it happens. Do you have a right or a responsibility to back * Lombard*, amongst many others, in righting that wrong, which is perceived to be acceptable amongst other folk?

Branson: I think you just have to do what you believe to be right in life, and the idea of children not being able to have an education because their women, their widowed women, are ostracized by society is abominable and therefore one should definitely help the children, and even if some people in society are, personally I think mistakenly, making the wrong decision.

Stewart: And on those questions, you do not tread lightly, you speak out!

Branson: Look, I think it is important to say what one thinks, and, you know, obviously, you know, if you're in somebody else's country, and they have, you know, say, a piece of glass between men and women, you tread carefully, I mean, it's not necessarily the way I would do it, I would love to see the women amongst the men, joining in the conversation. {Applause}. One side of the audience agrees, they, and I suspect a lot of the men agree as well.

Stewart: Had you been able to see out of the corner of your eye, you would have seen that some on this side as well (pointing at the men's side). The excitement is, that it's an ongoing debate, it's not a dead debate.

Branson: But, you know, so, it's important not to offend, obviously, but equally I think it's important to gently say what one thinks, and, because it's a free society.

Stewart: Another of our guests, was Mohammed Yunis, who I, again know that you know because of the Gramin Bank and what have you.

Branson: He's actually one of our elders as well

Stewart: He is?

Branson: Yeah.

Stewart: That I didn't know. He spoke yesterday, and got a standing ovation, but one of the things that he said apart from talking about the bank, the story of which everybody here now knows, and of course you know intimately as well, but

a phrase that he used which lots of people talked about at great length afterwards, was that the charity dollar, as he put it, is very short lived, it's a good thing, it's nice, you put your hand in your pocket, you give it to somebody, a beggar or what have you, and that solves a problem for a very short period of time. He said the social dollar, however, as he described it, was much more lasting, but you have to strike a deal, I will lend you that money Mr. Beggar in Bangladesh, you will pay me that money back, and he created thousands of new door to door salesmen, as entrepreneurs. Does that fit in with your mind set or are you a man who says look, it's not up to me to determine how that individual puts his or her life back together, I will simply give the money and say look I wish you well, or do you say here's the money, and here's what I want you to do as an act of leadership?

Branson: Well, about twenty years ago, I was in Africa and I was sitting around a campfire with some elders from the village, and this delightful woman was sitting to my side and at the end of the dinner she very quietly said to me, Richard, this is a very difficult thing to ask, but if you give me two hundred dollars, I can buy a sewing machine, I believe I could create five or ten jobs, and I could give you that two hundred dollars back in three months time, and I fortunately, I had two hundred dollars in my pocket so I quietly gave her the money, and I assumed that that would be the last I'd see of the money.

Stewart: That didn't worry you?

Branson: It didn't worry me, fortunately. Three months later I was back in the village, and completely forgotten about it, and these three women came up to me with this beautiful garment, and they hung it over my shoulders, and they told me that they were now employed by the woman I'd given the two hundred dollars to. They handed me the two hundred dollars back, and, I asked where the woman was, and I was told she was in the market place selling other garments that they'd made as well, so, within two to three months, she'd employed six or seven people, I'd got my money back, and I got a beautiful garment as well, so, anyway, it taught me a big lesson, and generally speaking, we've now got an organization in Africa where we're trying to, we have a school called the Branson

School of Entrepreneurship, in Johannesburg, where we're training people out of the townships to become entrepreneurs, difficult thing to teach, but we're trying, and then we're giving them small amounts of money to go out and build their businesses at the end, and it's working well. Now.....

Stewart: Why is it difficult to teach?

Branson: I just finished one point, I mean, I do think though there are occasions, where some people just need to be given some cash, I mean, so one shouldn't, there are some people, you know, beyond, you know, beyond hope, and they are literally in the gutter, they need picking out of the gutter, they need to be given, you know, or they are ill, or, there are certainly times where just pure charity is needed, but I think, as far as, you know, generally speaking, I think it's much better to do the approach that Mohammed Yunis does. Why is it difficult to teach entrepreneurship? I think that, there are two different kinds of people in life and business, there's entrepreneurs, and then there's, you know, who're very good at seeing a gap in the market, maybe getting something up and running, and then there are, a not necessarily good at the day to day running of a business, and perhaps, they ought to use their entrepreneurial skills to move on to something else, and then there are business people who are very good at running businesses and, you know, maybe looking after people and developing businesses, but not necessarily good at becoming entrepreneurial, and teaching entrepreneurship, I'm not, you know, it's possible you could be taught it, but it's something which perhaps is innate in you, that, you know, you're someone who's willing just to give it a go, and if you fall flat on your face you'll, you know, you'll be able to accept that, pick yourself up, and give it a go again, you know, sometimes when people go to universities, by the time they come out of the university, they've already become quite conservative, they're not, they've already got a partner, they're not willing to take risks, where as, you know, if you leave school quite young, you got nothing to lose, so you're perhaps more likely to be more entrepreneurial, so if you do go to university, it's important you, you know, you're still bold and brave when you come out of university.

