

Assets, liabilities and the difference most people never see

Upcoming episode

The best-selling personal finance book of all time, and one of the most disputed. A walk through the ideas in Rich Dad Poor Dad – assets versus liabilities, cash flow, the rat race – and an honest look at what the criticism is about.

THE BOOK THIS EPISODE IS ABOUT

Rich Dad Poor Dad – Robert T. Kiyosaki

1997

MAIN TOPICS

- Kiyosaki's distinction between assets and liabilities
- Cash flow as the measure instead of salary
- Why your home may be an expense rather than an investment
- The rat race – why a higher salary does not solve the problem
- Working to learn, not to earn
- Financial literacy as a skill you can train
- The criticism of the book, and what is actually disputed

QUESTIONS THIS EPISODE ANSWERS

- What is the real difference between an asset and a liability?
- Is my home an investment or an expense?
- What does Kiyosaki mean by the rat race?
- Why does a higher salary not make you rich?
- What is passive income, and how do you build it?
- What is the criticism of Rich Dad Poor Dad?
- What is worth taking from the book, and what should you ignore?

KEY POINTS

- Kiyosaki's definition is simple: an asset gives you money, a liability costs you money.
- Cash flow says more about your finances than your salary does.
- A higher salary does not solve the problem if spending grows at the same pace.
- Financial literacy is a skill, not something you are born with.
- The book is disputed, and its advice is vaguer than it seems.

SOURCES AND REFERENCES

- Robert T. Kiyosaki – Rich Dad Poor Dad (1997)

This is general information, not individual financial advice.

AI is used as a tool in producing the text, and everything is read through before it is published. Errors can still occur.