
The Richest Man in Babylon Summary PDF Cheatsheet — GrowthSummary.com

? 1. Pay Yourself First: Start by saving 10% of your earnings for your future self, before paying anyone else

“Pay yourself first” is a different way to look at saving money, it’s an expression that continues to resonate for many people. If we first put aside 1/10 of our money and try to live off what is left over, then we can often make it work. This was the first lesson that Bansir (the broke chariot builder) learned from Arkad (the richest man in Babylon).

?? 2. Lower Your Expenses: Living within our means is about drawing the line between our needs and desires

If we want to save money, we must increase the gap between our income and expenses, and the quickest way to do that is by reducing expenditures. That means seeing which of our purchases are real needs, versus which consumption is about filling emotional desires.

? 3. Follow 7 Rules of Wealth: Building wealth involves saving 1/10 of your income, investing wisely, and being careful to avoid scams

The 7 cures to an empty wallet are: Save 10%, reduce expenses, invest your money, avoid get-rich-quick schemes, buy a home, get insurance, and strive to grow your skills and income. The rest of this summary will provide more details on HOW to do these steps.

? 4. Let Money Work For You: To become wealthy, our savings must be transformed into passive income sources through investing

To grow wealthy, we need to invest the money we have saved so that it works for us making passive income. Then we can make the “children” of our money work too, which is compound interest. We can invest through buying stocks, bonds, index funds, mutual funds, businesses, rental properties, and other assets.

? 5. Keep Your Gold Safe: The most important rule of investing is to avoid losing money, no matter what

Protect your money by avoiding unfamiliar businesses, not trusting get-rich-quick schemes, and listening to more experienced investors. Arkad got scammed trusting a brick layer to buy jewels, so he became more careful about choosing business opportunities.

? 6. Learn More, Earn More: Proactively boost your skills to improve your earnings and life situation

Dabasir learned to stop whining and running away from his debts; Instead he formed a plan to pay back his creditors gradually. The lesson for us is to focus on actions within our control, and be constantly learning to level up our skills so we become more valuable to others.

? 7. How to Get Lucky: Keep an eye out for opportunities, take action on them, and that’s

when you may 'get lucky'

While some people do get luckier than others, it doesn't usually look like winning the lottery. Rather, when we keep watch for new opportunities and we take action on them, then we put ourselves into a position to be rewarded by good fortune.

This is just a sample!

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