Stewart: Fascinating. I* apologize for interrupting, but I, a very interesting and I think helpful answer, because we've been talking about education and training a great deal, and technical training, and standard linguistic education, and so on, but I don't think we talked about whether you could teach entrepreneurship, but that's a very interesting guide to it, one of our other speakers, I've mentioned professor Yunis already, was another Nobel prize winner, this time an economist, Eric Maskin, and he gave very complicated technical presentation, but at the heart of it was a message that really quite troubled a number of people, and he said having proved it all mathematically and the rest of it, that globalization wasn't working, because the relative strengths of competing economies and the relative skill sets of people, were not being addressed by globalization, and if anything, it ran the risk of making the rich richer, and the poor poorer, just because, you know, you grow rice, or you make bits with a chip, as opposed to writing software, and building computers, but, I take it you are a believer in globalization because you have to work with it, it's a reality*, but do you have any sense in which way globalization could become a stronger force for addressing inequalities? Particularly economic inequalities?

Branson: Well, I think I would agree with him that there are major risks, I mean, you've got for instance, the internet is dominated by American companies that have global brands, that, you know, English speaking, enormous wealth, created by, you know, a certain number of individuals, and I think that goes back to my original point, that the only way of countering that, is at the moment by those individuals, moral up bringing and the fact, you know, the fact that instead of competing for bigger and bigger boats, and bigger and bigger houses, they actually, hopefully get their satisfaction in life from really making a difference in the world and maybe investing that wealth in countries like Africa that need help, and trying to redress the balance in that way.

Stewart: But again, that's the generous, I mean, Bill and Melinda Gates being the absolutely classic case, I mean, vast numbers of billions of dollars, they have given, and then Warren Buffet said well I think you can probably do it better than

I can, so you can have my billions as well, and so they are taking the fruits of their classical globalization business skills, and then trying to do good with it, I think what Maskin was getting at, and I no more know the answer than anybody else, is that the very system itself, there must be something that we can collectively do, so that international trade, whether it's Microsoft or Virgin or whoever, the way you do business can directly distribute greater benefits or is that a pipe dream?

Branson: Well, I think that the difficulty we have is that, you know, socialism is proved to fail and communism is proved to fail, I mean, mild socialism, you know, maybe works, but capitalism seems to be the only system that works, but there is this fundamental problem with capitalism, and that is that, you know, enormous wealth in the hand of a minority of the people, so how do you address that problem, you know, does one leave it up to the conscience of the individual that they redistribute that wealth, or do governments intervene in some way, it's a good question, I mean, I suspect that those individuals who are wealthy, in order to give capitalism a good name, they must make absolutely certain that the government doesn't have to intervene, by actually giving capitalism a good name by getting out there, and creating thousands of jobs, even if those jobs are not making the sort of return that they would expect so, I mean, for instance, at Virgin we put about fifteen percent of our net income, we invest in Africa, even although, we're likely* to sort of break even or even lose a little bit of money on it, but at least we've created, you know, thousands and thousands of jobs in Nigeria or in other African countries, and, so it's just, it's important to get the balance, I think.

Stewart: You talked early on about your dealings with governments, and I gave you as it were passing warning that I might return to it, and I'm not seeking to get a cheap line out of you or what have you, but people here will know about the sub-crime crisis, we talked about it, and many of them will know from having read in the Financial Times or The Wall Street Journal or Bloomberg or wherever, about the northern rock crisis and that there were you from the world of capitalism,

free markets, entrepreneurial zest, saying I can sort that one out, and you got half way down the road, and you were rebuffed, how angry were you? How let down did you feel?

