

Quotes From Robert Kiyosaki's "Rich Dad, Poor Dad" book

- ❖ "Financial Literacy = Know your Assets from your Liabilities."
- ❖ "An asset = something that puts \$\$\$ in your pocket whether you work or not."
- ❖ "Choosing to be rich starts by choosing your IDEAS."
- ❖ "Too many middle-class people try to "keep up with the Joneses". The problem is... the Joneses are broke. They may have the big house, the nice car... but if you study their financial statements, you'll find that they own nothing, they have no assets, they are in debt."
- ❖ "Most people grow up in a family where they didn't have much money – that became their reality. Most of us live by ideas passed on down by our parents."
- ❖ "401k's – most of us have bet our retirement on the stockmarket – but our educational system has not taught us to be good investors!"
- ❖ "There is no "job security" anymore – you need "financial" security."
- ❖ "With every \$ that comes into your hand, you have a CHOICE. If you're smart, you'll buy an asset with that dollar."
- ❖ "People with a job pay the highest taxes. Jobs trap you. No time with your kids, etc. People in corporations are... simply... corpses, going through the motions. The spirit of the entrepreneur – that's what the world is made for. If you are not in your true life direction it is almost impossible to be successful. You want to succeed and move fast? Make sure you're in the right arena for yourself. Get in alignment with who you are, and with the right vehicle for yourself. Passion comes naturally when you're moving in your Life's true direction. What's YOUR passion."
- ❖ "Most people are afraid of failing and being rejected. Get over these 2 things, and life is easy!"
- ❖ "Your financial statement is your report card after you leave school. It measures how smart you are financially."
- ❖ "Think big! Leverage your ideas! **"How can I reach more people with less effort?"**
- ❖ "To get rich, you need to desire it. Do you have the strong reasons why?"
- ❖ "Do you wish to learn from your mistakes? Get up once you're down?"
- ❖ "It's not how much you make that matters – it's how much you keep. Check out your saving/earning ratio. Live below your means! How much actually drops to your bottom line?"

- ❖ “Who you know can make the biggest difference in your financial life. Get out there and meet people! NETWORK!”
- ❖ “Poor people are afraid of risk, rejection, fear of losing, losing face... Losing is part of the winning!”
- ❖ “Successful people try and try again, they fail over and over again. At school we are taught that losing and failing is bad. At school, if you make mistakes, you are a “failure”. People spend their entire lives fearing MISTAKES. And yet mistakes are how we learn. There is a priceless kernel of knowledge in every mistake. Admit it – don’t deny or justify it. Learn from it!”
- ❖ “Only borrow money when you don’t need it.”
- ❖ “Just do it once. “How can I do it just once, for it to return money to me forever?” Creative multiple streams of passive income!”
- ❖ “Pay yourself FIRST. Every day put money aside to buy income-producing assets, before you pay bills, food, rent, ANYTHING.”
- ❖ “The rich buy assets first, so that they can eventually buy liabilities.”
- ❖ “Instant gratification will kill your finances. Delay gratification!”
- ❖ “What it takes to be rich: be willing to make mistakes, learn from them, pick yourself up, be perseverant.”
- ❖ “The biggest challenge you have, is dealing with your self-doubt. Challenge your self-doubts!”
- ❖ “More important than the HOW we achieve financial freedom, is the WHY. Find YOUR reasons why you want to be free and wealthy.”
- ❖ “Most people look for the easy road to wealth, because they lack a strong enough why. The easy road ALWAYS leads to a dead end.”
- ❖ “The “How to’s”: put \$1 a day in each piggy-bank. Look at 100 real estate/stocks, pick 1.”
- ❖ “Stop hanging out with some of the people that are holding you back.”
- ❖ “Thinking is the hardest wish you’ll ever do.”
- ❖ “The no1 way to overcome fear is to learn more. Find out numbers and ratios.”
- ❖ “Getting rich is not about being smarter – but being BOLDER.”
- ❖ “Imagination is more important than knowledge – it is unlimited! Everyone has multi-million ideas – they just fear going for it.”
- ❖ “J. Paul Getty – rather have 1% of the efforts of 100 people than 100% of his own effort.”

