Wealth

Creation

Made easy

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Wealth Creation Made Easy

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INTRODUCTION

You deserve to get rich. Why would other people make a fortune for themselves and you don't?

The richest person on earth, Jeff Bezos, has around 200 billion dollars in wealth. He can finance the fiscal budgets of many developing countries for almost 10 years. This is insane.

The average dollar billionaire makes more in a day than many people make in a lifetime. As many struggle to put food on the table, others are making millions easily and effortlessly.

The difference lies in how well people know how to make wealth. It is all about the knowledge of the how of wealth creation.

The billionaire and the poor guy in the streets have something in common; the potential to create wealth. However, the poor guy in the streets does not have the knowhow of wealth creation. The billionaire, on the other hand, is a master of wealth creation.

When we talk about wealth in this book, we are not talking about having a house, a car, a good job, and taking children to school successfully. We are talking of amassing wealth that will benefit generations and generations to come. That is our focus.

Most people think that they are wealthy just because someone else is poor. Just because someone else is doing worse than you doesn't make you good. Your potential should be the standard.

The journey to wealth is not easy. It is step by step. Make one dollar today, another one tomorrow, several the next day until you get to your dream.

The process of wealth creation is simple:

- Make money
- Spend money
- Invest money

The goal is never to just make money but to convert that money into solid assets like businesses, real estate, paper assets, precious metals, etc.

The topics in this book are specifically written to help you in the journey. After you create wealth, repeat the process and make much more. At this point, your money is working hard for you to bring more money.

Read them carefully and practice the knowledge therein. It will not be easy but it is worth it. You will need all the discipline to follow the steps of wealth creation in this book.

Let's get into it.

10 KEY FINANCIAL DEFINITIONS YOU SHOULD UNDERSTAND

Getting financial freedom depends to a large extent on your ability to understand financial concepts. You do not need to have a Ph.D. in Finance; you just need the basics.

I read a book called The Science of Getting Rich by Wallace D. Wattles and it taught me something interesting.

The books said that getting rich is a product of doing things a certain way. It is about how you do things and not what you have. I highly recommend that you read this book.

If you understand how finances work, you can improve how you handle them.

Many people do not die poor because they do not make money but because they cannot handle what they earn.

These key financial definitions will become the basics of your financial success. I will try to simplify them as much as I possibly can.

1. **Income**

This is the money that comes into your pocket. It can be from a job, a business, or any other kind of investment.

Income can be earned, portfolio, or passive. There are various sources of income that you also need to understand. You should always endeavor to increase your income.

2. **Expenses**

Expenses deduct money from your pocket. Everything that takes money away from you without a promise to recover it is an expense.

These can be your rent, food, holiday, car maintenance, clothes, etc. For a business, expenses can be in the form of employees' salaries, office rent, taxes, etc.

You should always endeavor to reduce your expenses.

3. **Asset**

An asset, according to Robert Kiyosaki, is something that brings money into your pocket. It is the investment that brings income.

Something becomes an asset depending on how you use it. If you build some house to rent, you have built an income. If you start living in it with your family, it ceases being an asset.

The objective is to accumulate income-generating assets. Always use your income to get more and more assets. If you don't, even a high income will be useless in the long run.

4. **Liability**

A liability increases your expenses. In short, it takes money from your pocket. A liability reduces your ability to accumulate assets.

An expensive rental house is a liability because it increases your expenses. A big car is a liability because it increases fuel consumption and this is an expense.

Just like for the asset, a liability is defined by how you use it. You can easily turn a liability into an asset by using it to make money.

5. **Appreciation/ depreciation**

Appreciation is an increase in the value of a commodity. On the other hand, depreciation is a decrease in the value of a commodity.

Some of the investments that usually appreciate include real and estate, precious metals, and businesses. It is not a guarantee but they mostly do.

Some of the commodities that depreciate include cars, plants, and equipment, furniture, electronics, etc. This is a guarantee.

Some investments like stocks can appreciate or depreciate.

Buy assets that depreciate after very careful consideration. You have to deduct the depreciation expense when calculating the returns.

Always endeavor to accumulate assets that have the potential of appreciating exponentially. This is why investment in a business, real estate, and precious metals remain the best investments anywhere in the world.

6. **Asset life**

An asset life is determined by how long an asset can serve you. If a car can bring money for 5 years and it cannot anymore, its asset life is 5 years.

Asset life should be a priority consideration when making any investment. It determines how long you can earn from the investment.

Assets with a perpetual life are most of the time the best investment. Perpetual life means that the asset can bring income for a lifetime. You can then leave it to your children as an inheritance.

Real estate and precious metals are the best examples in this category. A business can also have perpetual life.

7. **Return on investment (RoI)**

This is used as a measure of strength for different asset classes. It is calculated by dividing the returns by the capital investment and then multiplying that by 100.

A good asset should demand less in capital investment and give you more returns. This is how you increase RoI. If the capital investment is zero, the asset will have an infinite RoI. This is very preferable.

If you have two options; investing in asset A or asset B, always calculate the return of investment.

8. **Opportunity cost**

This is the value of the foregone alternative. It is what you lose if you fail to make an investment or invest elsewhere. It is the returns you forego by making an investment decision.

If you have an option of investing in asset A or B and you choose to invest in A, the returns you would have gotten from asset B is the opportunity cost.

Always calculate the opportunity cost of making a certain investment and subtract it from the returns of the asset you have chosen to invest in. This is what most people do not do. Opportunity cost is a cost like any other.

9. **Liquidity**

We say an asset is liquid if it can be converted into cash easily. How easy is it to make money by selling it?

This is where we get the term 'to liquidate'. To liquidate is to sell something to get cash. This is why cash is often called Liquid cash.

If something cannot easily be converted into cash, do not buy it unless you have a long-term view of the investment. If you are investing to make money in the short run, it is important to invest in liquid assets.

For example, real estate is less liquid than business inventory. This makes real estate a good long term investment and inventory a good short term investment.

10. Inflation

This is a common term. Inflation is the steady increase in the prices of goods over time. Inflation eats up purchasing power. This means that with inflation, one million will buy fewer goods than with no inflation.

The opposite of inflation is deflation. This is a steady decrease in the prices of commodities over time. This is not very common in the real world. This is because of greed.

As businesspeople become greedier for gain, they charge more for their goods. When they charge more, employees demand more salary from them to afford the now more expensive commodities.

The business people will then have to raise the prices again to be able to pay higher salaries. The cycle continues and commodities continue becoming more expensive.

Greed can also emanate from employees. As the demand more salaries out of greed, the employer will have to increase the prices of commodities. The cycle starts again.

It is important to invest in assets that give you a higher RoI than the prevailing inflation rate. The returns should always offset the increase in prices.

This is why saving money in a bank account for years is a losing strategy. The annual interest you receive will always be less than the annual inflation rate. You end up losing thinking that you are gaining.

Conclusion

These 10 key financial definitions will always have an impact on your wealth creation process. It is important to understand them and do as each requires. This is the beginning of financial intelligence.

HOW TO CREATE WEALTH THE EASY WAY

Learning how to create wealth will always pay off handsomely. This is what the rich do but the poor don't. It brings all the difference in their results.

The secrets of wealth creation have been in the hands of very few people in the past. This is how they managed to amass so much at the expense of the rest of us.

Today, due to the influx of information on the web and otherwise, anyone can get these invaluable tips at the click of a button. Thank God to you sought to know the secrets on how to create wealth the easy way.

Making wealth is not as hard as many believe it to be. After you have mastered the secrets, creating wealth becomes effortless and extremely easy.

These are the secrets that the millionaire and billionaires of this world possess. They make millions without working or working for less than the average person does.

Wealth exists in three states:

- Gas state
- Liquid state
- Solid state

If you understand these three states of wealth and how to create wealth with them, you will never struggle in life.

What is wealth?

In simple terms, wealth is the abundance of your possession. It is everything you have minus everything you owe others. It is total assets minus total liabilities.

This is how to create wealth: keep increasing your assets' value and reducing your liabilities. It is a simple as that.

Assets are things that put money in your pocket or increase your economic value. Liabilities are things that take money out of your pocket or reduce your economic value.

If you are to acquire liabilities, use them to buy more assets. That is financial intelligence.

States of wealth

As we said, wealth exists in 3 states: Gas state, liquid state, and solid state.

1. The gas state of wealth

You can master how to create wealth without understanding this dimension of wealth. The gas state consists of the ideas you have that can make you wealthy.

Making wealth begins with an idea. It begins with a noble thought. This is why thoughts are the greatest asset you have in your journey to wealth creation. This is where everything begins.

Characteristics of a great idea

- It is unique.
- It solves a need in the market.
- It can be implemented under the prevailing legal and economic environment.
- It is scalable.

Jeff Bezos had to have Amazon as an idea before he started it. Bill Gates had windows in mind when he co-founded Microsoft. Steve Jobs could envision the iPhone before he made one. In short, every wealth-creating idea starts with a single thought.

If you cannot generate great ideas, you cannot make wealth. This is a simple truth. Mentally lazy people (No matter how hard-working they are physically) remain poor. Being mentally active is more important than being physically active.

You generate great ideas by:

- Feeding your mind with great information.
- Desiring to do something great.
- Wanting to be different from everybody else.

Some of the greatest ideas are developed as:

- You walk in a quiet open space. An open space induces creativity in people. It has to be quiet.
- As you rest on your bed in the dark.
- As you read a thought-provoking book. It has to challenge you to the core.

Once you develop a great idea, you have to move to the next stage: the liquid state.

2. The liquid state of wealth

The liquid state of wealth refers to liquid cash (Money). After getting a noble idea, you have to convert it to cash. It is called liquid because it can flow easily across.

This conversion calls for taking initiatives. You have to get into action. An idea without action cannot create wealth.

The best way to convert an idea into cash is to start a business. This is what Jeff Bezos, Bill Gates, and Steve Jobs did. They all started businesses. This is a critical step in wealth creation.

A business will act as a vehicle through which you manifest your idea and start making cash.

3. The solid state of wealth.

This is the most neglected stage when it comes to making wealth. Making money is not the end. It is just a mere step in wealth creation.

Average people take making money as their ultimate goal. This is how they remain poor. Successful people understand that making money is just a part of the process of creating wealth.

The gas state of wealth refers to assets. It is the final stage of creating wealth.

After making money, you have to use it to accumulate assets. These assets can be:

- **Income-generating assets**- Assets that bring you more money.
- **Appreciating assets**- Assets that increase in value over time.

These assets can be businesses, precious metals, real estate, stocks, bonds, etc.

This is how to create wealth. It is the ultimate goal of successful people. Even if you do not have cash but you have assets, you are wealthy.

The conversion

Converting the gas state of wealth to the liquid state of wealth and ultimately to the solid state of wealth is never easy.

In science, converting gas to a liquid is called condensing. Converting a liquid into a solid is freezing.

These two processes happen through exposure to very low temperatures. The low-temperature forces gas to become a liquid and a liquid to become a solid.

This is similar to wealth creation. Converting an idea into an asset cost more than many people are ready to pay. It is not a walk in the park. You will be rejected, discouraged, ridiculed, and even hated.

The journey to success is very lonely and very tiresome. It is never for the weak and the simple. The process calls for courage, risk, initiative, resilience, and everything else you have.

You will have to get out of your comfort zone. You will condense and freeze but the end will be sweet.

Conclusion

If you have the guts and the knowledge of wealth creation, the process will not be as hard.

I challenge you to make it your goal to make wealth. You will be happier and more fulfilled. Poverty and struggle have never been fun for anyone.

ARE YOU MAKING THESE 13 FINANCIAL MISTAKES?

Financial lack is a product of making financial mistakes over time. Our lives positions are determined by the quality of decisions that we make over time. This is also true for our financial position.

If you constantly make financial mistakes, you become poor and lack. It does not matter how educated or intelligent a person is, the consequences of making these financial mistakes are the same for all.

This is what happens to the middle class. These are people who are intelligent and educated enough to get a good job but they lack financial intelligence.

They keep earning and not knowing what to do with what they get. This is why the struggle constantly financially even though they make a lot every month.

Such people have a house that they call an asset and a car that they keep upgrading every few months. The car keeps depreciating and consuming money for fuel and service.

The problem is not the car, the problem is that they bought the car on loan and they fuel it using their only source of income i.e their salary.

This is how most people live rich but are very poor. They have a dozen of liabilities that are milking them dry at the end of the month.

This does not have to be you. You can choose to walk in financial prudence. You might have lost much time committing these financial mistakes but you have time left to do the right thing.

Do not be like the middle class. If you have the intelligence to earn money, you can also multiply it and create wealth.

13 major financial mistakes

If you can avoid these financial mistakes, you will forever overcome financial struggles. Let's look at each.

1. Lack of financial goals.

Setting goals is the first step to progress. Without goals, there will be no motivation to keep working. After all, you have nothing to work for.

