

Live & Learn

ROB McEWEN

BORN APRIL 15, 1950. IN TORONTO // GOLD MINER, PHILANTHROPIST, INNOVATOR AND NO. 88 ON THE RICH 100 BY JOHN GRAY

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McEwen's father founds Goldcorp as a closed-end fund that holds shares in mining companies.

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Transforms Goldcorp into a gold miner by purchasing the Red Lake mine in northern Ontario.

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Goldcorp settles a 46-month-long strike at Red Lake that lowers costs and lets new technology be implemented.

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After Goldcorp completes merger with Wheaton River, McEwen steps down as CEO, handing reins to Ian Telfer.

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McEwen leads a failed investor revolt to stop Goldcorp-Glamis merger. Soon after he sells all of his Goldcorp holdings.

My interest in gold started with my father. He was in the investment industry, and in the '60s he started thinking his clients should have some gold in their portfolios. Gold was frequently the subject of conversation at the dining room table. He also invested some money with prospectors, and I remember them coming by the house, dropping a bag of rocks on the table and talking about what they had found.

There was a libertarian element to the gold business that I still subscribe to. You know, minimal government intervention, and just getting paid for your work.

Sarbanes-Oxley and all the associated rules are ridiculous. It's an enormous tax on shareholders being charged by the legal community and the accounting profession. Have those rules stopped any of the problems we face? The theft, the fraud, the corruption? No one can know all the rules, and so you can hide behind those rules and find passageways through them.

I don't know if many people think about what it means to be a Canadian. We have a very diverse and multicultural society, but Canadians haven't really given back to the country since the Second World War. There are lots of drifting youth, and the education system is not giving them the skills they need.

We should probably have a compulsory draft. Maybe not just for the military, but two years of serving your country in some way — whether that means cleaning the environment, helping in the inner cities or military service — would help. People would begin to appreciate what it means to be a Canadian.

Ontario spends a huge portion of its budget on health care. What happens when the aging population pushes that up even higher? Are we going to see rationing? Are we going to tell people you can't have a heart transplant? That's why my wife and I set up a centre for regenerative medicine. Regenerative medicine may help to regrow

part of your organ rather than having to wait for a transplant. Replacing damaged cells with cells that have grown from stem cells may help to solve the problem.

There is enormous room to innovate in mining and Canada should

be a leader. Sweden is a leader in drilling technology and machinery, why aren't we? We have all these mines. The reason is because the investment decisions are so large, and convention and tradition create enormous inertia. We have to overcome that inertia and listen to the ideas that have been suppressed by the hierarchy, bureaucracy or undue caution.

If you want to get somewhere, you can either stand behind the person in front of you or step out of line. I've always found that I get to where I want to go faster if I step out of line. In Canada, there are too many people standing in line waiting for someone else to do something for them. A slave is someone waiting for someone else to free them.

It's hard to build capital in Canada. It takes a lot of effort, and the government takes a big chunk. We have natural resources, trees, minerals, oil and gas and land. But we don't have a population of entrepreneurs. We have a population waiting for the government to take care of them.

The slow building of wealth under the Canadian system discourages CEOs from taking strong stands. Many are hired guns without a big equity stake in the company, and they don't think like owners. We need more people thinking like owners.

The strike at Goldcorp was a watershed moment. We had to undo 45 years of history. There had been lots of rhetoric and bravado from previous owners, but it always collapsed and everyone at the mine was waiting for that to happen again. It took six months for managers at the mine to realize it was different this time. When they saw that, it was like all the limits on their thinking were gone, and they could try different things.

Two events occurred in 2002 that threw me right off track. In February, my younger sister died, and four months later, my mother died. Moments like

that put things in their correct perspective. We have a finite amount of time, and when you realize you don't have as much time as you thought, you begin to think: what would I like to do with the rest of my life? Am I going to wait for it to happen, or go out and do it? There is no perfect time to start something except today.

For more from McEwen, see www.canadianbusiness.com/managing/ceo_interviews

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