



Name of the Book: *Rich Dad, Poor Dad*

Author: Robert T. Kiyosaki

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## Synopsis of the Book

The book explores the myth that we need to earn a high income to become rich. It challenges the belief that your house is not an asset. It defines what is asset and liability and scores relationship between money and success. This is number one personal finance book, which illustrates the mindsets and beliefs that make the rich. It shows how formal schools fail to teach financial skills and focuses only on scholastic ideals.



### Profile of the Author[s]

Robert T. Kiyosaki and Sharon L. Lechter wrote the Book. Sharon L. Lechter is an American accountant, author, businesswoman, investor, motivational speaker, financial literacy activist, and a philanthropist; she is also the founder CEO of *Pay Your Family First*, a financial education organization. She is the co-author of *'Rich Dad Poor Dad, What the Rich Teach their Kids about Money that the Poor and the Middle Class Do not'*. Robert Toru Kiyosaki is an American businessman and author. Kiyosaki is the founder of Rich Global LLC and the Rich Dad Company, a private financial education company that provides personal finance and business education to people through books and videos.



### Profile of the Presenter

Karma Yeshey completed his LL.B. from NALSAR University of Law, Hyderabad. He completed his Post-Graduate Diploma in National Law (PGDNL) from Royal Institute of Management (RIM) in Thimphu. He is currently the Registrar of Companies at the Ministry of Economic Affairs, Thimphu.

## Discourse

The book is story of a person (the narrator and author) who has two fathers: the first was his biological father – the poor dad - and the other was the father of his childhood best friend, Mike – the rich dad. Both fathers taught the author how to achieve success but with very disparate approaches. It became evident to the author which father's approach made more financial sense. Throughout the book, the author compares both fathers – their principles, ideas, financial practices, and degree of dynamism and how his real father, the poor and struggling but highly educated man, paled against his rich dad in terms of asset building and business acumen. The author compares his poor dad to those people who are perpetually scampering in the Rat Race, helplessly trapped in a vicious cycle of needing more but never able to satisfy their dreams for wealth because of one glaring lack: financial literacy. They spend so much time in school learning about the problems of the world, but have not acquired any valuable lessons about money, simply because it is never taught in school. His rich dad, by contrast, represents the independently wealthy core of society who deliberately takes advantage of the power of corporations and their personal knowledge of tax and accounting (or that of their financial advisers) which they manipulate to their advantage. The book's theme reduces to two fundamental concepts: a can-do attitude and fearless entrepreneurship. The author highlights these two concepts by providing multiple examples for each and focusing on the need for financial literacy, how the power of corporations contribute to making the wealthy even wealthier, minding your own business, overcoming obstacles by not fostering laziness, fear, cynicism and other negative attitudes, and recognizing the characteristics of humans and how their preconceived notions and upbringing hamper their financial freedom goals. The author presents six major lessons, which he discusses throughout the book:

- a) The rich don't work for money
- b) The importance of financial literacy
- c) Minding Your own business
- d) Taxes and corporations
- e) The rich invent money
- f) The need to work to learn and not to work for money

It advocates the importance of financial literacy, financial independence and building wealth through investing in assets, real estate, starting and owning business, as well as increasing one's financial intelligence and aptitude. *'Rich Dad Poor Dad'* is Robert's story of growing up with two dads, his real father and the father of his best friend, his rich dad — and the ways in which both men shaped his thoughts about money and investing. The book explodes the myth that you need to earn a high income to be rich and explains the difference between working for money and having your money work for you. In his book, Mr. Kiyosaki illustrate the mindsets and beliefs that make the rich, rich and poor, poor by contrasting the advice of his real dad with that of his financial mentor, who was the father of the author's best friend. Robert's biological father was brilliant and charismatic, finishing his four-year undergraduate degree in less than two years, then going on to obtain a masters and PhD at two prestigious universities before rising to the number one person in the state of Hawaii's educational system. He left debts to be paid upon his death, while Robert's mentor who never even finished eighth grade became the richest man in the state, leaving tens of million to his family and charity.





