**Book Review: Rich Dad Poor Dad**

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Rich Dad Poor Dad by Robert Kiyosaki is one of the best selling finance books of all time. It tells the story of two Dads in his life, his biological father who he called “Poor Dad” and his friends father, who he called “Rich Dad.”

His Poor Dad worked diligently all of his life but could not get ahead, his Rich Dad was smarter with his money and was rich. The Rich Dad mentored Robert and helped him become financially literate.

It is not how much money you make but rather what you do with it after you make it and that is the basic theme in this book.

In the book, Robert focuses on getting rich by through financial literacy, investing, and entrepreneurship.

The most important lesson is to know the difference between assets and liabilities. Kiyosaki reminds readers several times throughout the book the importance of building up your assets and minimizing your liabilities in order to build up your financial portfolio. He makes the point that many people mistakenly think they are acquiring assets when in fact they are accumulating liabilities. A perfect example is of a house which though it may be a family’s biggest purchase during their lifetime is a liability because it costs money to keep and maintain.

Kiyosaki also stresses the importance of a financial education and claims that the education system does not teach financial literacy to the detriment of children.

The book also explains the concept of having money work for you instead of working for money. Poor Dad had the working man’s mindset of working a set number of hours per week for money while the Rich Dad focuses on acquiring and building assets which generate an income.

Writing Style

Robert Kiyosaki writes in a way as though he is a mentor to his readers rather than if he was simply writing a textbook which resonates with so many readers.

The book has had it’s critics though, one is that it is too simplistic with not enough actionable advice on how to create and build wealth. It has also been criticized for focusing on financial gain and little emphasis on the social or environmental impacts of wealth building.

Kiyosaki’s dismissal of the education does not resonate with everyone who values the education system. He does highlight the short comings of the education system, but his message is not going to go down well with parents who are trying to encourage their children to focus on their school work.

Conclusion

Rich Dad Poor Dad is certainly a very good book as far as improving your financial literacy is concerned, but the information needs to be applied according to your personal circumstances. I have no hesitation in recommending Rich Dad Poor Dad as a must read for anyone wishing to get ahead in life.

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