Financial goals are crucial to financial success. Many poor people do not have financial goals or their goals are not big enough to motivate them to work hard.

Your financial goals should be SMART:

- **Specific**- They should not be ambiguous.
- **Measurable**- You should be able to measure progress with time.
- **Attainable**- Do not set goals that are impossible to achieve under your prevailing circumstances.
- **Relevant**- Your goals should be relevant to what you want to achieve and what you are undertaking.

- **Time-bound**- Make sure that your goals are set to be achieved within a specified time.

For example:

- I am earning 3000 dollars now but I will be earning 5000 dollars every month an year from now. This goal is SMART. It is very Specific, Measurable, Attainable, Relevant, and Time-Bound.

Setting goals is the foundational step of every success. Make sure you have SMART goals for your life.

Divide your goals into:

- **Short term goals**- A year or less.
- **Intermediate goals**- Between 1 year and 5 years.
- **Long-term goals**- More than 5 years.

With such goals, you are ready for financial progress.

2. Lack of financial knowledge

This is another major financial mistake that people make. They learn about everything else and never about money. This is why they know so much but they still struggle financially.

One may have a Ph.D. in Medicine or Engineering but if they lack basic financial knowledge, they will always struggle financially.

Financial intelligence involves understanding the three levels of making money. That is:

- Earning money.
- Spending money.
- Investing money.

People who lack financial intelligence only know how to earn money by working in a job. They are poor at spending and even poorer in investing. This is why they struggle financially.

You can get financial intelligence by reading great financial books or blogs. I recommend Rich Dad Poor Dad by Robert Kiyosaki.

3. Spending more than you should

Many people spend more than is right. When they get income, they buy everything that they want and they are left with nothing to save and invest.

As they wait for the next income, they accumulate another list of wants. Once they get the income, they rush to the mall and satisfy their wants.

To avoid these:

- Only buy needs until you are financially free to buy wants.
- Make sure you have a budget.
- Automate your savings. Let the bank deduct part of your income into a fixed saving income even before you get the income. This is called paying yourself first.
- Get serious with your financial goals.

There is a 50:30:20 rule. 50% for needs, 30% for wants, and 20% savings.

This is a rule for the average person. As you become more serious with your financial goals, you will start saving and investing more and more. Many millionaires invest more than 70% of their income.

4. Buying liabilities from your salary

Never buy liabilities from your salary. Your salary should be used to cater for financial and investment needs.

Unless you want to work for someone else for the rest of your life, do not buy liabilities from your salary.

The problem with liabilities is that they keep demanding more money over time.

For example, a personal car will keep demanding fuel for the rest of its life. This will ensure that you have nothing to fund your financial growth at the end of the month.

Use your salary to invest and then use the proceeds from your investment to acquire liabilities.

5. Consuming what you do not have

Many people consume everything they have and even what they do not have. This means that they borrow to finance their consumption habits.

I have seen many people who borrow to do birthday or wedding ceremonies. Others borrow to purchase a new sofa set. This is a big financial mistake.

This is called consuming your future. You are eating what you are supposed to get in the future. It dooms your financial future and keeps you in constant financial struggles for the rest of your life.

6. Buying more liabilities than assets

If your liabilities consume more than your assets bring you, you will go broke. If your business brings you 1000 dollars per month but your car and house consume 1200 dollars every month, you will go bankrupt.

Accumulate more assets than liabilities and make sure that you get more from your assets than your liabilities consume.

7. Not having multiple sources of income (MSIs)

This is one of the worst financial mistakes people make. Many people just rely on one source of income for survival.

When they lose that source of income, they become beggars. This is not financial prudence.

I am always astonished by people who only bank on their jobs for financial provision. This is financial suicide. Such people go into depression when they are retrenched by the companies they work for.

If you are serious with your financial life, make sure you invest in the following:

- Business/ businesses.
- Real estate.
- Stocks/ bonds.
- Precious metals.

At least, have 3 of the above. When one industry is down, the rest will keep you afloat.

8. Increasing your spending when income increases

This is a common financial wrong. It is called the Rat Race. The spending is always chasing income. When the income increases, the spending also increases.

In the Rat Race, there is never money for savings and investment. The increase in income is never beneficial. It does not help your financial position. In most cases, it just makes you more comfortable and not better off financially.

This is what is holding many people back. They go to the streets to have a pay raise but when they get it, they only buy a bigger car rather than increase their investment portfolio.

At the end of their working life, they will have a junk of liabilities and a very poor financial position.

9. Not taking financial risks

Greater financial risks lead to higher financial rewards. This is undisputed.

If you are not ready to take great financial risks, you are not ready to get great financial rewards.

Since many people are not ready to take financial risks, they would rather not invest. They hoard their money in banks. This money will be eaten away by inflation over time. Other than making them better financially, it makes them poorer.

When you get a great opportunity, make the move. Put in the resources and learn as much as you can. With knowledge, risks are greatly diminished.

10. Investing in get-rich-quick schemes

Many people do not want to put in the required financial effort to make money. This is why they are usually looking for an opportunity to make millions with the least effort and time.

As they do so, they invest in fraudulent investment schemes that promise them so much using very little. They put everything they have in it and lose all of it.

In investment, when a deal is too good, think twice. Most probably, someone wants to take your money. When it is too good to be true, it probably is not.

Always do your due diligence and trust your instincts. Do not be greedy for gain and believe everything people tell you.

As Warren Buffet says, be paranoid when others are greedy and greedy when others are paranoid.

11. Not borrowing to invest

This is also a great financial mistake. Borrowing is part of financial growth. No one can grow without debt; at least not fast enough.

When you have an asset that brings you cash, say a business, you will need to grow it. At this point, you can get a loan to finance the growth.

Observe the following rules when getting into debt:

- Borrow only what you need.
- Invest everything you borrow; avoid consuming from the debt.
- Do not borrow just because someone else is ready to lend.

- Always negotiate the terms of the debt. I.E the interest rate, repayment period, type of loan, etc.
- Invest in a project with an ROI that is higher than the rate of interest of the loan.

If you can properly manage debt for growth, you can easily gain financial abundance.

12. Not calculating ROI when investing

ROI stands Return on Investment. It is calculated by dividing the return (Profit) by the investment (Capital invested). The higher the ROI, the better.

When making any investment, make sure to calculate the ROI. If you have two potential projects that you are comparing, calculating ROI is a must.

In most cases, it will not be clear how much you will get from a certain investment. This is where financial forecasts come in. These are educated guesses based on data from the industry and the prevailing conditions.

13. Not giving money

Giving is a great financial principle of abundance. This is not just a spiritual principle but a financial one too.

When you give, you are communicating with your mind that you are not poor. When the mind holds on to that notion, the law of attraction will set in.

The law of attraction states that we attract into our lives what we think about most of the time. If you think that you are poor, you will attract poverty. The vice versa is also true.

This is a rule I purposed to follow and it does not fail.

The following are important when giving:

- Give when you are not ready; do not wait to have excesses for you to give. Give even when you are running on a deficit.
- Give out of gratitude. The best way to do this is to give where you are nourished.
- Expect to receive after giving. This faith will bring financial resources to you.

In all you do, make sure you become a giver.

Final thoughts on financial mistakes

If you can avoid these financial mistakes, you will be on your way to financial abundance. It does not matter how old you are or your status in society, if you make financial mistakes, you will reduce your financial wellbeing.

Let's recap. These are the 13 financial mistakes everyone should avoid:

- Lack of financial goals.
- Lack of financial knowledge.
- Spending more than you should.
- Buying liabilities using your salary.
- Consuming what you do not have.
- Buying more liabilities than assets.
- Not having multiple sources of income (MSIs).
- Increasing your spending when your income increases.
- Not taking financial risks.
- Investing in get-rich-quick schemes.
- Not borrowing to invest.
- Not calculating ROI when investing.
- Failure to give money.

All the best as you work on your financial goals.

7 BELIEFS THAT KEEP PEOPLE POOR

We become what we believe. Where you are today is a product of your collective beliefs in the past. Positive beliefs create positive circumstances while negative beliefs are the source of all misery, lack, and poverty.

There are many beliefs people carry over the years that keep them poor. If you are going to progress in life and have financial freedom, you have to change these beliefs.

1. Success is not all about money

This is the most common belief that keeps people poor. While it might be true, it is used by people to justify their poor financial positions. I have been told that by very many people. "Do you want to say that success is all about money," they ask. Although I tell them that that was not what I meant, I see a deep underlying belief that is inhibiting their success. They are using the statement as an excuse for not making financial progress.

If you give the same people money, they will take it gladly. They work in a job for 9 hours every day but they end up saying such bitter things about money. If you gave them a chance to become billionaires, they would gladly and desperately accept. This shows that the belief is just a tool that they use to console themselves and justify their lack.

I believe that money is a product of success. You cannot be successful in other areas and not make money. This means that if you are not making money, you are not effective.

2. It takes money to make money

This is also very common. People believe that it takes money to make money. They fail to start anything because of the lack of money. If you ask them why they have not started any business, they tell you that they do not have capital. This is a wrong belief that keeps millions of people poor.

On the other hand, people who get success believe that they can make money even without having money. They know that money follows effectiveness and creativity.

You do not need money to start a business. You can start a business without money. You do not need an office because you can work from home. You don't need to have your products because you can sell other people's products. You do not have to be registered because no one cares about it. In short, you can start without money.

3. Destiny is predestined

Poor people have a mentality of a graph that is already plotted. They say that what is supposed to happen will happen. They believe that God already predestined their lives. With this belief, they become lax and idle. They refuse to take responsibility for their lives. God predestined your success but it is your responsibility to work for it. This is how you receive what is already predestined for you.

God is neutral. He has left success squarely to us. You can decide how far you reach in life. His role is to empower you to get to your goal. Stop believing that it is God's responsibility to determine who succeeds and who doesn't. You have free will to choose your destiny.

4. Poverty is a sign of godliness and wealth, Satanism

This is also a widespread belief. Many people believe that they have to remain poor to be spiritual. They identify spirituality with lack. This does not even make sense. If God made all things, which he did, why would it be bad to get what He made? This is a big error.

Poor people also believe that too much wealth is a sign of Satanism and cult worship. I recently posted a post on becoming a millionaire in 3 years on Facebook and one guy shocked me. He commented that it must be Satanism to become a millionaire in 3 years. This is the belief that the majority of people have and it is keeping them poor.

5. Money is the root of all evil

This is not true. It is the love of money that is the root of all evil. Let's look at it this way; why do people steal? It is because they do not have enough money. If not so, it is because of greed (The love of money). Why do people lie? They lie to get money fraudulently. This is because they do not have enough. If you trace all the problems we have, it is because people feel that they do not have enough. It is not because they have money but because they lack money. We can, therefore, conclude that lack of money is the root of evil.

6. Money cannot buy happiness

This is also a widespread lie. Indeed, money cannot buy happiness but money can facilitate happiness. This is a statement that poor people use to justify their poverty. It is also widely used in religious circles and this is what keeps the congregation poor. You have just justified them for being poor and broke.

If you want to know that money can facilitate happiness, try to make a starving person happy. It is easier to smile in a range rover than on the streets. I believe that getting money is a means of getting happiness. After all, money answers all things.

7. Rich people always have other worse problems

This is also a common belief. People believe that rich people will always have diseases, dysfunctional families, etc. This is wrong. Some rich people have diseases but also poor people have them. Some rich people have dysfunctional families and also poor people. Diseases and such problems are not a monopoly of the rich. This is a belief that you have to avoid because it will keep you poor.

8. Rich people are crooks

Many poor people associate rich people with fraud, corruption, greed, oppression, etc. They believe that you have to be fraudulent to make money. I want to state that it is not true.

Many wealthy people have made their wealth legitimately. They worked harder than other people and created a powerful business system that has become a cash cow. This is why they are very rich. They have grown their wealth slowly but steadily.

Conclusion

Your beliefs make or break you. You have to mind what you believe because it can act as a catalyst to success or a chain that keeps you poor. This is not a conclusive list. You can audit your life and identify the beliefs that are keeping you poor. After identifying them, start believing just the opposite, and your life will turn around.

ARE YOU POOR YET SO RICH (THE ENDOWMENT OF WEALTH)

The number of millionaires and billionaires is on the rise and so is the number of poor people. Massive wealth is being created every day by people who are not any better than the rest of humanity.

According to Credit Suisse's Global Wealth Report, the number of dollar millionaires has risen to about 47 million in one year (2018/2019). These people hold around 50% of global wealth.

Statistics also tell us that 62 wealthiest billionaires on earth hold wealth equivalent to the bottom half of the world's poorest people (More than 3.5 billion people).

According to data from Wealth-X, 67.4% of ultra-wealthy individuals in 2017 were self-made. 21.7% were a combination of self-made and inherited. Only 10.9% of this class inherited their wealth.

The mystery

This data is worrying and challenging at the same time. How would such few people own so much and leave almost nothing for the overwhelming majority?

