

How to Become Rich and Retire Young

by Robert Kiyosaki

The following is the story of how my wife Kim, my best friend Larry Clark and I began our journey from broke to rich to retired in less than 10 years. When Kim and I started, we were nearly out of money and filled with doubt. We all have doubts. The difference is what we do with those doubts.

In December 1984, Kim, Larry and I were on a skiing holiday. At night we would discuss our plans for the future. Kim and I were on our last few dollars and Larry was in the process of building another business. On New Year's Day, we tried to set some goals. Larry wanted to do more than just set goals for the coming year; he wanted us to set goals that changed our lives.

"Why don't we write a plan on how we can all become financially free?" he urged. I had talked about it and dreamt about it. But the idea of being financially free was always in the future, not today.

"Let's write it down," Larry said. "Once we write it down, we have to do it, and we'll support each other on the journey."

Kim and I looked at each other doubtfully. "It's a good idea but I think I would rather just focus on surviving for the next year."

"Come on," said Larry. "Let's go for freedom. I don't want to spend my life working just to pay bills. I want to live. I want to be rich. I want to travel the world while I'm young enough to enjoy it."

I recalled the words of my rich dad: **"The biggest challenge you have is your own self-doubt and your laziness. It is your self-doubt and your laziness that define and limit who you are. It is your self-doubt and laziness that deny you the life you want."**

It was time to choose. "OK, let's set the goal to be financially free." That was New Year's Day, 1985. In 1994 Kim and I were free. Larry went on to build his company, which became one of Inc. magazine's fastest growing companies of the year in 1996. Larry retired in 1998 at the age of 46 after selling his company

How did we do it? It's not about how we did it. It's about why we did it. From 1985 to 1994, Kim, Larry, and I focused on rich dad's three paths to great wealth:

1. Increasing business skills
2. Increasing money management skills
3. Increasing investment skills

The why is because I wanted to challenge my own self-doubts, my laziness and my past. It was the why that gave us the power to do the how. These are my own whys:

I was fed up with being broke and always struggling for money.

I was tired of being average.

My parents had struggled under a mountain of bills.

Most painful of all, my beautiful wife Kim was in this financial mess because she loved me.

Things got worse for us before they got better. Kim and I lived in a car for about three weeks after our money ran out. So things did not get better just because we made the decision to retire rich, but it was the reasons why that kept us going.

Rich dad used to say: **“If you want something, be passionate. Passion gives energy to your life.”**

Passion is a combination of love and hate. “If you want something you do not have, find out why you love what you want and why you hate not having what you want. When you combine those two thoughts, you will find the energy to go get anything you want.”

For example, I would create the following list:

LOVE: being rich, being free, buying anything I want, expensive things, having other people do what I don't want to do

HATE: being poor, being required to work, not having what I want, cheap things, doing things I don't want to do

So sit quietly to find and define your loves and hates. Then write down your whys. Write down your dreams, goals and plans for becoming financially free, retiring early and as young as possible. Once it is in writing, you may want to show it to a friend who will support you in achieving your dreams. Take a look at this paper with your dreams, goals and plans on a regular basis. Talk about it often, ask for support, be willing to continually learn, and before you know it, things will begin to happen.

I have heard many people say: “Money doesn't buy happiness.” That statement has some truth to it. But what money does do is buy me the time to do what I love and pay other people to do what I hate.