Branson: Well, six months ago, there were those awful queues around the British Bank in England going all over the televisions, all over the world, and a wonderful lady called Jane Angardi, who ran one of our financial service companies gave me a call and said, you know, have you seen these terrible pictures, you know, should we try to do something about it, and I said look, okay lets, you know, let's see if we can save the bank, and for the next six months we had pretty well everybody at Virgin working extremely hard to save the bank, and I think we had a proposition, you know, which would've saved the bank , and which would've saved most of the jobs, and, you know, we think it would've been the right thing for the government to have done, the returns we would've made were very small compared to the kind of returns we normally make when we invest our moneys, but I think, that maybe a little bit of old labor seeped in at the last minute, just the idea that any returns could be made by private companies, * it just panicked them, and they decided to nationalize it, and hopefully it won't be a trend for the future, I don't think it will be.

Stewart: I'll let that one just float there for people to reflect upon. Do you remain an optimist? I've always had this impression of you, of being an eternal optimist a Can Do person, even going right back to the seventies when you were doing the record business and were challenged in court over various things and price protection rules that pertained there, even as a late teen early twenties guy you took it on and fought the good fight, but we've also talked if I may say so quite passionately about poverty, about conflict, about the kind of issues that you, and Nelson, and Hawl, and Yunis are seeking to deal with. So, do you remain an optimist or do you remain a cautious optimist?

Branson: No, I'm an optimist, an optimistic* person I know, I think, but sometimes you have to go make your own optimism, and so, you know, if I want to achieve something, I mean, let's say I watch people land on the moon many years ago, and I wanted to go to the moon myself one day, and I soon realized that NASA, which is a government run company, didn't want to take you and me to the moon, and, you know, so, you know, I didn't want to wait until my children and my grandchildren had a chance to go to the moon, * I decided I better do something about it, so, in order to make your own optimism, and, I headed of and met scientists from all over the world, and had wonderful weird contraptions to flying space ships, to and from the moon, and finally come across a wonderful man called Bert Ret*, and working with him he created space ship one and, it was wonderful to see the Virgin brand up in space, and went out developing space ship two, which will be ready in about eighteen months time, and, you know, I'm looking forward to going, my parents are taking all their vitamin pills, they want to come with us, and so do my children, so, I think, you know, I think, so, hopefully, from looking at a situation that looked like it wasn't going to be possible, you have to go and make your own optimism to an extent, and, you know, with global warming, you know, people said it would be impossible for a plane to fly on clean fuels, because they said that clean fuels freeze at fifteen thousand feet, and the plane will crash, so, you know, instead of just saying okay well we accept that, you know, let's try to prove them wrong, and we've had exciting two years trying to find out, you know, what clean fuel and what you need to mix into the clean fuel to make sure that our 747 will fly at thirty five thousand feet, and actually it was quite a historic day three days ago to prove that a clean fuel could * a 747 at thirty five thousand feet, and there were the skeptics out there, but unless you, you have to do it in stages, first of all, you need to prove it can happen, and then, you need to work out how you can manufacture enough clean fuel to look after, you know, all our planes and planes through out the world and that's the next stage which we're working on.

Stewart: From the Saudi audience that has many other oil producing countries as well, I want to finish again just reminding you of our theme as it were Value

Creation Trough Alliances and Partnerships, you referred there to your parents, with whom you have a tremendously close partnership and have been amazingly supportive of you, and family including children of whom you are enormously supportive and enormously proud and, quite rightly so, it will sound a slightly glib question but it genuinely comes from all of the hearts in this room if it were, the future is with the young people, the men and the women of youth, you have a son and a daughter, what is your message to the youth? Male and female? Because you aren't going to be doing it forever, nor am I, they will take over, and Prince Turki's grandson will eventually take over as well, leave us with a message and a thought for those young men and women who will inherit the earth.

Branson: Well, I mean, we've enjoyed the most beautiful world, ever, and I think hopefully, we'll leave the world, I mean, what we should do is make sure we try to leave the world at a better world than we found it, and that's going to be a * that we got a lot of hard work to do the next twenty or thirty years of our lives to make sure that, but I think that as long as our children are positive, and as long as they are determined as we are to try to make sure that this world is, you know, is sustained, and as long as they're good at thinking about other people, then, you know, then I think, they hopefully will have as wonderful a life as we've had, and my son is just heading out into the Arctic for a three month trip to try to do some research into global warming and what's happening to the Arctic, and sadly from everything I've read, it seems that, the Arctic, the floating ice and the Arctic may only have about eight or nine years left, so I think, that particular battle, I think is a lost battle, and we're going to have to maybe accept that and move on to the bigger battles which is making sure that mankind itself survives in the next century.

Stewart: It's been a real pleasure.

Branson: Thank you very much.

Stewart: Thank you for your time. Ladies and gentlemen, Sir Richard Branson