According to the data, 67.4% of the wealthiest people are self-made. This means that they were never born in wealthy families. In case they were born in one, they never inherited the wealth. They got everything they have on their own.

The mystery here is; what makes self-made millionaires different from everybody else? Is it that they have special resources that are not available to everyone else? Not at all, they came from average families

Is it that they are more intelligent or educated than everybody else? No, the average millionaire has just an average intellectual capacity.

Findings

I discovered that what makes the difference between self-made successful people and self-made failures.

The difference between wealthy people and everybody else is in how they utilize the rich environment in and around them.

Human beings are endowed with everything they need to succeed. If it is not in us, it is around us. The greatest assets we need in the journey of success are within our reach. It is just that we do not utilize them.

Wealthy people have learned how to utilize and monetize the natural endowments within them to attract wealth in their environment.

Poor people, on the other hand, cannot see the wealth in them. They only know how to admire and desire wealth without. The more they admire and desire the wealth without, the more it keeps evading them.

If all of us realized that getting physical wealth is a result of utilizing the wealth within us and within other people, all of us would be successful.

No one was born to become a failure. Every failure is self-made. The making of failure is in the failure to utilize the wealth of potential in us. Human beings are unlimited in what they can achieve.

5 free wealth-making resources

Here are 5 resources that are available for all of us to use:

- **The mind**

The mind is the most powerful computer in the world. It can solve anything, create anything, become anything, and even destroy anything.

Your potential to succeed is hidden in your ability to harness the power of thoughts. If you can consistently direct your thoughts in a certain direction, your circumstances will have no choice.

Ultra successful individuals understand the power of thoughts. They use their thoughts to make whatever they want. Their thoughts are the stones they used to make their apartment of success.

Wealthy people use their thoughts to achieve everything they have. They use their mind to come up with the most fascinating ideas that have shaped the world as we know it.

Poor people rarely think. When they do, they think of impossibilities. 90% of their thoughts are negative. They see themselves failing and this is why they do.

- **Time**

Time is the second greatest factor of success we have. Successful people understand the value of time.

This is why they do not sell their time for money. They do not get an 8/9- 5 job to get a paycheck at the end of the month.

On the contrary, successful people buy other people's time. They hire employees' time in exchange for money.

Time is a free resource. It is an equalizing factor of success. Everyone has 24 hours and no one is allowed to ask for more. If you can utilize your time efficiently, you can begin to make progress.

- **Talent and gifts**

Talents and gifts have made many people wealthy. Think of Michael Jackson singing, J. K Rowlings writing The Harry Potter, Lionel Messi playing soccer, T.D Jakes speaking, etc.

One thing is clear; these people have discovered their talents. They have also discovered how to earn from them.

Every one of us is talented. It is a natural endowment in all of us. The problem is that many of us do not realize what their area of gifting is. The fact that you have not discovered it does not mean that it is not there.

- **Knowledge**

Knowledge is in all of us. If it is not in you, it is in your neighbor. If you cannot get it from them, you can get it from their books, their blogs, their Facebook pages, YouTube channels, webinars, etc.

Knowledge is a crucial factor of success. The problem is that many people rarely seek it. The average person reads less than one book every year. A majority does not even read any book.

Successful people are avid readers. They give their minds knowledge and their minds give them ideas. If you cannot feed your mind with knowledge, it will never feed you with ideas.

- **Networks**

As I said earlier, what is not in you is in your neighbor. We were created to complement each other. No person is sufficient on his/her own.

Your net worth is determined by the quality of your networks. Your association determines your ascension.

You need to keep making quality friends and keeping them. What you need can be granted to you by someone else just through a mere phone call. You need to know people and have people know you.

Conclusion

Everything mentioned above is free and available to you. It is what the most successful people utilize. Self-made millionaires were born without money. They have earned what they need by utilizing whatever they have.

Before you rule yourself out, remember that 67.4% of ultra-successful people are self-made. Also, remember that 100% of poor people are also self-made.

The decision lies squarely on you. Just make yourself whatever you want.

I urge you to avoid being poor while you are richly endowed. Everything you need is in you or around you.

21 ULTIMATE RULES OF WEALTH CREATION

Everybody desires to create wealth. This is why wealth creation is highly searched on search engines like Google.

Becoming wealthy or even just rich comes with numerous options and prestige that everyone would like to have. Think of billionaires like Bill Gates and Jack Ma, they have more than they will ever need. This is what financial abundance can do.

Even though many want financial success, very few get it. We only have a handful of millionaires around the world. The billionaires are even fewer. Many just survive and struggle through life endlessly.

Lack and poverty should be avoided at all costs. It is never supposed to be your portion. Never make peace with lack or settle for being poor. Use all your energy and wits to fight for financial freedom.

Everyone has the potential to create wealth. However, many do not play the game of wealth creation by the rules. This is why they work hard and still struggle financially.

21 rules of wealth creation

Here is the ultimate guide to creating wealth. These 21 rules of wealth creation will prepare you for the long journey ahead.

1. Never spend more than you earn

This is the worst financial mistake anyone can make. Many people spend everything they earn and a bit more. This way, they do not invest in a better life.

When it comes to spending:

- Never spend more than 50% of what you earn.
- Always delay spending for around a week.
- Have an automatic saving plan. This can be a savings bank account that deducts money from your monthly income even before you get it.
- Always pay yourself first. Invest before you spend.
- Avoid the rat race- Increasing your expenses as your income increases.

2. Never borrow to consume

Many people who have spending problems end up borrowing to finance this bad habit. They borrow to consume. This is one of the worst mistakes you should avoid if you want to create wealth.

To create wealth, borrowing to invest is important. This is called using other people's money.

However, without a proper plan and knowledge, borrowing can end up in wastage or poor allocation. This can lead to financial pressure and even bankruptcy.

When borrowing from a bank:

- Have a prior solid investment plan.
- Never borrow more than you need.
- Negotiate for better terms I.e. interest rates, repayment period, etc.
- Invest immediately after receiving the cash.
- Do not take a cent away for consumption purposes.

If you can properly handle debt, you can easily create wealth.

3. Never buy liabilities before assets

An asset is something that increases your economic value. In short, it puts money in your pocket.

A liability decreases your financial value. This means that it takes money from your pocket.

Never buy liabilities before you have a strong asset position. Only buy liabilities after you have enough assets. Make sure that the liability does not consume all the income you get from your assets.

Common liabilities people buy too soon:

- A personal car.
- A personal house.
- Taking kids to very expensive schools without being financially free.

- Going for expensive holidays just because your workmates are also doing it.
- Wearing expensive clothes and shoes.

Assets everybody should have:

- A business
- Real estate
- Promising stocks
- Precious metals like gold, diamond, silver, etc.

Always make sure that you have more assets than liabilities. Let your assets bring you more money than your liabilities take away.

4. Avoid get-rich-quick schemes

These schemes are responsible for the financial losses of many. This is how many go bankrupt.

The rule is that if an investment plan looks too good to be true, it probably is. All these investment vehicles that promise very high returns are most probably a fraud. Never invest in such investment schemes.

If your conscious is not feeling good about the plan, leave it. Good schemes promise between 5-25% return on investment. Anything above that is something worth being cautious about.

5. Never pay for more than a commodity is worth

In wealth creation, negotiation is not a weakness but wisdom. Never pay than a commodity is worth. When you do, you lose economic value.

Always negotiate when doing purchases. This will ensure that you pay what a commodity is worth or even less.

Negotiation is something you practice. Start negotiating even in small deals. Never lose a cent. When you start creating wealth, you will start making big deals like buying a company. Here, poor negotiating can cost you millions.

When making purchases:

- Do due-diligence. There will always be a cheaper supplier.
- Start with an extremely low price and then keep adjusting upwards.
- Never show the other party that you are desperate.
- Show them that you are informed. Let them know about the competitor's prices.
- Never hesitate to walk away if the deal does not favor you.

If you keep paying less than commodities are worth, you will keep gaining economic value. This is critical to wealth creation.

6. Never get content with having just enough

When it comes to wealth creation, never get content with having just enough. Be happy but do not get contented. Successful people always desire to have more. This is what motivates them to keep getting more.

Poor people, on the other hand, just want to have enough to live by. After they have gotten comfortable, they stop pushing for more. This is why the poor remain poor as the rich get richer.

7. Never invest without due diligence

The world of investment is complex and risky at the same time. If you invest without doing your due diligence, the chances of losing everything are very high.

After hearing of an investment idea, give yourself time to do your research. Do not believe it even if it is coming from your friend. They might as well be misled.

8. Avoid getting advice from poor people

If you want to create wealth, seek counsel from successful people. These are people who have already gotten what you dream of. Poor people will only teach you what has not worked in their lives.

This is why any ambitious person needs a mentor. This is a person you look up to. They should be way ahead of you in all aspects of life.

As the saying goes, if a blind man leads another blind man, they will both fall into a ditch. Avoid this at all costs. Only a successful person can coach a person to success.

Read books written by successful people, read their blogs, listen to their videos and audios, ask them questions, read their biographies, and so on. In all these ways, you are getting the secrets of their success. These wealth-creating secrets are invaluable.

9. Never lend what you are not ready to lose.

This is critical if you want to avoid financial losses; only lend what you can lose. Many debtors rarely repay what they owe their creditors unless they are forced to do so.

As an individual, you might not be able to force your family member or friend to pay what they owe you. In this case, lend what you can afford to lose. Chances are that they might never pay you back.

Keep in mind that the first rule of wealth creation is that you should never lose money. To create wealth, you have to keep gaining and avoiding losses as much as possible.

10. Avoid being impatient with your money

Wealth creation takes time. You will never be a millionaire in a day unless you win a lottery.

After you invest, give it time to bring returns. Do not quit and divest just because you are impatient. Making sound investments and giving them time to create wealth for you is critical.

It has been proven that long-term investments are more rewarding than short-term investments. In this case, just think long term and allow your money to bring you more money.

11. Never fail to start a business

All billionaires are business people. All wealthy professionals are also business people. As I always say, you cannot afford not to start a business.

This is why you need to start a business to create wealth:

- Profits grow exponentially.
- You can use other people's expertise and time to create your wealth.
- For a limited liability business, your liability is limited to the level of your holding.
- It is the only way of taking advantage of the many opportunities created around the world.
- You can easily use other people's money to create wealth.
- You determine how much you make at the end of the month. Your effort is directly reflected in the financial results.

Starting a business is easy in most countries. Governments have realized that improving the business environment in their countries is the greatest strategy they can use to grow their economies.

Businesses are hard to scale. It takes dedication and knowledge to beat your competition. Keep an open mind and guild your mind with shock absorbers because the ride will be extremely bumpy.

12. Never invest in what you do not understand

This is a common mistake people make when it comes to wealth creation. Many people just invest in what comes their way. They end up losing money and giving up on their financial goals. If you do not understand an idea, give yourself time to learn.

Most investments require active management. Without understanding, you will not be able to grow your investment portfolio and create wealth for yourself.

13. Never buy wants if you are not financially free

There is a big difference between needs and wants. A need is something you cannot do without. A want, on the other hand, is something you can do without.

Having a house may be a need but having a 7 bedroom house is just a want. Getting a car may be a need but getting a V8 is just a want.

The rule is that you should never buy wants before you are financially free. After you get financial freedom and abundance, you can get everything you ever wanted.

14. Avoid moving with the masses

Avoid making moves just because people are making them. As Warren Buffet says, be paranoid when others are greedy and greedy when others are paranoid. This means that the crowd is always wrong.

When people get to know about a certain investment, the greatest investors have already invested and moved on. This is why you need to seek investment opportunities actively and not just following what people are investing in.

Avoid following the johnnies. Do not follow trends, fashion, or any other type of fads. The herd mentality only leads to poverty and financial struggle.

If you are serious about wealth creation, do not follow the crowd. Just keep seeking wealth-creating opportunities actively.

15. Never make emotional money decisions

Becoming rich is a logical process, not an emotional one. It has been proven that emotional decisions lack rationale and logic. This means that emotional decisions may probably not be in your best interest.

When it comes to wealth creation, you need to be emotionally sober and logical at all times.

Ways to avoid emotional decisions:

- Logic should be applied when it comes to giving and supporting different causes in the community.
- Avoid doing something just to please someone.
- Avoid doing something to feel good.
- Do not make a decision to settle scores with your enemy.
- Use reason when making religious donations.
- Never make purchases to show off.

If you can avoid making emotional financial decisions, you are well on your way to wealth creation.

16. Never get lazy

Laziness is one of the greatest enemies of wealth creation.

Wealth creation requires the generation of valuable ideas as well as implementing them. These two steps give us the two types of laziness you should avoid.

- **Mental laziness**- This kind of laziness is very dangerous. It is what many people suffer from. When you are mentally

lazy, you fear thinking hard. You are never creative or innovative.
Wealth creation starts with a noble idea. An idea that is scalable and market-oriented. It should provide solutions to the world's major problems.
Generating these ideas is not a walk in the park. It calls for mental hard work, dedication, focus, and will. This is not for the mentally lazy.