- ❖ "Does school prepare children for the real world?"
- ❖ "Getting a good education and making good grades no longer ensures success. People are working harder and harder, only to pay more taxes and end up in debt."
- ❖ "There is no security anymore. You can't rely on Social Security or company pensions for retirement. We need new answers."
- ❖ "No longer can we simply tell our children to "Go to school, get good grades, and look for a safe, secure job." It's some of the most dangerous advice we could give."
- ❖ "I am extremely concerned by the lack of financial education our children receive in school. They never had a course on money or how to invest it, or how compounding works, the perils of consumer debt..."
- ❖ "The goal is to GET OUT OF THE RAT RACE!"
- ❖ "Most people are trapped in the Rat Race for the rest of their lives!"
- ❖ "They work for their employers, for the government by paying taxes, and for the bank by paying off a mortgage and credit cards."
- ❖ "The only way to get out of the rat race is to become proficient in accounting and investing. These subjects are so important in your life."
- ❖ "How many millions of people are out there in the real world struggling financially?"
- ❖ "The world has changed, but education has not changed with it."
- ❖ "One of the reasons why the rich get richer and the poor get poorer is that most of us learn about money from our parents. So what can a poor parent tell their child about money?"
- ❖ "Money, financial skills, are not taught at school."
- ❖ "Rich Dad forbade the words "I can't afford it" – instead, "HOW can I afford it." One lets you off the hook, and the other forces you to think. "My brain gets stronger every day because I exercise it. The stronger it gets, the more money I can make."
- ❖ "Poor Dad thought that the rich should pay more in taxes to take care of those less fortunate. Rich Dad said: "Taxes punish those who produce and reward those who don't produce."
- ❖ "Study hard to find a good company to work for." // "Study hard to find a good company to buy."
- ❖ "Poor Dad always said "I'm not interested in money", or "Money doesn't matter".
- ❖ "Money = power & choices."
- ❖ "Poor Dad was poor not because of the amount of money he earned, which was significant, but because of his thoughts and actions."

- ❖ "I encourage you to study to be rich, to understand how money works, and to have it work for you!"
- ❖ "A financial education is powerful – you gain power over money and you can begin building wealth."
- ❖ "If you don't learn how money works, you WILL SPEND THE REST OF YOUR LIVES WORKING FOR IT!"
- ❖ "Passion is ANGER and LOVE combined. When it comes to money, most people want to play it safe and feel secure. Passion does not direct them – FEAR does."
- ❖ "More money will not solve the problem if you have the wrong "money blueprint" – most people, given more money, only get into more debt."
- ❖ "It's easier to work for money, especially if fear is your primary emotion when it comes to money."
- ❖ "Fear keeps most people working at a job. The fear of not paying their bills, the fear of being fired, the fear of not having enough money. The fear of starting over. The fear of 'what will people say?'"
- ❖ "That's the price of studying to learn a profession and then working for money. Most people become a slave to money... and then get angry at their boss."
- ❖ "How does it feel to have to ask for a job, or when you receive your paycheck at the end of the month? It seems like nothing, you're disappointed. Especially after all the taxes."
- ❖ "Taxes. You're taxed when you earn. You're taxed when you spend. You're taxed when you save. You're taxed when you die."
- ❖ "The rich don't pay taxes – the poor and middle-classes do."
- ❖ "Most people work very hard, for little money, clinging to the illusion of job security, looking forward to 3-week vacation each year and a skimpy pension after 45 years of work. If that excites you, go for it."
- ❖ "Most people never see the trap they are in."
- ❖ "Every morning, they get up, they get ready, and hurry out to work."
- ❖ "Do they look happy to you? Why do they do it?"
- ❖ "Coz everybody else is."
- ❖ "Most people can be bought – they have a price, because of human emotions called FEAR and GREED. First, the fear of being without money motivates us to work hard, and then once we get that paycheck, greed starts us thinking about all the wonderful things money can buy. The pattern is then set. They're in the Rat Race."
- ❖ "There is another way. The first step is telling yourself the truth about how you're feeling."

