

## Jim Rogers: My First Million

[Print](#)

Published: November 20 2009 18:26 | Last updated: November 20 2009 18:26

Since Jim Rogers, 67, co-founded the **Quantum Fund** with George Soros he has worked as a guest professor of finance at Columbia University and as an economic commentator. In 1998, he founded the Rogers International Commodities Index (RICI).

He is the author of *A Bull in China*, ***Hot Commodities***, *Adventure Capitalist* and *Investment Biker*. His latest book is *A Gift to My Children*, a father's lessons for life and investing.

Raised in Alabama, Rogers started in business at the age of five, collecting empty soda bottles at the local baseball field. After graduating from Yale University in 1964, he won a scholarship to Balliol College, Oxford. He then got his first job on Wall Street.

Rogers now lives in Singapore with his wife and their two young daughters.

Did you think you would get to where you are?

No, I am as surprised as anyone. I certainly wanted to get somewhere and was willing to work hard. I wanted to retire young, but I never thought I would retire before 40.

When you realised that you had made your first million were you tempted to slow down?

I can remember the exact day of my first million dollars' net worth. It was in November 1977. I was 35. I knew I needed more than that to do what I wanted when I was 37 – the age I decided to stop working to seek adventure.

What is the secret of your success?

As I was not smarter than most people, I was willing to work harder than most. I was prepared to examine conventional wisdom. If everyone thinks one way, it is likely to be wrong. If you can figure out that it is wrong, you are likely to make a lot of money.

What is your basic investment strategy?

Buy low and sell high. I try to find something that is very cheap, where a positive change is taking place. Then I do enough homework to make sure I am right. It has got to be cheap so that, if I am wrong, I don't lose much money. Every time I make a mistake, it is usually because I did not do enough homework.

Do not underestimate the value of due diligence. In the 1960s, General Motors was the world's most successful company. One day, a GM analyst went to the board of directors with the message: "The Japanese are coming." They ignored him. Investors who did their homework sold their GM stock – and bought Toyota instead.

I'm not buying any stocks at the moment. If anything is undervalued now it is commodities and some currencies.

What has been your most spectacular gain?

The Quantum Fund. When we started the company in 1970, I had \$600 in my pocket. Within 10 years, the portfolio had gained 4,200 per cent.

Do you want to carry on till you drop?

No. These days, I spend very few hours a day working, because I have two little girls and I want to spend as much time with them as possible.

Both our girls have a Chinese governess and speak fluent Mandarin. For their generation, Mandarin and English will be the most important languages.

Have you made any pension provision?

I don't have a pension because I hope I don't need one. I have accumulated assets and that is what I live on.

What is your commitment to charity?

I have given money to students and schools around the world. I try to give scholarships to students rather than schools, because the students need the money more than administrators.

Do you allow yourself the odd indulgence?

I have been around the world twice. Setting off in 1990, I spent 22 months travelling through six continents on a motorcycle.

On my second trip, which started in 1999, my wife and I travelled for three years through 116 countries in a custom-made Mercedes.

What is the most you have ever paid for a bottle of fine wine or champagne?

I don't have an upper limit for champagne, but I've never had the urge to spend \$2,000 on a bottle of wine. I always remember my background. I did not have money as a kid.

Picasso or Art Deco as an investment?

I am at a stage where I am not interested in having or amassing stuff.

Do you believe in passing your wealth to children?

I've always thought that, if you give children too much, you will ruin them. I have set up my will so they don't get much until they are at least 30.

I went to Yale and Oxford and a lot of rich kids were there who never had to work. I know I want my children to be well-educated and experience the workplace.

Education and the necessity to work changed my life and yanked me out of the backwater of Alabama.

Where should people put their money in the recession?

Invest only in things you know something about. The mistake most people make is that they listen to hot tips, or act on something they read in magazines.

Most people know a lot about something, so they should just stick to what they know and buy an investment in that area. That is how you get rich.

You don't get rich investing in things you know nothing about.

[Copyright](#) The Financial Times Limited 2009. Print a single copy of this article for personal use. [Contact us](#) if you wish to print more to distribute to others.

"FT" and "Financial Times" are trademarks of the Financial Times. [Privacy policy](#) | [Terms](#)  
© Copyright [The Financial Times](#) Ltd 2009.