- **Physical laziness**- After generating ideas, you need to implement them. Ideas that are never implemented can never create wealth for you.
  If a person is physically lazy, they will generate great ideas but they will never give the necessary effort to implement them. Success calls for early mornings, late nights, 14-18 hours of working on your craft every day, 7 days a week, and 52 weeks a year.

  If you desire success, make sure that you are neither mentally nor physically lazy. Both faculties have to put their best foot forward. This is how wealth is created.

17. Always pay yourself first

This is a concept that we will discuss later in-depth (How to pay yourself first).

Paying yourself first means investing before consuming. It means putting away money every month for investment even before you start consuming. This means that investment is a priority to you.

This way:

- You will avoid consuming everything or spending more than you earn.
- You will invest consistently without fail.
- You develop a mindset of not valuing consumption over investment.

This is a concept that you must follow strictly if you are serious about wealth creation.

18. Avoid divorce

Divorce is very expensive. If you do not think so, ask Jeff Bezos. He parted with 34 billion dollars in divorce settlements.

I know many other people who pay almost everything they earn every month due to broken relationships or marriages. Child upkeep after divorce or separation can also be very expensive.

Keep this in mind:

- Avoid getting children out of wedlock.
- Solve family disputes amicably as soon as they happen.
- Marry the right person from the word go.
- Water your relationship with love every day.

Since divorce can rob you half of your wealth, it is important to avoid it at all costs.

19. Avoid expensive ceremonies

There are many ceremonies people deem as necessary but they are not. I am talking about weddings, birthday ceremonies, anniversaries, etc.

Even if you have to do them, keep the budget as low as possible. Private ceremonies are the way to go. They ensure that only quality friends attend. Such friends will always pay the cost back in one way or the other.

Many people drain their bank account just to finance a one-day wedding ceremony. Many even borrow money to make their wedding ceremony colorful. This is not financial intelligence.

Avoid ceremonies at all costs unless you are making money from them. They do not serve any economic good.

20. Never stop learning

The secret to wealth creation is to always keep learning. Numerous wealth-creating opportunities are hidden in books, blogs, videos, and audios.

Similarly, keep learning from your experiences. After all, experience is the best teacher. In all you do, just keep learning.

All successful people are learners for life. Warren Buffet can read up to 8 hours every day. Bill Gates reads a book every week. Mark Cuban reads 3 hours every day. Elon Musk taught himself everything he knows about space technology.

If you want financial success, just keep learning.

21. Never give up

Never give up. On the way to wealth creation, many challenges will make you feel like giving up. You must resist this feeling at all costs.

Winners are failures that never quit. This is the only difference between successful people and everybody else.

Even if you tried something and it never worked, do not give up, try something else, or the same thing differently. This is the only way you will create wealth.

Final thoughts on wealth creation

Wealth creation is never easy but it is also never hard. It all depends on how well you follow the rules. If you follow these 21 rules of wealth creation, you cannot fail to get what successful people got.

As we pointed out, wealth gives people options. Poverty only limits the life we can have. Get wealth and you will be much happier and fulfilled.

BECOMING A MILLIONAIRE IN 3 YEARS

There has never been a convenient era to become a millionaire like this one. We have around 50 million dollar millionaires in the world.

The threshold for becoming a millionaire might be much lower in your country because of the strength of your currency relative to the US dollar. Nevertheless, the number of millionaires is on the rise. People are becoming millionaires by the day.

After doing massive research both in my life and in the life of other successful people, I discovered the secret to wealth.

These secrets are also biblical. It means that they are acceptable both physically and spiritually. If you follow this guideline, you cannot be poor again.

Step 1. Produce

This is the first step to massive wealth; production. If you look at the lives of all successful people, they are producers. Poor people on the other hand are consumers. This is where the transfer of wealth occurs.

More than 20 billion dollars is transferred every day from consumers to producers through trade. This is why the rich are becoming richer and the poor poorer.

Bill Gates produced Windows, Jeff Bezos produced Amazon, Robert Kiyosaki produced Rich Dad Poor Dad, Mark Zuckerberg produced Facebook, Henry Ford produced Automobiles, Donald Trump produced massive real estate apartments, Jack Ma produced Alibaba, etc. I produced Giimark and The Curse of Formal Education. What have you produced?

The foundational step of success is to produce one good item that satisfies a market need. Produce something that people need. Produce a good song, a good piece of art, a good book, a good business, a good invention, etc. When you do this, you will be 25% there.

Step 2. Reproduce

The second step is to reproduce what you have produced. Find a way of replicating your product or business. If it is a book, get more copies printed. This step may only apply to tangible products.

Intangible products like service businesses cannot be reproduced. If you have produced a tangible product, make as many copies as can satisfy your target market.

Step 3. Distribute

After reproducing your product, distribute it across the world. Find a way of getting your product to every doorstep. You can use established store chains for tangible products or the internet for intangible products.

If you have a good product in Nigeria that cannot reach a needy client in Paris, France, it is like not having the product altogether.

Door to door deliveries is not convenient if your target market is big. This is why you need to get the services of big store chains. If they see a good product, they will not hesitate to put it on their shelves. If it is an intangible product, then you are lucky.

Distributing your product on the internet is as good as free. The marginal cost of selling an extra product is almost zero. The main challenge is that the internet is overcrowded and the competition for visibility is extremely high. You will need to be unique and differentiated to be visible online.

Step 4. Dominate

Producing something and reproducing it is quite easy. Distributing it is also not so difficult. The most challenging thing is having dominion in the market. Millionaires do not just start businesses or make a product, they also dominate the market. This is what makes them millionaires.

How many people have the same kind of business as you do? Probably millions. That does not mean that all of them are millionaires. Many of them are broke and deep in debt.

It is only those who dominate the market that make a fortune. These people become the best and have the highest market share.

Dominating the market is not a walk in the park. You have to invest time, brains, money, and effort in doing so.

Dominion is a product of having a good product, finding a good distribution system, and getting the people to know and believe in your product. This is where marketing comes in.

You may have a good product that no one knows about. Even with good distribution, customers will pass it by when doing shopping because they do not know its uniqueness. Marketing bridges this gap.

Marketing is the process of telling the customer the benefits of your product. It also informs the client why they should buy from you and not the competitor. They need to know what makes your product different from the hundreds or thousands of competing products.

All millionaires market their products. Personally, I invest 20% of all my revenue on marketing. This is what I resolved to do throughout my life. I can attest that marketing pays. The returns are always higher than the cost of marketing.

A good product with bad marketing strategies will lead to poor results. On the other hand, a bad product that is marketed in the right way can do much better. This is because it is all about the positioning of the product in the mind of the consumer. It is an illusion, not a reality.

If you market a good product, it will make you a millionaire in atmost 3 years.

Conclusion

The four steps are easy in theory but very complex when it comes to implementation. You need thorough knowledge and skills to go through the steps successfully. It takes commitment and dedication to succeed in this. I can assure you that it will not be easy. This is why you need to get tough. It is like a jungle, the weak are always eliminated.

I can assure you that if you follow these steps successfully (While following all other laws of success), you will be a millionaire in 3 years or less. It is guaranteed.

10 SECRETS TO LIVING BELOW YOUR MEANS

Living below your means has almost become a cliché. It is widely used but rarely practiced. The idea of living below your means is exciting but requires great discipline to implement consistently.

To live below your means simply implies spending less than you earn. It means having fewer expenses and more income.

The secret to wealth creation is not earning money but multiplying what you earn. This is the whole idea of investment. Investment is the process of having money work for you; using money to make money.

No matter how much you earn, if you cannot multiply it, it will diminish rather than increase. This way, you become poorer rather than wealthier.

This is the mistake most people make; they think the ultimate goal is to get income. That is just a step in the progression of wealth.

If therefore, investment is the vehicle by which wealth is created, it means that you have to save enough money every month to put in a deal.

How do you save if you do not live below your means? It is impossible.

Savings + Consumption = Income.

- **Consumption** accounts for every expense you make that does not bring you extra income (This includes food, rent, fuel, gifts to friends and family, children's school fees, etc.)
- **Savings** refer to everything you put aside for investment purposes. This does not include what you save for precautionary purposes (An emergency fund). Therefore, savings equals investment. We assume that you invest everything you save. Many people don't. They save only to consume in the future.
- **Income** is everything you get after all external deductions. This is after you pay taxes, social contributions, etc.

If your consumption is below your income, you are living below your means. If it is higher, you are living above your means. This means that you have to borrow to finance your consumption habits.

In this regard, you have three factors to control if you want to leave below your means:

- You can increase your income.
- You can reduce your consumption.
- You can increase your savings

These 10 secrets will helps you in taking care of all the three factors. You need not control one but all of them.

Secrets of living below your means

- Have clear financial goals
- Increase your income

- Avoid the rat race
- Budget
- Pay yourself first
- Cut unnecessary expenses
- Negotiate your purchases
- Live off one income
- Do not follow the Joneses
- Track your spending

1. Have clear financial goals

This is the most important step to living below your means. You need to have clear financial goals.

Goals act as fuel for hard work. If you do not have clear goals, you will never have a reason to live below your means. Setting clear goals will enhance your financial discipline. This is important when implementing the other 9 tips to living below your means.

Characteristics of good financial goals

- They are super-specific. They state exactly what you want to achieve.
- Such goals must be measurable.
- They must be achievable within a specific time frame.
- They must be realistic.
- They should be time-bound.

If you need more on this, learn the art of goal setting.

2. Increase your income

If you want to have more left to invest, you can increase your net income. This proves to be a hard strategy for many but it works.

This is the best secret of living below your means. It means that you do not have to cut your expenses. You can keep your lifestyle but increase your net income.

How to increase your income:

- Get a second job
- Start a business
- Grow your profits
- Get a raise at your workplace

3. Avoid the rat race

The rat race is a situation where your expenses always catch up with your increased income. This means that as you get more income, you also increase your expenses.

Many people get a raise at work and they move to a bigger house. This is the rat race. They are always finding ways of consuming everything they earn.

If you will live below your means, you have to avoid the rat race. Use the extra income to invest and not consume. This calls for financial discipline.

4. Budget

Budgeting is a crucial part of financial planning. It is the process of allocating income to needs, wants, and savings.

There is a famous **50:30:20 rule**.

- Spend 50% on needs
- 30% on wants
- 20% as savings for investment purposes

This is the least any serious person can do. Successful people save up to 70% of their income.

Having a budget and sticking to it, come rain or sunshine, is a step in the right direction.

5. Pay yourself first

If you will live below your means, you have to pay yourself first. This means saving/ investing before consuming. You do not invest what is left after consuming; you consume what is left after saving.

This is what successful people do. It shows that your priority is investing and not consuming. People who save whatever is left after consuming rarely have enough to save.

Learn more about how to pay yourself first.

6. Cut unnecessary expenses

Must I buy this? This is an important question if you want to live below your means. Asking that question and answering it honestly is invaluable to your personal finance goals.

If the answer to the question is yes, you can go ahead and make the purchase. If the answer is no, do not make the purchase.

If what you a purchasing is not a necessity at that time, defer the purchase. Only spend on what is necessary; what you cannot live without.

This calls for delayed gratification and frugality. If you can cut all meaningless expenses, you can have enough left to save and invest.

7. Negotiate

Even if you have to purchase a commodity, you do necessarily have to purchase it at its stated asking price. You can always negotiate.

Many sellers will always state an asking price that is higher than what they are willing to receive for a product. This is more than a product is worth.

As a buyer, your goal is to buy something below its actual value. This is how you create value for yourself.

Negotiating is not a sign of lack or weakness, it is a sign of financial awareness and understanding.

I recommend you read Never Split the Difference by Chris Voss of black swan limited.

8. Live off one income

If you have 2 sources of income, you can decide to spend one and save the other. This is crucial when it comes to living below your means.

Having multiple sources of income (MSI) is not an option for those who desire financial abundance. You need to have several of them.

You can then allocate different uses to different incomes. For example, you can consume income from your job and save the one from your business.

As a family, you can decide to spend the salary of one spouse and save income from the other. This will help you live below your means.

9. Do not follow the Joneses

Never adopt a lifestyle just because somebody else or a certain group of people has adopted it. Let your lifestyle be determined by your income and your financial goals.

Many people borrow to buy a bigger car just because all the colleagues at work are doing it. This big car, whose purchase was more emotional than logical, will kill your financial life.

Be yourself at all times. Looking poor does not mean that you are poor. If you want to have financial success, be ready to look poor for a while.

By not buying what other people are buying now, you will be able to afford in future everything they cannot.

10. Track your spending

As the saying goes, what can be measured can be improved. You must be able to track and measure your spending levels to be able to control and improve them.

Track and record everything you purchase and at what price. At the end of the month, compile it against your income. If you are consuming more than 80% of your income, you are in financial danger.

