

Part Two

ANOTHER POINT OF VIEW



"The test of a first-rate intelligence is the ability to hold two opposed ideas in the mind at the same time, and still retain the ability to function."

—F. Scott Fitzgerald

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Another Point Of View On Intelligence

If you read *Rich Dad Poor Dad*, you know my poor dad was very upset that rich dad did not pay me with money for the work I did for him.

Rich dad was a very generous man. He believed in "fair exchange." He also believed that financial education was much more valuable than money.

He paid his employees money. In most cases, he paid them quite well. Many worked for him for most of their lives. He often said, "My employees value money more than financial education. That's why they are employees."

Rich dad did not believe in the concept of free. He believed a free education was not valued, which may be the problem with the government's public education program. They're *free*.

Rich dad had a lot of compassion for my poor dad and the teachers who worked for the government. He often said, "How can teachers teach when kids and parents *expect*, rather than *respect* their free education?" He also felt the concept of a free education, while a noble idea, is one of the reasons the entitlement mentality is so pervasive today. From a young age, children are trained to believe "The government will take care of me."

Rich dad believed the financial education and coaching he was giving me were much more valuable than money. That is why he did not pay me in money. In exchange, I worked for him for "free," doing things that would have cost him money.

Question: How did you survive without money?

Answer: By working for money during my free time.

My mom and dad started giving me an allowance of \$1 a week in high school. Even in the 1960s, a dollar a week did not go far.

Rich dad did not pay me because he did not want me to think like an employee. He felt the rest of the world would teach me to think that way. In other words, he was training me to think differently about money, which was priceless. He did not tell his son and me what to do. He gave us choices.

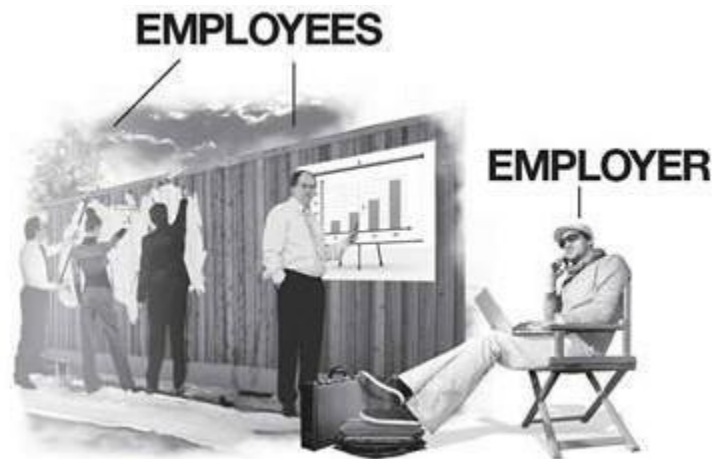
Rather than telling me to "Look for a job," rich dad encouraged me to think like an entrepreneur and instead "Look for opportunities."

With that advice, I did many things to make money. For example, on Saturdays, I would be up at five o'clock in the morning to surf with my friends, since the surf is usually better in the morning. I would then go to rich dad's office and work for him for a few hours. To earn money, I would then go to the golf course in the afternoon and work as a caddy, carrying a golf bag for 9 holes for \$1. It was only a nine-hole course, so I could make \$2 by carrying two bags. I could make more on a Saturday afternoon than the *weekly* allowance my parents gave me. On top of that, I got in shape for football season.

The advantage to this was that instead of looking for a job, I was always looking for *opportunities*. By looking for opportunities, rather than a job, rich dad was training me to look at the world as an entrepreneur from the S quadrant of the CASHFLOW quadrant, rather than an employee in the E quadrant.

If I saw a pile of rubbish in someone's yard, I would knock on the door, and negotiate a fee for clearing away the rubbish. It was great education in business, as well as self-esteem.

I got to be pretty good as an entrepreneur in the S quadrant. I was making a nice sum of money, while still working for rich dad for free.



Bigger Opportunities

Once rich dad realized that I was pretty good in the S quadrant, his new lesson was for me to move on to the B quadrant. To begin the lesson, he had me read the story of *The Adventures of Tom Sawyer*. In that story, Tom takes on the task of painting a fence. Rather than paint the fence himself, he gets his friends to paint the fence for him.

Rich dad's assignment was for me to find a job so big that I could not do it myself. He said, "People in the S quadrant take on tasks they can do themselves. For example, a lawyer can do most of the legal work himself. But an entrepreneur in the B quadrant takes on the impossible. That is why they are the richest people in the world."

For about a week, I looked around for a really big opportunity. Finally, I saw a man staring at a rather large field filled with very tall weeds. I went up to him and asked if there was anything he needed done. The elderly man said he needed the weeds in the field cleared. He used to do it himself, he told me, but now he was getting too old. The field was about two acres in size. He told me he would pay me \$50 if I would pull, not cut, the tall weeds. Once I heard "\$50" I heard nothing else. I took the job, of course. He then told me it had to be done by the next weekend.

Calling rich dad with the news, he added to my assignment. He said, "Like Tom Sawyer, your job is to hire other people to do the work. Your job is to cut the deal, get the work done, get paid, pay the workers, and make a profit."

At school on Monday I recruited ten classmates to begin work immediately. After school on Monday, only six showed up at the field. By Tuesday, not much had been accomplished. My "employees" were having too much fun playing and not working. They were rolling in the weeds, not pulling them.

By Wednesday, none of them showed up to work, even though they promised they would. On Wednesday night, I talked to rich dad, who said, "You had better keep your word and get the job done."

I did the job by myself on Thursday and Friday. On Saturday, the owner paid me the \$50. On Monday, my "workers" wanted their share of the money. At the age of 15, I was handling my first labor dispute, which I lost. I paid them because the pain of seeing them every day at school, being harassed, and possibly beaten up, was not worth \$50. In the long run, it was an experience I couldn't put a price on.

When I told rich dad the story of doing all the work but not making any money, all he did was smile and say, "Welcome to my world."

In collecting rents for rich dad, sitting around the table at rich dad's office with his advisors, his "A" students, and now dealing with my employees, my view of the world of business was taking shape. At 15, and entering my second window of learning, I knew that if I wanted to be an entrepreneur, I had to learn a lot more than people who wanted to be employees. My intelligence was increasing. My mind was opening. I was beginning to see both sides of the coin.

It used to be that instead of going to college you worked as an apprentice. Unlike college, an apprenticeship allowed you to be wrong, to make mistakes, and to take the time to really learn how to do something well. It is no wonder that Donald Trump's television show, *The Apprentice*, is so popular. The idea of an apprenticeship, of gaining real mastery over your area of interest, appeals to all of us.

Looking back, I know why rich dad never paid me in dollars. He paid me with an apprenticeship of real-life lessons, lessons that in hindsight have proven to be priceless.

Explain the concept of three sides to every coin.

Select any coin and use it as a teaching tool. Explain to your child that schools and the traditional classroom environment are often focused on right answers. Think of a few examples in which there could be several answers to a question or problem as an example of how to look at things from several different vantage points.

Use the coin to illustrate heads on one side, as one point of view, and tails on the other.

Also discuss the edge of coin, and how intelligence is the ability to use the edge as a vantage point to see and appreciate multiple points of view.

Real-life challenges and questions are seldom as black-or-white or right-or-wrong as schools would have us believe. Intelligence is the ability to see both sides of the coin, from the edge.