- ❖ "Every day they wake up with this fear gnawing at their soul. They rush off to work, hoping that a paycheck will kill the fear. Money is running their lives, and they refuse to tell the truth about it."
- ❖ "I often wondered why grown-ups hurried off to work. It never seemed like much fun and they never looked that happy, but something kept them hurrying off to work."
- ❖ "I've met so many people who say, oh I'm not interested in money. Yet they'll work at a job for 8 hours a day."
- ❖ "The main cause of poverty or financial struggle is self-inflicted fear and ignorance, that keeps people trapped. To spend your life living in fear, never exploring your dreams, is cruel."
- ❖ "To wake up in the middle of the night terrified about paying bills is a horrible way to live."
- ❖ To live a life dictated by the size of a pay cheque is not really a life.
- ❖ "Thinking that a job will make you feel secure is lying to yourself."
- ❖ "I've seen how money runs people's lives. Don't let that happen to you. Please don't let \$ run your life."
- ❖ "A job is only a short-term solution to a long-term problem. Most people only have in mind the short term problem of the bills at the end of the month."
- ❖ "Keep using your brain, work for free, and soon your mind will show you ways of making money far beyond what I could ever pay you. You will see things that other people never see. Opportunities right in front of their noses. Most people never see them because they're looking for money/paycheck and security, so that's all they get. The moment you see one opportunity, you will see them for the rest of your life."
- ❖ "In life, it's not how much money you make that counts, but how much you keep."

FINANCIAL LITERACY

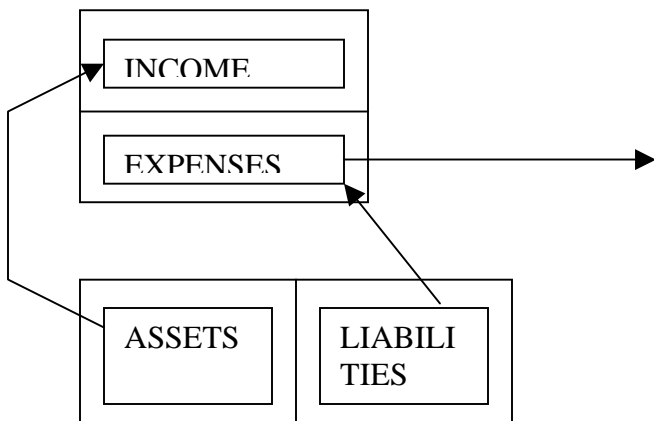
❖ “Rule ONE – you must know the difference between an asset and a liability, and buy assets. If you want to be rich, that’s all you need to know.”

❖ **The cash flow of an asset:**

“This box is an Income Statement, often called a Profit & Loss statement. It measures income and expenses. Money in and money out.

The bottom diagram is the Balance Sheet.

Many financial novices do not know the relationship between the Income statement and the Balance Sheet. That relationship is vital to understand.”



- ❖ “The rich focus on their asset columns while everyone else focuses on their income statements.”
- ❖ “Money only accentuates the cash-flow pattern running in your head. If your pattern is to spend everything you get, most likely an increase in cash will only result in an increase in spending.”
- ❖ “What is missing from people’s education is “how to spend money” – what to do after you make it, how to keep it, how long you keep it, and how hard that money works for you.”
- ❖ “The primary reason the majority of the poor and middle class are fiscally conservative (“I can’t afford to take risks”) is that they have no financial foundation. They have to cling to their jobs. They have to play it safe.”
- ❖ “Acquire income-generating assets! Businesses that do not require my presence; Stocks; Bonds; Mutual funds; income-generating real-estate; Royalties; etc.”
- ❖ “Build and keep your asset column strong. Once a dollar goes into it, never let it come out.”
- ❖ “Once a dollar goes into it, it becomes your employee. The best thing about money is that it works 24 hours a day and can work for generations.”