You can then repeat the process of living below your means and keep tracking. After tracking, keep measuring, and improving.

Conclusion

There you go. Here are the 10 secrets to living below your means. The goal is to keep increasing your income and your savings. You can increase your savings by decreasing your consumption.

It is a guarantee that if you live below your means and invest what is left, you will get financial freedom sooner than later.

You owe yourself and your family a good life. This good life will not come by giving them everything they ask for now but by sacrificing now to afford a lot more in the future. Live below your means.

GETTING FINANCIAL FREEDOM IN 3 EASY STEPS

Financial freedom is the hidden want of every person on earth. Poverty is not as bad as death but I would prefer to die than to remain poor for the rest of my life. I grew up in absolute poverty.

While we could afford to eat three meals almost every day, I can remember days when we slept without eating. We could not afford decent clothes and shoes.

I grew up with a big gap between my front teeth and I hated myself for it. I was victimized by my high school mates. I lost confidence and my sense of humanity. I lived for years with just one shirt and one pair of trousers. All this is because we were poor. This is the first level of poverty.

This is why I hate poverty. I have tasted its fruits for many years and I can attest that they are not sweet at all. I made a decision that I will never be poor in life. I will be rich or I will die trying. For everything my parents and I had gone through, I could not live in the same house with poverty.

Unfortunately, many people are comfortable living in poverty. They are never tired of being sick and tired. They have made peace with what they are supposed to resist forcefully and eject from their lives.

Instead of working to change the situation, they give themselves excuses. Excuses and poverty are close relatives. They love each other. If you love excuses, you do not have to love poverty; it will come automatically.

Although your situation may not be as bad as mine was, you are still missing much from life if you are poor. Money gives people options. Poverty makes people slaves of circumstances.

You cannot eat what you want, drive what you want, or even travel to your favorite holiday destination when you are poor. You have to consume what is available other than what you want.

Many people are only able to afford basic needs and that's all. They can put food on the table, pay their rent, and dress well. After they have sorted these basic needs, they ran out of cash.

This is called the rat race. It is a situation where your income is equal or less than your expenses. In this situation, you work to pay bills. This is also a glorified form of poverty. It is the second level of poverty.

Other people have a good house and a nice car but that is all they have. They have a big job that they use to pay for their mortgage, educate children, fuel the car, and go on holiday once in a while. They have no assets or another source of income.

If they lose their job, they can no longer meet their immediate needs. Their house and car will be auctioned. The wife will run away and the kids will have to go to a free public school. This is the poverty that is with the middle class. It is the third level of poverty.

On the third level, people appear to have financial freedom though they are poor. It is very dangerous because everybody (Including them) thinks that they are rich.

They have a bloated ego and they think that they are doing well in life. When they are retrenched and they lose their job, they get into depression because they can no longer sustain their lifestyle.

No matter which level of poverty a person is in, it is still poverty. The common factor is that you are not financially free. Wealth is not measured by your ability to meet your basic needs or by where you live but by the number of valuable income-generating assets that you have. This is crucial.

There are only 3 reasons why people remain poor_ just three of them. If you can avoid these three reasons, you can kiss poverty goodbye.

1. Not making enough money
2. Spending more than they should
3. Poor or no investment

These factors can be mitigated by doing just the opposite

Step 1: Make more money

Many people do not make enough every month to make them financial freedom. For you to get a level of financial freedom, you have to make enough money and use it as seed capital to financial abundance.

If you are making very little, your expenses will be more than your income. In this case, you will have to borrow to live.

Many employees are underpaid. They are paid just enough to keep them alive. This is why no one gets financial freedom as an employee. Employees are paid just enough not to resign.

Even if you may not quit your job, you can start a side hustle and have extra income. You can subsidize the inadequacy of your salary by getting another source of income.

Financial freedom requires one to have multiple sources of income (MSIs). After you have developed your MSIs to a certain level, you can confidently quit your job and focus on growing your income without having to depend on a job.

Step 2: Check your expenses

People who get financial freedom are frugal. They know how to delay gratification. Such people live below their means. They do not make money and then use it to entertain themselves or show off. This is the character of poor people.

Make sure that you spend less than 30% of your income if not less. This will leave 70% as savings to invest. Never save to save, always save to invest. If your expenses are high, trim them and start walking into financial freedom.

What is the logic in eating everything today and having to work all your life? Why not sacrifice for a few years and live the rest of the years in abundance

Step 3: Invest

This is a critical step. This is what people who never get financial freedom don't do. They just save for retirement instead of investing.

After many years of saving, their savings are eaten away by inflation making them even poorer.

When it comes to investment, getting investment knowledge is key. This is called financial intelligence. After you have made more money and reduced your expenditure, this is the last step. Keep investing in good projects.

These projects will bring you financial freedom. The secret is to keep getting assets. These assets have to be income-generating assets and not liabilities in the name of assets.

If the assets do not bring you cash every month, they should appreciate in value.

Conclusion

If you follow these three simple steps, you will accumulate more than you can ever think of. Financial freedom will become your portion.

Do not live in poverty again, you are more than that. There is a life of abundance waiting for you. If you have any problem on your financial journey, contact us and we will gladly help you freely.

RETIRE EARLY, RETIRE RICH (7 STEPS TO EARLY RETIREMENT)

Everybody desires to retire early and retire rich. Retiring does not mean that you will not be working; it just means that you will not have to work. You can retire but continue working.

Retirement means that you get income even as you sleep. It means that you do not have to work to survive.

It is sad to report that very few people afford to retire early. Most people work until the government tells them it is time to retire. They retire old and broke. They have to depend on pension and other transfer schemes to survive.

Of course, this does not have to be you. If you follow these steps faithfully, you will retire young and rich.

I am planning to retire before I turn 30 years. This is why I am putting my house in order. I have been following these steps from a young age and I can attest that they work. Start following them today and you will retire in 5-10 years.

1. Desire to retire early and rich

This is the foundational step in this endeavor. You must develop a strong desire to be different from the masses. You do not have to work until you are old.

You can retire early and do what you love at any time. You can retire in 10 years and tour the world. It is possible. You just need to desire. A strong emotional desire will create enough push pressure for you to go out of your way to make it happen.

2. Be strategic

After developing the desire, you need to start having a long term perspective of your life. Develop some strong long term goals and a strategic plan on how to achieve them. Everything you do should aim at taking you closer to the goal.

Many people focus on the next day and the next month. They work to pay bills and buy luxuries. The main goal of most people is to pay rent, eat, and take their kids to school. Everything is about bills.

Successful people focus on things that matter. They focus on what has the capability of giving them financial freedom. Bills only take away money from your pocket. You cannot work to finance a liability.

3. Have financial intelligence

If you need to retire early and retire rich, you need to sharpen your financial IQ. If you make money without having financial intelligence, you will lose it. This is what happens to rotary winners.

You need to read books and blog posts on financial intelligence.

4. Start a business

This is the vehicle that will help you retire early and retire rich. It is the business that will become a financial magnet to transfer wealth to you over time. It will become a perpetual money-making system.

No one gets rich by remaining an employee. All wealthy people are business owners. The wealthiest politicians have businesses, the wealthiest sportsmen have businesses. Even the wealthiest employees are business owners.

You can start as an employee but you cannot remain an employee forever. If you remain an employee forever, you will die poor and miserable. Start a business and dedicate a percentage of your salary to growing the business. You can employ someone and pay them from your salary.

When the business is big enough to pay you, resign, and focus on the business. Even if you do not implement anything else in this topic, just try this one out.

5. Focus on the asset column

Many people focus on income rather than the asset column. This is the worst mistake the middle class makes.

A huge income does not mean that you are wealthy. It just means that you have a good opportunity to become wealthy. The question is, do you own the source of that income? Successful people are owners.

You may make money playing a sport, win a lottery, get a promotion at work, get a tender, etc. but that does not mean that you are wealthy.

You need to take the revenue and use it to buy assets. You can buy real estate, stocks, precious metals, etc. These assets make you wealthy.

6. Have multiple sources of income (MSIs)

This is a good way to get financial freedom and security. You need to have many income sources. These incomes should not be earned income but portfolio or passive income.

Have some sources of income that give you money to pay bills and buy luxuries. The rest of the sources should be used to grow your asset column.

7. Do not specialize

Many people become poor because of overspecialization. If you want to retire early and rich, you need to be a generalist and not a specialist. The more you specialize, the harder it becomes to retire and focus on something else.

I am not saying that it is bad to get higher education; it is recommendable. However, you need to get balanced. You need to have knowledge in many areas to be able to grow wealthy and retire early.

You cannot just specialize in physics or human resource; you need to know more in many areas. You need to have accounting basics, marketing, sales, communication, psychology, law, social media, etc.

This is the balance that makes people wealthy. The more you specialize, the more you get trapped and the less you know about other useful areas. Read my book on The Curse of Formal Education to understand more about this.

Conclusion

It is very possible to retire early and rich. It is a joy to do so. Young success is very sweet. Old success is boring and normal. Make a decision today to retire in the next 10 years and start working towards it.

You may have to make some major changes in your life but it is necessary. You may have to change your mindset and develop new habits that are in line with your new goal. All the best in this pursuit.

7 GOLDEN RULES OF INVESTING YOUR HARD-EARNED MONEY

Every day, we hear cases of people losing their hard-earned money because they made investment decisions carelessly. Many people just invest without understanding the base rules of investing.

Many people save money for many years only to lose it in fraudulent or loss-making investment vehicles.

Just imagine waking up early in the morning and going to bed late every day for 10 years to save something and then you lose the money through one poor investment decision?

This can break you no matter how strong you are. You have sacrificed so much to put away money in a savings account. You have denied your family and good life promising them a better one in the future and now, everything is gone.

These scenarios are very common. They happen every day. Thousands of people regret making investment decisions every day around the world.

Losing money is normal in the investment world. If you have never lost money, it means that you are not a serious investor. This is because losing is part of gaining.

I have lost hundreds of thousands in the investment world. This is not because I was not careful but because I made moves. I took the initiative to invest and I lost.

These are just a few scenarios. I have also made many good investments are reaped big. These gains have overshadowed the losses over time.

If you know what you are doing, the investment world will favor you.

Do not listen to all those risk-averse individuals who never do anything because they fear losing money. That is not the mindset of success.

Success calls for high risk because high risk equals high reward.

However, your risk has to be calculated. You do not just throw your money anywhere and anyhow and expect to win. You have to make educated decisions when investing.

These 6 rules of investing will guide you in your journey to success:

1. Never invest in anything before you invest in yourself

This is the cornerstone in the world of investment. You cannot afford to remain illiterate when it comes to investment.

When you listen to the greatest investors like Warren Buffet, you will notice that they have a sea of information about the area of investment. This is what they use to craft investment strategies and tactics.

They do not just understand key financial definitions but have gone ahead to master the topic more than all of us. This is why they win more than all of us.

You need to develop your financial and investment intelligence before you start injecting cash into different projects. If you do not, you will lose everything.

You can do this by taking an investment course. You can take certified financial analysis (CFA) courses or enroll for a diploma or degree in a local university.

You can also read books on the topic to gain more understanding. Books are written by experts and can be very insightful in your journey.

The intelligent investor by Benjamin Graham and Rich Dad Poor Dad by Robert Kiyosaki are good books to start with.

2. Invest only in what you understand

There is a very high tendency of people just imitating what is working for other people. They think that because it worked for so and so, they should also put their money in the same project.

There is so much that goes into managing investment projects. You need technical knowledge to get success.

If you invest in stocks without understanding how they work, you will lose everything. You would rather continue investing in your area of expertise as you gain more knowledge in the new industry.

This is why investment focus is important; you get to become an expert at one thing at a time. After you become an expert, losing money will become rare.

3. Never put money in one investment project unless you are an expert

This is a mistake many people make. You should never put all your money into one project unless you are an expert in that area.

Many people lose money because they believed in a project so much and drained their bank accounts. They end up losing 10-years savings.

Before you become an expert at investing in a certain industry, you, always be paranoid and diversify. Diversification reduces the risk of losing everything.

If you put money into five projects, chances are that at least 2 or 3 of them will succeed. Even if 2 or 3 fail, the ones that succeeded will cancel out the loss to bring you returns.

After you become an expert, you can now start putting everything in one basket. Your knowledge and skill will have increased and losing will not be rare for you.

4. Never make emotional investment decisions

Sometimes, people become excited about an investment idea and they drain their bank account into it. They use emotions rather than logic when making investment decisions. This is how they end up losing money.

Investment decisions should be made logically and not emotionally. Emotional decisions lack rationale and logic. They are mostly based on mere excitement and not concrete reasoning.

Just because someone presented an idea in a motivating way does not make it a good investment decision for you.

There are many good salespeople out there who are so good at what they do that they can convince you to invest in something that does not make total sense.

They will excite you rather than educate you. After the excitement is over, you will come back to your sense but it will be too late. You will have lost money.

