

Why are you poor?

The most important thing to becoming rich for you is to have a mindset to want to become rich. The reason I say that is this, is because I wanted to become rich when I played Monopoly, that was, I was nine years old. The greatest formula for wealth is found on that board game. When I was nine years old my poor dad, the schoolteacher says, "Ah put that game away. Study, study, study! You're wasting your time playing Monopoly."

And my rich dad said the formula, "You must open your mind and see the formula right on Monopoly." He said, "It's right in front of you." And I went, "What's the formula?" And finally I learned the formula is, four green houses, red hotel, four green houses, red hotel. Today I'm a rich man because all I ever did since the time I was 24 years old was buy four green houses, sell them all, buy a red hotel, four green houses, red hotel. It is not, that you have to go to school to become rich. Just play Monopoly; four green houses, red hotel. That's it.

You must look at how people before you have become rich. Do not talk to poor people. Poor people will tell you, "Oh it's too risky. Don't do that. Don't take risk. Save your money. Play it safe." That is a poor person's mindset. You must have an open mindset, open. And if you have an open mindset you will learn from everything. If you have a closed mindset you will learn from nothing. So I think that is the most important thing.

The difference between money and wealth

No, I don't have a salary. I only had a job four years in my life. I don't want a salary. The middle class and poor, what they want is high income. They think they want money. But they have no wealth because they have no assets. You must know the difference between money and wealth but they're not the same. Money will never make you rich. This makes you rich. I have large companies. I have lots of stocks. I trade options. I have real estate, that's what makes me rich. So the money just comes in whether I work or not.

Bill Gates makes \$500,000 a year. That's all. I make more than him. That's all he makes but he's worth 40 billion. I'm trying to tell you there is a very big difference between income, money and wealth. So I have spent my life buying assets, businesses, stocks, real estate, that's what makes you rich, not a job. The reason the rich in America get richer is they pass this on to their kids. My poor dad always said, "High paying job, high paying job, high paying job." And my rich dad said, "Assets, assets, assets." That's the difference.