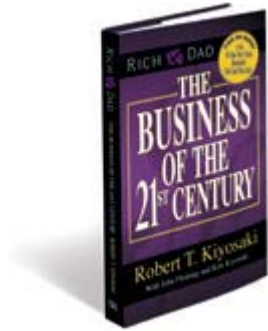


Network Marketing: The Business of the 21st Century

by Robert T. Kiyosaki

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I've been saying it for years: Take responsibility for your finances or take orders for the rest of your life.

That pretty much sums up your economic choice. Taking responsibility is the difference between being rich and being poor. You're either a master of money or a slave to money.

But the good news is, you get to make that choice. Even in the midst of the worst economic crisis since the Great Depression, there is a proven way to create genuine wealth. It's through the business model I believe is the perfect model for the 21st century: network marketing.



What Got Us Here

Ever since Rich Dad Poor Dad came out in 1997, people have asked me time and again, "How do I build genuine wealth?" And time and again I've said the same thing: "Start your own business!"

If you've been hesitant to do so, maybe the past few years have convinced you that you should reconsider. You've seen what has happened to the economy. Total global financial meltdown. Everything has gone to hell in a handbasket.

The business model your parents and grandparents grew up in—going to work in the corporate world—just doesn't work in the 21st century. Why? Two reasons: technology and overseas competition.

Technology is great, with all the new gadgets and gizmos that allow you to communicate and run businesses more efficiently, but it's also the reason people are losing their jobs. Why pay somebody money when you can replace him with a computer that works faster and harder? It doesn't make any sense financially.

Another reason for the crisis we're facing is that workers are now competing for jobs with those in China, India, the Philippines and Eastern Europe. Americans can no longer make \$80 an hour because there are people in countries all over the world who are willing to work for a dollar an hour. How do you compete with that?

The answer is you can't. That's why now, more than ever, you need to have your own business.

My rich dad, who was my best friend's father, started teaching me about finances when I was 9 years old. The most important lesson he taught me was this: If you want to be rich, don't get a job, don't save money and don't get out of debt; learn to use money and be an entrepreneur.

That advice from 50 years ago rings even more true today. Being an entrepreneur is the best way for you to take control of your financial future. Rather than hoping that the government or your employer will take care of you, it's time to start taking care of yourself and your family. Yes, times are tough right now. With the economy as it is, it may seem scary to start a business. But why spend time worrying if you're going to be fired or downsized when you have opportunities available that can help you create genuine wealth and a happier life?

What are the opportunities? There are many, but out of all the business models I have seen, one stands out from the rest. It requires little upfront money and very little overhead. It can be worked part time, and can generate enough income part time so that you can transition out of your full-time job. And this great business opportunity is network marketing.



Network marketing is about turning people from employees to entrepreneurs. Although I've never belonged to a network marketing business, I do support individuals shifting from employee or self-employee to the big-business, entrepreneur and investor side. That's what I have talked about for years in my book *Cashflow Quadrant*. To create wealth, you have to move from the left side of the quadrant, from the employee (E) and self-employed or small-business owner (S) to the right side, the business owner (B) and investor (I).

And that's what network marketing helps you do. It's a fabulous way to grow and help other people to grow and realize their full potential in life. And that's why I believe it is, as my new book says, *The Business of the 21st Century*.

Why Network Marketing Works

Aside from the financial rewards network marketing offers, here's the main reason I recommend it. It is about building people up, not pushing them down. It's about developing them so they can take better control of their lives and their future without worrying about being fired or downsized if the economy takes another downturn.

I'll be honest; when I was first introduced to network marketing, I was not impressed. I had a closed mind to it. But a friend of mine in Texas changed my feelings about it. He was a rich guy, and he was starting a network marketing business. He didn't need the money. But what he did need was to give back to others.

That's when I learned that network marketing was really about people helping people. And that's when my mind started to shift. My friend was helping people make the transition from employee (E) or self-employed or small-business owner (S) to big business (B) and investor (I). With that knowledge, I had a refreshed point of view.