No matter who is urging you to invest, take at least a week to ponder over it. This will increase your chances of reasoning the ide out.

5. When the deal is too good, think twice.

This is paramount. It ranks high among the rules of investing.

When someone presents something too good to be true, there is a 99.9% probability that it is not true. Your instinct will tell you when something is too good to be true.

There was a fraudulent investment vehicle in our country a few years ago called DECI. They promised to give people 3 times the money they invest within a few weeks.

Many people invested everything they had to invest. They sold their land, cars, and houses to invest. For the first few months, people got 3 times what they invested.

The word spread and almost everyone in the region invested. After a few months, people walked to DECI offices and they were closed. This is where they realized that they had been conned.

Billions were lost through that fraudulent vehicle and that money has never been recovered. Many people killed themselves, others went bankrupt and many have never recovered from that financial setback to this day.

Always run away from investments that promise so much. They are mostly false. In any case they are true, they will fail because they are not economically sustainable.

6. Always do your due diligence

When someone presents an investment idea, do not just take it. You have to do your research to understand how it works.

This research will help you understand what was never said during the presentation. As people present ideas, they only give the sweet part of it and leave out many underlying negative things.

Due diligence will help you unearth these negative things that were never discussed. You will have an opportunity to question and get clarity.

7. Give your investment enough time to generate enough returns

Time has an amazing impact on investments. This is the power of compounding.

Many great investors take a long position in their investment. This means that they do not buy today to sell tomorrow. They allow the investment to make them millions over time.

You can get more on this on **how to get a free asset** to understand more on how to treat assets that you get freely over time.

Conclusion

You cannot afford not to invest but you can also not afford to invest blindly.

These 7 rules of investing will prepare you for the ever-competitive investment world. The world is full of many fraudsters and many who promise heaven but deliver hell.

You have to be on the lookout to avoid losing everything you have worked so hard for in one day.

HOW TO PAY YOURSELF FIRST

Pay yourself first is an investment an personal finance concept that was put across by George S. Clason in his best-selling book, The Richest Man In Babylon.

The concept has become the cornerstone when it comes to saving and investment planning all over the world. Many financial advisors encourage people to use it and it works.

What it means

Paying yourself first means putting away money for your personal finance growth before you pay any bills or make purchases.

It means making you the high-priority bill. You have to pay yourself before you pay anybody else.

Paying yourself first means saving and investing a certain percentage of your income every month before you start spending it.

Do people do that?

Many people rarely use this concept. They pay everyone else first and they last.

Many people get income at the end of every month and they start paying their bills and buying different consumer products. After paying all their bills and buying these commodities, they then save what is left.

The problem is that after these spending, nothing is usually left for many people to save and invest.

People will always have wants. If saving and investing is not a priority, you will end up buying even what you do not need. You will buy products based on a mere desire. In this way, you will spend even what you were meant to invest in for the future.

To many people, paying themselves first does not make sense. This is because they reason too much. How can they save before paying the landlord? How can they save before taking away their monthly expenses? It does not make sense to an average mind.

Successful people succeed by putting themselves first. Their financial growth is important than the good feeling of clearing their bills on time. They would rather and invest and suffer than be happy in the short run and stagnate in the same financial position.

Robert Kiyosaki, in his book Rich Dad Poor Dad, elaborates on the concept. He explains how he always pays himself first and bills last. Here is an excerpt from the book

Now I can hear the howls from those of you who sincerely believe in paying your bills first. And I can hear all the "responsible" people who pay their bills on time. I am not saying be irresponsible and not pay your bills. All I am saying is do what the book says, which is "pay yourself first." And the diagram above is the correct accounting picture of that action. Not the one that follows.

My wife and I have had many bookkeepers and accountants and bankers who have had a major problem with this way of looking at "pay yourself first." The reason is that these financial professionals actually do what the masses do, which is to pay themselves last. They pay everyone else first.
There have been months in my life, when for whatever reason, cash flow was far less than my bills. I still paid myself first. My accountant and bookkeeper screamed in panic. "They're going to come after you. The IRS is going to put you in jail." "You're going to ruin your credit rating."
"They'll cut off the electricity." I still paid myself first.
"Why?" you ask. Because that's what the story The Richest Man In Babylon was all about. The power of self-discipline and the power of internal fortitude. "Guts," in less elegant terms. As my rich dad taught me the first month I worked for him, most people allow the world to push them around. A bill collector calls and you "pay or else." So you pay and not pay yourself. A sales clerk says, "Oh, just put it on your charge card." Your real estate agent tells you to "go ahead the government allows you a tax deduction on your home." That is what the book is really about. Having the guts to go against the tide and get rich. You may not be weak, but when it comes to money, many people get wimpy.

This is how many people reason. They cannot understand how the concept can be applied in our day to day lives.

There are several ways of making sure that you pay yourself first:

1. Reduce your expenses

This is the single most important tip in paying yourself first. You have to cut your expenses to make sure that they do not eat into your savings.

If you try to save without cutting your expenses, you will always take from your savings to finance your high spending. Cutting your expenses means that you have more money to save and invest.

To reduce your expenses, you have to first identify where your money is going. This will unearth what consumes a big part of your income.

You can then cut these expenditures by a certain percentage. You can move to a cheaper house, sell your car and buy a smaller one, take your kids to a less expensive school, reduce your entertainment budget, and so on.

2. Open a savings account

You need to have an account where you will be depositing your savings. The account has to be offering an above-average interest rate. This will make sure that your savings are not eroded by inflation.

This account should probably be a fixed account to avoid withdrawing money for expenses during hard times.

3. Automate your savings

You need to make sure that you remit the savings to your account by automating them.

You can give an order to your bank to deduct the specified amount of money from your income and deposit it in your savings account.

This will relieve the hassle of having to bank every month. It will also enforce your discipline of saving.

4. Send certain incomes directly to your savings account

You should have multiple sources of income (MSIs). You can then decide to send income from several of them directly to your savings account. That is income that you set aside to invest.

5. Grow gradually

You ought to start small and grow gradually. You can begin by putting away just 10% of your income to the account. As you develop more financial discipline, reduce your expenses, and grow your income, you can increase this amount.

You can even save 80% of your income over time. It is very possible.

Conclusion

Paying yourself first is a strategy that you ought to adopt. It is a sign of self-love and a commitment to your financial growth.

Do not pay everyone else and forget to pay yourself. Pay yourself first and everyone else from what is left. This will give you the motivation to work harder to service your bills.

HOW TO GET A FREE ASSET

This is a powerful idea that Robert Kiyosaki puts across in his bestselling books Rich Dad Poor Dad. It is an idea that is so easy to understand and implement yet so hidden to the majority. This topic will teach you how to get a free asset. However, let us understand several things about assets.

What is an asset?

An asset, according to Kiyosaki, is something that puts money in your pocket. In short, an asset is an income-generating investment.

Rich people buy assets, the middle class buys liability thinking that they are assets while poor people buy liabilities without thinking of assets.

Examples of assets include real estate, stocks, precious metals, public service vehicles, businesses, government bonds, etc.

Many people buy liabilities thinking that they are assets. People buy personal cars and build expensive houses terming them as their greatest investments. This is what keeps the middle class in a state of financial stagnation.

Different classifications of assets

Assets can be classified differently. Let us look at several ways of classifying them.

1. Tangible versus intangible assets

This is the most common classification.

Tangible assets include everything that you can see or touch. They have a physical substance. Real estate, precious metals, businesses, etc. are all in this category.

Intangible assets cannot be seen or touched. They include intellectual capacity, intellectual property, your connections, your mindset, etc.

2. Long term versus short term

A long term asset is one that is held over a long period. They are not intended to be disposed of soon. This includes pensions funds, long term bonds, stocks, real estate, etc.

Short term assets are those that are bought for purposes of being disposed of soon. This includes business inventory, short term bonds, short term stocks, etc.

Other definitions

Wasting assets

This is an asset that irrevocably depreciates.

These assets should only be bought after doing serious financial calculations. They include cars, plants, etc.

Current assets

Current assets are those that can easily be converted to cash.

These include business inventory, short-term investments, receivables, deposits, cheques, etc.

Fixed assets

These are assets that are purchased for the long term and continuous use. In business, they are known as PPEs (Property, plants, and equipment).

They include buildings, furniture, machinery, etc. These things have to be used to make money for them to be termed as assets.

How to get a free asset

It is possible to get a free asset using an existing asset. This is very easy.

If you invest 1 million in stocks that end up appreciating by 10% every year, you will have stocks worth 1.1 million after one year. After 2 years, the value of the asset will be 1.21 million.

After 5 years, the stocks will be worth 1.61 million. This is the power of compounding.

If you sell stocks worth 1 million to recover your initial investment, you will have stocks worth 610,000 left.

This is a free asset. It is an asset that you have gotten over time.

After withdrawing the initial investment, you can keep the free asset and invest the initial capital in another investment vehicle.

You do not have to mind about the free asset because it is free after all. Even if it depreciates, you do not have much to lose.

You can also keep the free asset for the long term. This free asset will give you other free assets over time. This is how wealth is created.

Other scenarios

Real estate

Assume that you buy a piece of land worth 1 million and it appreciates to 1.2 million after one year. You can sell the land at 1.2 million to recover your initial investment of 1 million.

You can then reinvest the 200,000 by buying another piece of land. This is a free asset. You can then invest your 1 million in another investment project.

This can be replicated in all forms of assets. It is an investment strategy that makes the many rich.

If you keep accumulating these free assets, your net worth will skyrocket. This is how one million becomes one billion over time.

Conclusion

Understanding assets is an important step in wealth creation. Understanding how to get a free asset is also a crucial step in the right direction.

In all you do, you have to keep accumulating income-generating assets.

7 FACTS ABOUT MONEY- WHAT POOR PEOPLE DON'T KNOW

You can agree with me that money is an important matter in life but also very sensitive. The majority of people prefer not to talk about it.

When we talk about money, many people become defensive. This is their crafty way of avoiding the fact that they do not have enough. In their defensiveness, it becomes extremely hard to educate them about the subject.

Despite money being integral to our daily lives, only a small percentage of people understand how money works. Other people only know that they need more money. This is why they work every day.

The more people keep running after money, the more it keeps evading. This is because you do not run after money, you attract money. When you get what it takes to attract it, it comes to you effortlessly.

As money keeps running away from people, many choose to avoid the topic. They become victims and bury their heads in the sand to avoid seeing the forest fire. Burying their head in the sand does not stop the fire from burning them.

Let us consider 7 facts that everybody needs to know about money:

1. Money is the medium by which earthly success is measured

When I talk to people about money, I get this strange question. “Are you saying that success is only measured by the amount of money you get?”

This is a common question amongst people who do not have enough money. Although money is not the only measure of success, money is the measure that people use to gauge the level of success.

Let’s face it.

Who thinks that a person with no money is successful? The answer is no one. Who does not love to be around a person with lots of money? No one. It is just how it is.

As it is, money is the gauge for success.

You have to convince yourself that money does not equal success. Money, as it is, is a product of success.

2. Money makes possible the enjoyment of the best the world has to offer

Money gives people options. It makes them have a pool of choices. They decide what they eat, what they do, who they marry, where they go, when and for how long, the means they use, etc.

Even if money cannot buy happiness, money can boost your happiness. If you think that is not true, try asking a person who is facing auction to smile.

Not having money can bring an unbearable sorrow. You can deny it but you cannot avoid it.

3. Money is plentiful for those who understand the simple laws which govern its acquisition

There is no shortage of money in this world. Even in a recession, no money goes to space. Money is still on earth. It is just that it is in shortage in your bank account not in the world.

Some laws govern how people acquire, protect, and multiply money. If you understand these simple laws, the money will come to you easily and effortlessly.

If you fail to understand and live by the rules, you become poor all your life. This is not what any of us want.

4. Money is a product of effectiveness in service

Money does not follow money, it follows effectiveness. There is a certain way you do things and end up attracting lots of money. It is not attracted to how much you start with but by how you do what you do.

If you can find a way of serving humanity effectively, you will not lack money. You have to have service in mind. You also have to serve people excellently that they choose to pay for your service.

The richest people in this world did not start by wanting to have a billion dollars in the bank. They started with a desire to be effective in solving a need. They wanted to change humanity for good and leave a legacy.

If you can have the service mentality, you can overcome lack and its effects. Be ready to give your services for free when need be. Achieve excellence and mastery and have people pay you to serve them.

5. Money is to used not stored

People make the mistake of hoarding money. Money hates to be stored. It loves to be used.

Money loves to circulate. This is why it is called currency. If you put money in cash form, it will hate you and you will lose it.

You have to keep exchanging money for assets. Always store your money in asset (Solid) form and not cash (Liquid) form.

6. Money is not evil; it just reveals the evil in men

Money is neutral and righteous. Money has never been wicked. It can be used to do wicked things but it is not evil by itself.

