

I wrote a post a while back about How to Get Rich. The no shortcuts version. It is posted below. I wanted to repost it because its been so popular in the archives. Plus, with the advent of some new banking laws, I wanted to update it with a quick note.

On July 1, laws for banks change so that they can not charge you overdraft fees UNLESS YOU OPT – IN. In other words, if you want your bank to give you cash at an ATM, or cover a debit charge on your debit card when there isn't enough money in your account to cover it, you have to give the bank permission to do so. When you give that permission, you also give them permission to charge you HUGE amounts of money in the form of an Overdraft Charge. When I say HUGE, I mean HUGE. To the impact of 10s of Billions of Dollars per year in revenue for banks.

If you want to get rich, one of the first steps you need to take is NOT OPT IN. No matter how the banks package and market the benefits and wonders of overdrafts at the ATM or on your debit card, don't fall for it !

Thats the How to get Rich lesson for the day. Dont be an overdraft sucker !

And here is a repost of my How to Get Rich post from 2008

Thats what so many want. Right ? I'm certainly not going to lie and say it is not a whole lot better having lots of money. I had a whole lot of fun and loved my life when I was eating mustard and ketchup sandwiches and sleeping on the floor of a 3 bedroom apartment that housed me and 5 buddies.

I have a whole lot more fun now. It doesn't suck to be rich.

The question everyone wants answered, is how to get there. There are ways to get there. But there is not a template that works every time for everyone. It works sometimes. Getting there requires being ready when opportunity presents itself.

IMHO, change and uncertainty create opportunity. Times like we are facing now, with complete financial uncertainty are perfect times to start on the road to getting ahead financially.

First, here is WHAT NOT TO DO:

There are no shortcuts. NONE. With all of this craziness in the stock and financial markets, there will be scams popping up left and right. The less money you have, the more likely someone will come at you with some scheme . The schemes will guarantee returns, use multi level marketing, or be something crazy that is now "backed by the US Government". Please ignore them. Always remember this. If a deal is a great deal, they aren't going to share it with you.

I dont broadcast my great deals. I keep them all to myself. The 2nd thing to remember is that if the person selling the deal was so smart, they would be rich beyond rich rather than trolling the streets looking to turn you into a sucker. There are no shortcuts.

So what should you do to get rich ?

Save your money. Save as much money as you possibly can. Every penny you can. Instead of coffee, drink water. Instead of going to McDonalds, eat Mac and Cheese. Cut up your credit cards. **If you use a credit card, you dont want to be rich.** The first step to getting rich, requires discipline. If you really want to be rich, you need to find the discipline, can you ?

If you can, you will quickly find that the greatest rate of return you will earn is on your own personal spending. Being a smart shopper is the first step to getting rich. Yeah you have to give things up and that doesn't work for everyone, particularly if you have a family. That is reality. But whatever you can save, save it. As much as you possibly can. Then put it in 6 month CDs in the bank.

The first step to getting rich is having cash available. You arent saving for retirement. You are saving for the moment you need cash. Buy and hold is a suckers game for you. This market is a perfect example. Right at the very moment when cash creates unbelievable opportunity, those who followed the buy and hold strategy have no cash. they cant or wont sell into markets this low, that kills the entire point of buy and hold. Those who have put their money in CDs sleep well at night and definitely have more money today than they did yesterday. And because they are smart, disciplined shoppers, their personal rate of inflation is within their means. Cash is king for those wanting to get rich

The 2nd rule for getting rich is getting smart. Investing your time in yourself and becoming knowledgeable about the business of something you really love to do

It doesn't matter what it is. Whatever your hobbies, interests, passions are. Find the one you love the best and GET A JOB in the business that supports it.

It could be as a clerk, a salesperson, whatever you can find. You have to start learning the business somewhere. Instead of paying to go to school somewhere, you are getting paid to learn. It may not be the perfect job, but there is no perfect path to getting rich.

Before or after work and on weekends, every single day, read everything there is to read about the business. Go to trade shows, read the trade magazines, spend a lot of time talking to the people you do business with about their business and the people they buy from.

This is not a short term project. We aren't talking days. We aren't talking months. We are talking years. Lots of years and maybe decades. I didn't say this was a get rich quick scheme. This is a get rich path

Now you wait for times of uncertainty and change in your business. The time will come. It may come quickly, it may take years and years. But it will come. The nature of our country's business infrastructure is that it is destined to be boom and bust. Booms are when the smart people sell. Busts are when rich people started on their path to wealth.

You will know when that time is here for you because you will know your business inside and out. You will be ready because you will have been saving up for this moment in time

With all the change and uncertainty in the financial markets, there are people right now making more money than they ever dreamed of. They are the ones who have been living the real estate market and the financing behind it and understanding what actually what was going on. They re the one who understood the

complexities of the credit markets. When everyone was following the crowd, they kept on saving their money and avoiding the temptation of groupthink.

Boom and busts happen to every industry. The question is whether you have the discipline to be ready when it happens for you ?