

Why Joseph Rotman hates the 'do-gooder' label

His devotion to causes arises from self-interest, because a strong civil society and a healthy capitalism are interdependent

By Gordon Pitts

Call him volunteer, philanthropist, arts enthusiast – just don't call Joseph Rotman a do-gooder. He hates the label. In his view, his devotion to causes arises from self-interest, because a strong civil society and a healthy capitalism are interdependent.

Mr. Rotman, as an oil trader, merchant banker and investor, rose from the family heating business on Toronto's Spadina Avenue to induction this year into the Canadian Business Hall of Fame. At 74, he doesn't do day-to-day management – for the past 14 years he has devoted his life to volunteerism.

You are the rare entrepreneur who not only contributes money to business education, but has actually done graduate training in commerce.

After graduating with my master's at University of Toronto, I was encouraged to become an academic. I went to Columbia University in New York for my economics doctorate. One of my small regrets was I didn't finish it and spend more time teaching.

What happened?

It was when I came back from New York. I was teaching at the university in Toronto, working in my father's heating business and trying to do my thesis all at the same time. It was too much to accomplish and I just threw up my hands and said, "You know what, Joe? You're not doing any of these things justice." So I then decided to become an oil trader and went off into business.

Was the schooling of any value?

Great value. Each of my degrees – whether undergraduate at University of Western Ontario, master's at University of Toronto, working on my doctorate – helped in a different way. The education had a huge influence on my ability to understand what I should be doing, how to do it, how to be adaptable, how to be creative – and business is a wonderfully creative job that most people don't appreciate fully.

Where is the creativity?

In every aspect. It's the theoretical part in how you see things and the strategic part of deciding how to go into a business. I went into oil trading in 1965 and oil and gas exploration in 1974. In both, I had absolutely no training and it was only the academic background, of being able to look at it in an intelligent way, that gave me the courage to do so.

How does a business guy get to understand the arts, as well?

Because my wife [Sandra] was one of my mentors. While I was in New York studying economics, she was studying fine arts. And we lived in New York in the days when painters like Oldenburg, Rothko, Lichtenstein were part of the scene. We just happened to be in the right place at the right time and she was studying this and just taught me and it became part of my life.

How do you see this recession playing out?

I don't think we really know. It is something I have never experienced. I hope the lessons the business leaders take out of this will help transform the view of the role of business as the major pillar of society.

One thing that had troubled me over the years is that most business education and leadership has focused on shareholder value and disregarded the responsibility business leaders face to society – whether to customers, suppliers, employees, or the community.

You are part of a total system and, as a corporation and business leader, you have a responsibility to participate in all aspects, which is why I do my community work, why I do my public policy work. I am lucky enough to afford to do it and love doing it.

So I am hoping that lesson will come out of this. ... The business pillar of our societal system became warped in a way that was certainly different than when I was starting out in the 1960s.

The system was more socially benign in the 1960s?

No, I don't see it as social do-goodness. This is really the principle of self-interest.

The U.S. and Canada are such wonderful examples of this: If your community does well, you as a company can do well.

It's not a question of being a do-gooder, that I'm altruistic or I'm giving back. I don't see it that way. This is part of creating a great society.

What about the future for you?

When I was asked to consider the chairmanship of the Canada Council for the Arts, that's what I asked myself: Should I take it on? Did I have the energy or ambition?

I believe the culture and arts aspect has not been appropriately appreciated so I decided this was something important I should do and it is where I could make a contribution. Results are what count and only time will tell.

How will you know the results are positive?

When I see the arts being appreciated as a pillar within our system, as important as education, research, science and technology, and business.

I believe it is part of a whole life. Part of what drove me to do this is we have to understand that we have to embed creativity into our system as a benefit for society, with economic as much as social value.

So we need to get away from silos of disciplines?

Silos to me are the downfall. We need people who can adapt to this importance of convergence of different forms of knowledge.