When a wicked person gets money, he uses it to accelerate his wickedness. When the money gets to a righteous person, it helps the person promote and multiply his good deeds.

Look at the good things people are doing using money. Some people are funding foundations using their money. People use money to feed those who are starving, research solutions to major problems, and grow businesses that make our lives better.

Therefore, it is not the money that is evil; it is the person controlling the money. It is very dangerous for a wicked person to have money.

7. Money is not the end but the means to an end

Many people desire to have money. After they get the money, they do not know what to do with it. They end up wasting it.

Others say that they will be happy when they get a certain amount of money. They make money the end while as it is just a means to the end.

Your goal should be to impact lives with your money. Earn so much so that you can be able to do much.

Having a bigger purpose as to why you want money will bring fulfillment. If you lack a higher purpose, you will get it and still be hollow in your soul.

Conclusion

As many people become poorer because they do not understand money, do not be one of them. Money is wonderful and we all know that.

Do not allow that negative inner voice to tell you that you do not deserve to have it. Do not let it convince you that you cannot have it. If you abide by the rules, even the sky is not the limit.

10 RULES OF MONEY YOU NEED TO FOLLOW

It is astonishing how easily rich people make money. It is also astonishing how everybody else struggles to make it. The difference is in understanding the rules of money.

Why do people who went to the same college get to very different levels in life? It must be because of something that was not taught in school. If it was taught in school, the two classmates would get the same level of success.

Have you noted that when people start making legit money they never go back to poverty? They continue making much more. It is because of the understanding of money they receive. Once they receive it, money flows to them easily and effortlessly.

Many people struggle in life not because they do not work hard but because they do not understand the rules of money. It is that simple. In fact, some of the most hardworking people struggle the most.

Most of the ultra-wealthy people do not even work. They are retired but they continue making millions. They have understood the rules of money. With the understanding, they make more in a day than most people make in a lifetime.

You may know everything else but if you do not understand the rules of money, you will never make enough.

10 rules of money you should know about

Here are the 10 rules of money that every successful person understands and follows. Learn them keenly and write them down. They will change your life.

1. Pay yourself first

Paying yourself first means putting away money for investment purposes before you start consuming your income. It means investing before consuming.

Many people consume their income and invest what is left. Most of the time, nothing is left after consumption because they do not leave below their means. This keeps them poor.

Successful people decide to invest a specific percentage of their income every month. When they receive their income, they immediately put away the investment capital. They then budget for what is left.

Paying yourself first calls for financial discipline. Learn more about how to pay yourself first.

2. Make money work for you

Successful people never work for money; they let money work for them. Just this one simple rule can bring a paradigm shift in your finances.

Instead of going to work every morning to get a paycheck at the end of the month, deploy money to bring you more money.

Your money can work for you 24 hours a day, 7 days a week, and 52 weeks a year. It never strikes, never gets tired, never sick, and never needs any leave.

This is how successful people make money even without working. Money is busy working for them.

If you do not find a way of having money work for you, you will never make a fortune.

3. Learn how to invest

To make more money, you have to invest what you have now. This is what money working for you is about.

All ultra-wealthy individuals are great investors. This means that they know how to multiply their money. When they receive 1000, they know how to make it 10,000.

This is how a poor person becomes financially stable. It is how a financially stable person becomes a millionaire. It is also how a millionaire becomes a millionaire.

4. Always spend less than you earn

This is called living below your means. It means sacrificing the little you have now to enjoy much in the future.

Many people spend everything they earn. They even borrow more to finance the deficit in their income and lifestyle. This is financial suicide.

When many people get a higher income, they also increase their expenses to match the new income. This is called the rat race. When they get a pay raise, they think of moving to a bigger house or buying a new car.

If you will get successful, always live below your means. You can then invest the income above your expenses. If you do not, what will you do when you will not be able to work? You will have to get financial assistance to survive.

5. Do not be a hater of money

If you hate money, it will run away from you. Money is only attracted to people who love it directly or indirectly.

If you do not believe that you are not talented enough to make money, you hate money. If you believe that money is evil, you will hate it. When you hold the belief that all rich people are crooks, you just hate money.

Every negative thought, word, or action you do shows hatred for money. You have to fight those beliefs that keep people poor. Also, avoid making excuses.

Believe that money is neutral. It is people who are evil.

6. Learn to earn passive income

Passive income is the income you make without working. With passive income, you can be asleep but still make money.

As the adage says; if you do not find a way of working as you sleep, you will have to work all your days.

7. Have a plan and set goals

If you do not set goals, you will not be motivated to go out and work. Goals act as fuel for our hard work.

When setting goals, make sure that they are big enough to challenges you. Make sure that they are big enough to make you look crazy.

All successful people have big goals. These goals motivate them to work extra hard as other people sleep.

8. Money is a game, learn how to play it

Money is a game. In this game, you may lose money or make more. When you make money, you are happy. When you lose money, you learn.

If you take money as a game, you will enjoy what you do and make your life more fulfilling. You will not give up when you lose money because it is normal.

If you do not lose money, it means that you are not making any initiative. When you start doing something worthwhile, you will lose money. If you do not give up, you will make much more.

9. Do not be a slave of money

Money is a good servant but a bad master. When you become a slave of money, you will become the evilest person on earth. Money can make you do the unthinkable if you do not have self-control.

Developing a strong mindset and having internal controls will make you a master of money. You will not change after getting enough money. You will still be kind, caring, and humble.

10. Use money to solve problems in the world

After making money, use it to make the world better. This is called philanthropy.

For example, Bill Gates is using his billions to eradicate diseases and promote education globally. Warren Buffet has pledged 99% of his wealth to charity after death. This is what life is about.

You can opt to start a foundation or a social business to help eradicate a problem in your community. Even educating one poor lad is philanthropy. It is not how much you give but how much is left after you give.

Conclusion

Making money is easy for those who understand these 10 rules of money. On the other hand, it is very hard for those who do not understand the rules. It all depends on where you are positioned.

These rules of money are strong enough to make you financially free if you follow them diligently. They will make you everything you have ever wanted to become. This is a guarantee.

10 SERIOUS REASONS WHY MOST PEOPLE DIE POOR

Poverty, not death, is the greatest enemy of mankind. We only die once. When you are poor, it is an everyday struggle. Some people struggle with lack and poverty all their lives. This is the worst kind of life anyone can live on earth.

Human beings were created to prosper. This is why the maker created so many resources around us. However, most people do not see the abundance in the world and thus, they remain poor.

Poverty is not a product of poor education or background. It is a product of living and doing things the wrong way.

There is a way you do things in life and you can never be poor again. It is not the amount of work that you do but how successfully you do what you do.

Look at this: someone may spend the whole day on the farm all his life and never make a fortune in life. Another person may work for 2 hours every day for 5 years and make millions. This is what we are talking about.

Here is why people live and die poor

1. Trading time for money

People who trade time for money never get much in life. If they are lucky, they make it when it is too late.

Trading time for money means getting paid based on the amount of time you work. It means that you have to work from 9-5 every weekday to get a paycheck at the end of the month.

People who overcome poverty are paid based on value, not time. Such people are paid for getting results not putting in the hours. It is proven that these people make more in less time.

People who trade time for money may spend 40 years working in a job just to make a million. People who are paid based on value can get a million in one contract.

2. Consuming rather than producing

People who remain poor in life never produce anything; they only consume what is produced by someone else.

Successful people focus on producing for other people to consume. This is where wealth is transferred.

Consumers keep spending money on products while producers keep making money from what they produce. With this, poor people become poorer while rich people continue in riches.

3. Seeking quick fixes

Poor people love taking short cuts. They do not realize that short cuts are always long in the long run. Short cuts do not create sustainable wealth. They only provide a temporary reprieve.

Successful people hate quick fixes that have no long term advantage. They would rather grow slowly but steadily.

Playing lottery and gambling is not their thing. They invest hours upon hours producing something and introducing it into the market. It may take them several years to be successful but it is the only sustainable way of making wealth.

4. Never investing

Poor people rarely invest. They consume everything they make.

If you want to be successful, you have to do everything it takes to invest something at the end of the month. You have to live below your means and avoid the rat-race.

Seek ways to make more money so that you will have enough to invest. You may take a second job or start a side hustle.

Also, minimize your expenses. As your income increases, let your expenses decrease. After you do this, always pay yourself first. This is how you will rise above the limitations of poverty.

5. Lack of entrepreneurial skills

If you want to be successful, you cannot afford not to start a business. All ultra-wealthy individuals are business people.

Starting a business is easy but scaling it is hard. This is why you need to sharpen your entrepreneurial skills.

It is proven that a lack of entrepreneurial skills among the founders is the leading cause of startups' failure. For this, you have to make sure that you are learning every day.

6. Ignorance and arrogance

Ignorance is worse than a disease. It is a leading reason why people remain poor. When ignorance is mixed with pride, it becomes arrogance.

People who are ignorant and arrogant do not see the need to learn. They think they know everything already. Such people do not seek mentors nor read books.

The more they resist knowledge, the more they lack the ideas and skills of wealth creation. They remain poor or average all their lives.

7. Comfort over progress mentality

If you value comfort over progress, you will never make it in life. Successful people make progress at the expense of comfort.

Have you heard people say statements that are retrogressive just to promote comfort? It is very common. These are statements like, “Science recommends that we sleep at least 8 hours a day.” Or “If you stress yourself too much, you will become sick.”

Although these statements are correct, many people use them to justify their laziness. They do not want to do what brings pressure in their lives. They also want to oversleep.

If you are going to overcome poverty, you need to stop seeking comfort and start seeking progress.

8. Continuing in bad habits

If you are going to overcome poverty, you have to quit some self-destructive habits.

These habits include drug abuse, alcoholism, jealousy, hatred, sexual immorality, gossip, pornography, etc.

All these habits take away your mental and physical energy and focus. You cannot have them and become successful.

9. Poor beliefs

Poor people have some beliefs that keep them poor all their lives. Successful people, on the other hand, have beliefs that make them even wealthier.

You cannot succeed beyond the level of your beliefs.

10. Blaming others and making excuses

Poor people love blaming others. They also love making excuses. Although the excuses are genuine, they comfort them in poverty.

If you want to be successful, never blame anyone for what is happening in your life. Even though someone messed your life up, blaming them will not change the situation. You have to make it your responsibility to fix it.

Excuses and progress cannot dwell in the same block. If you will make progress, you have to stop making excuses. If you make excuses, you will never make progress.

Conclusion

It is not your destiny to remain poor. Progress and success are your default settings.

The first step to overcoming poverty is making up your mind not to be poor. The second step is working towards success. It is that simple.

If you avoid these 10 reasons why people remain poor, you will be successful without fail.

WHY 99.9% OF EMPLOYEES ARE POOR

More than 99.9% of employees are poor. More than 70% of employees retire poor and have to depend on social security and other transfer programs to survive.

The big question is why would a person work for 40 years, having a constant salary every month, and still retire poor? It is ridiculous.

I have friends who held big positions in the public and even private sector but they are still poor at retirement. These were not just junior employees but senior officers earning hundreds of thousands.

After studying the situation for long, I figured out why almost all employees end up poor.

How much companies pay their employees

I did a study that showed that companies only spend around 5% of their gross profit on salaries.

Despite the employees working hard to make the profit for the business, they only get 5% of what is made by subtracting the total sales over the total cost of sales.

The bigger problem is that few people at the top earn more than the majority at the bottom. The CEO, Vice Presidents, COO, CFO, etc. take almost everything as the junior officers take home nothing.

This means that after subtracting the expenses (Which might be catered for by the additional income from the non-core business), shareholders get everything else.

Individuals behind the corporation

Every corporation in the private sector is owned by people. These people are called shareholders. These are the people who get everything. Employees work for them.

Shareholders never show up to work. They have understood the secret of success. They leverage the effort and experience of other people to succeed.

The work of shareholders is to travel the world and work only when they want to. They do not have to work. At the end of the financial year, they take home millions in dividends and still retain their shareholding.

Even if they do not get dividends, profits that are plowed back into the business grow the business and make their shares more valuable.

Why not become a shareholder? All they do is enjoy life and smile to the bank.

Going up the corporate ladder?

As we grow up, our teachers and parents tell us to work hard and get good grades so that we can get a good job. They then advise us to work hard, specialize to get promoted.

Everyone in the organization wants to become the CEO. However, only one person can be the CEO at any particular time. This means that many never get to become CEOs. They chase what they never achieve.

Why not start a company of your own and become a CEO right away? Of course, you have to hustle your way up but it is all worth the effort.

If the probability of becoming a CEO in the corporate world is one in every 10,000, it is not worth aiming to become one. That is like gambling.

Just become one right away and build your empire. In your empire, no one can fire you or control your income.

The fallacy of promotion

Employees spend their lives chasing promotions. Assuming you are a junior officer in a company. You are told to work for 3-5 years diligently to get promoted. After 5 years, your salary increases by 500 dollars. Are the 500 dollars worth the 5 years of diligence?