When I started looking carefully at network marketing companies, I found out there were fabulous organizations. I was really impressed that most of the companies had a sincere desire to help their fellow human beings grow, to become bigger than they were, to gain new confidence and new skills to become great entrepreneurs. I saw network marketing as a great personal-development type of business.

The truth is, the more you grow as a person, the more your wealth will grow. Network marketing is like a support group that wants the best for you. It wants to help you grow. And that is the greatest asset it offers entrepreneurs—the chance to be more, and earn more, than they thought possible.

Develops Great Leaders

I am a successful entrepreneur today for one reason: the training I received while in the Marines. The single most important thing I learned in the service was how to be a great leader. My most critical training was the four elements of leadership—mental, emotional, physical and spiritual. They worked in harmony to help me make it through my missions in Vietnam.

When I left the Marines, I applied these same leadership elements to the business world. It's obvious why some companies are successful and others aren't. It's the leaders. It's people like Donald Trump, Richard Branson and Warren Buffett who make their companies so successful.

To succeed in business, or life, you have to be an effective leader. And genuine leadership is extremely rare. Most network marketing companies understand that you must be a role model, an example for other people to follow. If you lack courage or conviction, people just won't follow you. You won't attract new people, your business won't duplicate and you'll fail.

In network marketing, not only do you learn great sales skills, but you also learn great leadership skills. Companies spend a lot of time training newcomers because they know if they do not become effective and inspire leaders, they won't be successful, no matter how good the product or service is. So I believe in network marketing because it works hard to develop great leaders.

Creates Genuine Wealth

One of the greatest values of a network marketing business—and one that most people who consider the industry do not fully grasp—is that it is an engine of personal wealth creation. Why they cannot grasp it is because they do not understand the difference between wealth and money.

The two are not the same. Money is what you earn; wealth is what you build. The rich get richer because they don't work to generate income; they work to build wealth.

The E's and S's work hard, but they don't create any assets. If someone is self-employed, he may have a business, but it's not really an asset. That's the problem, because if he stops working, the asset dies. It just doesn't work anymore. The B's and I's, on the other hand, are creating real assets.

And that's what network marketing helps you do. Create real assets. A network marketing business is a real asset. The network is an asset. So when people consider the industry, they need to be able to see this distinction. They need to know the mindset difference between E's and S's, and the B's and I's. E's and S's work for money, B's and I's build assets, and assets create genuine wealth.

The Choice Is Yours

Let's face it: Even if the economy recovers some, the chances of you ever having job security again are slim to none. That's why you need to make a choice today: Remain an employee and stress over what may be, or become an entrepreneur and take matters into your own hands.

I like network marketing because it is a people opportunity business. It's not about the Ivy League education you have. It's not about race or age or gender. It's really a level playing field, and what you achieve in financial rewards is entirely up to you. If you have more determination, more drive and more discipline than others, you'll win. The reason it is the business model of the future is that it's structured so that it's possible for anyone to win.

It's the business for the new era. Let go of your industrial-age thinking and your parents' insistence on getting a job. Get a business instead. In this information age, as unemployment increases and wages decrease, network marketing businesses are going to explode.

And that explosion is going to mean a fatter wallet for you and, most important, personal success. Network marketing is, above all else, about personal development. It's about becoming bigger than your problems. It's about bringing out the greatness inside you. And it's about creating financial freedom through a process that helps others.

So, ask yourself, do you want to be an employee or an entrepreneur? Your choice... but choose wisely.

Robert Kiyosaki's new book, *The Business of the 21st Century*, was co-written with John Fleming, Publisher of *Direct Selling News*, and Kim Kiyosaki, author of *Rich Woman*. The book is published by DreamBuilders, an imprint of VideoPlus, and is now available at <http://www.DreamBuilders.com>. CASHFlow, RichDad and the EBSI symbol are registered trademarks of CASHFlow Technologies Inc.