You often see go-slows and strikes on the streets of workers asking for a pay rise or allowances. After a week on the streets, each receives a 20 dollars allowance package and they go back to work. Is this worth the time and effort?

This life strategy is a big fallacy of the majority.

Why lose control?

Why leave your income in the hands of people who have no concern over your needs? Your employer only cares about your output and not your welfare. He wants to pay you as little as possible to increase his revenue.

This means that employers are pursuing their interests, not yours. If that is true, why do you allow them to determine what you earn? Your pay rise is at their mercy. They decide what you earn even without considering the increase in your bills.

To be successful, you have to take control of your income.

10 reasons why employees are poor

Here are 10 reasons why 99.9% of employees are poor.

1. They do not own any system

Success principles have not changed over the years. The factors of success may change but the principles are the same.

In the hunting and gathering age, the chiefs owned the big titles and the villages and people hunted for them. In the agrarian age, those who owned the plantations became successful while the rest remained poor.

In the industrial age, those who owned the factories made fortunes while everybody else struggled through life. In the information age, those who own timely and relevant information get rich.

This means that ownership is the principle of success. This is why the most successful people are business owners.

Employees become poor because despite working for a money-making system, they do not own it. They are like the people who hunted for the chiefs or the peasants who worked in farms.

Own something today. Even if you do not quit your job, start a side hustle and let others work for you. In all you do, make sure you own a money-making system.

2. They focus on a fixed income

Employees have a constant income that only changes after many years. This means that no matter how much effort they put, it does not necessarily bring more income.

How do you grow rich by relying on a fixed income? It is not possible. To become rich, your income has to increase over time.

The prices of goods increase daily. This means that your income will have less purchasing power tomorrow. If your income is constant and yet the prices of goods are increasing, is that progressing or retrogressing?

Successful people never rely on a fixed income. This is why Donald Trump gets only 1 dollar as the President of the United States. He is not interested in fixed income. His profits from the Trump Organization are enough.

Profits have exponential growth. As a business person, you might be broke today and a millionaire tomorrow.

3. They work for money

Working for money is the wrong strategy for wealth creation. Successful people let money work for them. This is the power of passive income.

If you have to rise early in the morning every day to go to work to get income, you are in big trouble. What happens if you cannot work again?

Wealthy people get money even as they sleep. Money is working hard for them day and night. It is this income that makes people rich.

4. They trade time for money

Employees sell their time to get money at the end of the month. This is why they have to report to work at a certain time and leave at a certain time. Their salary is pegged on the number of hours they offer.

Employers, on the other hand, understand the value of time. They look for people with time and hire them.

Time is more valuable than money. This is because time is a fixed resource. It is an equalizing factor in life. Money is not a fixed resource, more and more can be made every year.

Successful people are not paid based on the amount of time they work but on the value they provide.

5. They love security more than risk

Employees will always be looking for a secure job. Security is more important to them than the potential reward of risk. As they seek security, they fail to focus on the reward.

Employers, on the other hand, take a lot of risks. This is how they make millions. High risk is always related to high returns. High risk, high reward.

6. They follow well set out rules

Employees are encouraged not to break the rules. They have to follow them to the letter. When they break rules, they are fired. This hinders a great factor of success; creativity.

Entrepreneurs grow by breaking rules and setting new ones. This encourages creativity and innovation.

To be successful, you have to think outside the box and break some rules. You cannot just follow without questioning. The corporate world is not the best place to do that.

7. They have no control

Employees lack control. They are told when to report to work, when to go home, when to go on leave, what they should do for the day, the goals they should achieve, what they should earn, etc.

This shows that employees lack control over their own lives. This is not the best environment for success. To get success, you have to be 100% in control of your life.

8. They specialize

Employees work in a single department. They get to know everything about that department and nothing about any other field of work.

Due to that, employees want to get postgraduate education in a certain specialty. As they specialize, they know more and more of less. They soon realize that they are trapped. They cannot do anything else because they only know about their area of specialization.

Entrepreneurs have to know everything. They know less of more. Even if they get further studies, they do not specialize, they take a general course like an MBA.

Make sure you know something in every relevant area of your life. Avoid being trapped in a single-specialty unless that is your desire.

9. Most hate what they do

I have interacted with many employees and I know this for a fact. Many employees hate their job. However, they do not dare to quit because of fear. Remember, their greatest motivation is security.

They would rather suffer in a job they hate than quit and lose security.

When people graduate, they just apply for any available job. They do not care because their greatest goal is just to get a job. After some time, they realize that the working environment is so limiting and they become bitter.

Since they do not want to quit, they suffer all the way and become bitter in life.

Entrepreneurs start a company they love to manage. They get satisfied to see it grow. They enjoy working on it day and night. This is what true life is about.

10. They are many

Since employees are very many, they tend to earn less. Why are teachers underpaid and doctors overpaid? Because teachers are many but the doctors are few.

When the supply for labor is more, its price (wages) decrease. This is a general economics principle. As more and more people offer their services, employers can afford to pay less because there are more people in the job market.

As more and more people graduate and become potential employees, wages will keep reducing. Employees will earn less and less in the future. Many others will lose their jobs because of technology and automation of jobs.

To be on the safe side of life, you have to distance yourself from the masses. This is because the masses are always offered a bad deal.

Final thoughts on why employees are poor

If you want success, you cannot be an employee. You have to be an employer. Even if you will be an employee in one company, make sure you are an employer in another.

The strategy of working for promotion is not financially sustainable.

Lets recap. 10 reasons why employees are poor:

- They do not own any system
- They focus on a fixed income
- Employees work for money
- They trade time for money
- They love security more than risk
- Employees follow well set out rules
- They have no control
- They specialize
- Most hate what they do
- They are many

HOW TO SURVIVE HARD ECONOMIC TIMES

Hard times may be catastrophic but most of them never last long. Take COVID-19 as an example.

Surviving COVID-19s hard economic times is a priority not just for individuals, but for businesses and even governments.

Covid-19 has destabilized all economies around the world. Many countries are now revising their projected GDP growth. Many will even have a negative growth rate. These included both developing and developed countries.

Businesses have been highly affected. With people having less money in their pockets, the demand for commodities has drastically decreased. This means that businesses are making fewer sales and therefore, less revenue.

Even though governments and businesses have been affected, individuals are the greatest victims of this pandemic. Hundreds of millions have lost their jobs in the last 6 months. Many cannot even feed their families. Governments have to subsidize the livelihoods of their citizens.

As lockdowns are enforced in the majority of the states, many people cannot do their daily economic activities. This has mostly affected the informal sector. In most developing countries, the informal sector employs more than 90% of the total workforce.

Despite the hard economic times, there are proven ways to survive. This situation can last for about a year before vaccines are tested, approved, and distributed.

This calls for short term survival measures. However, the short term survival measures should not replace your long term strategy. This is because the pandemic will not last forever.

Here are 5 proven ways of surviving hard economic times:

1. Get a side gig

In hard times, it is important to get a side hustle. This side hustle should help you settle your bills and survive. You have to do whatever it takes to survive and grow.

Agility is a crucial factor of success. Any person who wants success should be flexible to adjust as situations change. You cannot be rigid because you will end up bankrupt.

Tough times call for tough measures and decisions. You may have to do what you have never done. You cannot afford to have an ego during tough times.

Decide to survive these tough times at all costs. Make your hands dirty if you have to. This is for the sake of your family and your dreams. Do not discriminate against any activity that brings you cash, no matter how dirty it is.

The easiest side gig you can start is to sell fast-moving consumer products. These are products that people use daily. They can easily pay your bills as you work on your long term goal.

You can also start online tuition for learners. During this time, schools in many countries are closed indefinitely. You can make around $50 every week by teaching a few students.

The best side-gig is determined by your skillset. If you can write, you can make money writing articles for different sites. If you can coach people, you can organize webinars. Your area of expertise and gifting can serve you right during this time. You just have to think of a way of monetizing it.

2. Reduce your expenses

This is the time to live like a miser. You have to live way below your means. This is where austerity measures for your home prove to be useful.

At this time, only spend money on necessities. Avoid purchasing wants. Luxuries should not be on your shopping list.

You may have to use public transport to avoid the cost associated with private transportation means. You can move to a cheaper house. Avoid eating in expensive hotels.

The golden rule here is: only buy what you need and not what you want.

3. Negotiate with your creditors

This is the time to negotiate with the people you owe. This is one of the most common ways of surviving COVID-19s hard economic times.

If you are renting, you can negotiate with your landlord to either have a rent cut or have a grace period. Many landlords will not object to this. This is what many governments are urging landlords to do.

If you were servicing a loan, you can renegotiate with your bank to have reduced interest rates or a grace period. Many banks are giving their debtors 3-6 months grace period.

As a small business, you need to negotiate with your suppliers for lower prices or an extended credit period. This will ease your pressure from current liabilities.

As many governments encourage this, you cannot afford not to take advantage. Renegotiate your payables and you will have something left to survive and grow.

4. Get a loan

This is not very advisable. It should be the last option on your list. However, if your cash position was strong before the pandemic, you can opt to get a loan. When the old normal resumes, you can pay off the loan.

At this time, many financial institutions are not willing to give people loans. This is because the default rate is very high.

However, if you have had a good relationship with your bank, they will not mind bailing you out.

Once you get the loan, make sure you invest it in growth. It should not be for consumption purposes. If by any means you consume it, it will greatly jeopardize your financial future.

Conclusion

In whatever you do, have the will to survive hard economic times. Where there is a will, there is a way.

The period may be trying and hard for a good number of people, but as many as have the will to overcome, they certainly will.

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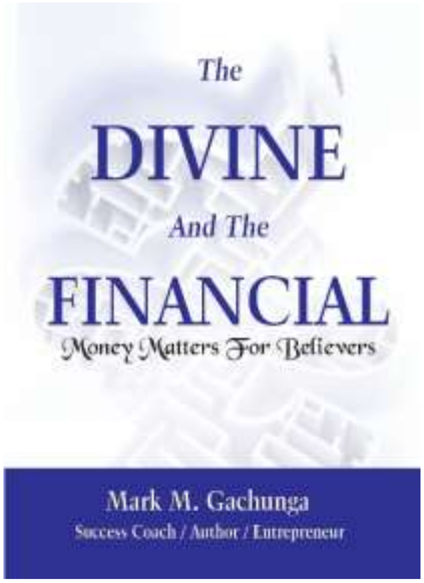

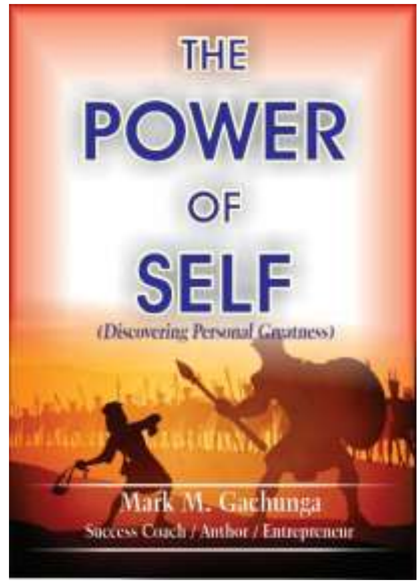

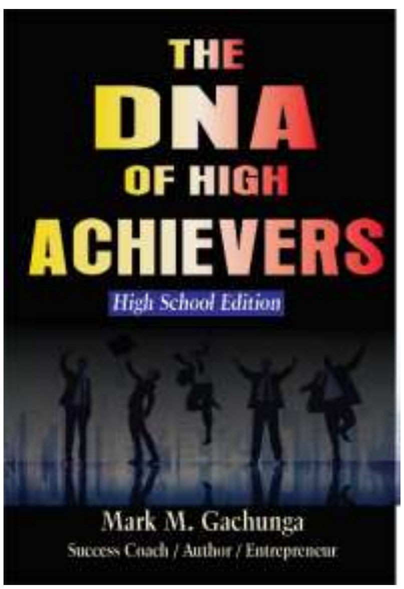

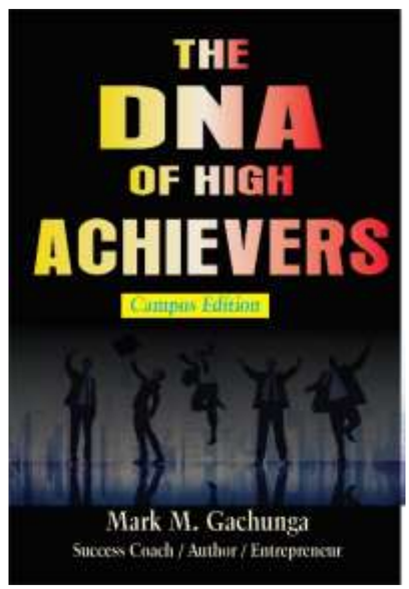

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Thank you.

The end