

The Richest Man In Babylon Summary – George S. Clason

5 MINUTE READ

[The Richest Man In Babylon](#) (1926)

by [George S. Clason](#)

The Richest Man in Babylon is THE classic parable on how to acquire money, how to not lose money and how to make money multiply - by serial entrepreneur and author, George S. Clason. ([194 pages](#))

[Paperback](#) | [Ebook](#) | [Audiobook](#)

Note: This **The Richest Man In Babylon summary** is part of an ongoing project to summarise the [Best Personal Finance](#) and [Best Self Help Books](#) of all time.

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The Richest Man In Babylon Review

[The Richest Man In Babylon](#) is an edited anthology of several moral

pamphlets on thrift and financial success, written by George S. Clason and distributed freely by a handful of banks and insurance companies in the U.S. in the early 1920s.

Is *The Richest Man In Babylon* a good book? If you want a quick intro to the basics of personal finance and you like your wisdom delivered in parables (and Jacobean English) then it might be worth reading. If you loved books like [The Alchemist](#) and [Who Moved My Cheese](#) then it's probably right up your street.

That said, if you'd rather skip the "thy"s, "-eth"s and grandiloquent English, you could also check out [Charles Conrad's 32-page modern re-write](#).

Or you could save yourself time and money and just read TAoL's free Richest Man in Babylon summary below...

The Richest Man In Babylon Summary

Amassing wealth isn't difficult but it has two preconditions:

1. **You need to want money** – It needs to become a priority; and
2. **You need to understand it** – You need to understand how it works.

Fortunately, the basics aren't hard to master.

Nor have they changed in the last few thousand years.

And once you cut through [The Richest Man In Babylon](#)'s repetition you'll realise it basically tries to answer three questions:

1. **How Can I Acquire Money?**
2. **How Can I Not Lose My Money?** and
3. **How Can I Make Money Multiply?**

Since those questions cover everything in Clason's writing , I've structured my summary accordingly. Click above to skip ahead or read through as I've ordered it.

And for a taste of the original, check out Clason's *7 Cures For A Lean Purse*, his *5 Laws of Gold* and a handful of *Richest Man In Babylon* quotes at the end of the post.

For now though, let's dig in...

How Can I Acquire Money?

The secret to acquiring money is to work for it.

Step 1, is to [stop procrastinating](#). Get out there and earn a living.

Step 2, is to keep honing your your craft so you increase your earning power.

Step 3, is to make sure you set up a pension so you can keep acquiring money even when you get too old and dodderly to work for it.

I warned you, this ain't rocket science.

How Can I Not Lose My Money?

There are two ways not to lose money:

1. **Don't spend it;** and
2. **Don't lose it in bad investments.**

Let's double click...

1. To not spend your money...

First, always pay yourself first:

- **If you're not in debt:**
 - Set aside 10% of your income *before anything else*; and
 - Live on the 90% that's left.
- **If you are in debt:**
 - Set aside 10% of your income *before anything else*;
 - Repay your creditors with 20%; and
 - Live on the 70% that's left.

Second, never live beyond your means:

- Make a list of all your outgoing expenses;
- Think very carefully about what's strictly necessary and what's just a luxury;
- Cut back on things you can live without; and
- Be very wary of developing expensive habits.

2. To not lose your money in bad investments....

There are a handful of common traps you should avoid:

- Don't get into debt;
- Don't help people in ways that mean you take on their financial burdens;
- Don't lend money to others without taking some guarantee of repayment;
- Don't forget to protect your income and assets with diversification and insurance;
- Don't invest in things you don't fully understand;
- Don't get sucked into get rich quick schemes; and
- Don't put your money in investments which don't pay out dividends (i.e., cash).

If you can avoid spending all your money and losing it in bad investments, your savings should be growing nicely. In which case, it's time to start

thinking about...

How Can I Make Money Multiply?

There are four ways to make money multiply...

First, you should work hard. Hard work doesn't just help you acquire money, it also attracts good people and good opportunities.

Second, you should surround yourself with people who want, understand and make lots of money. Get peer pressure working in your favour.

Third, you should only seek financial advice from and invest your money with the very best experts in the field. Don't take advice from your family, friends or colleagues.

Finally, you should stick to the plan. Don't stop acquiring money. Don't spend money on needless expenses. Don't lose money on silly investments. Don't underestimate the power of compounding. Trust what you know, not what you see. Let time take care of the rest.

Next Steps

And that's it. The sum total of [The Richest Man In Babylon](#)'s wisdom.

If you're still interested in reading the original, [go grab a copy of the book →](#)

Or for more reading, you might enjoy **TAoL**'s list of [The 35 Best Books On Money →](#)

And in the meantime, here are Clason's original cures for a lean purse, laws of gold and a handful of quotes from the book...

The 7 Cures For A Lean Purse

1. **Start thy purse to fattening** – Save 10% of your annual income.
2. **Control thy expenditures** – Don't spend more than you need to.
3. **Make thy gold multiply** – Invest wisely and compound your investments.
4. **Guard thy treasures from loss** – Be cautious. Understand your investments. Avoid things that sound too good or quick to be true.
5. **Make of thy dwelling a profitable investment** – Own your home. (Note: This goes against the advice of more modern writers on personal finance [like Robert Kiyosaki](#).)
6. **Ensure a future income** – Set up a pension. Buy life insurance.
7. **Improve thy ability to earn** – Keep developing your ability to earn and invest wisely.

The 5 Laws of Gold:

1. **Save 10% of your income:** *"Gold cometh gladly and in increasing quantity to any man who will put by not less than one-tenth of his earnings to create an estate for his future and that of his family."*
2. **Put money to work** – *"Gold laboreth diligently and contentedly for the wise owner who finds for it profitable employment, multiplying even as the flocks of the field."*
3. **Be patient and take the long-term view** – *"Gold clingeth to the protection of the cautious owner who invests it under the advice of men wise in its handling."*
4. **Invest only in what you understand** – *"Gold slippeth away from the man who invests it in businesses or purposes with which he is not familiar or which are not approved by those skilled in its keep."*
5. **Avoid get rich quick schemes** – *"Gold flees the man who would force it to impossible earnings or who followeth the alluring advice of tricksters and schemers or who trusts it to his own inexperience and romantic desires in investment."*

The Richest Man In Babylon Contents

***The Richest Man in Babylon* has 24 main (mini) chapters...**

Foreword

1. An Historical Sketch of Babylon
2. The Man Who Desired Gold
3. The Richest Man in Babylon
4. Seven Cures For a Lean Purse
5. The First Cure
6. The Second Cure
7. The Third Cure
8. The Fourth Cure
9. The Fifth Cure
10. The Sixth Cure
11. The Seventh Cure
12. Meet the Goddess of Good Luck
13. The Five Laws of Gold
14. The Five Laws Of Gold
15. The First Law of Gold
16. The Second Law of Gold
17. The Third Law of Gold
18. The Fourth Law of Gold
19. The Fifth Law of Gold
20. The Gold Lender of Babylon
21. The Walls of Babylon
22. The Camel Trader of Babylon
23. The Clay Tablets From Babylon
24. The Luckiest Man in Babylon

Best The Richest Man In Babylon Quotes

These The Richest Man In Babylon quotes come from **The Art of Living's** ever-growing central library of thoughts, anecdotes, notes, and

[inspirational quotes.](#)

"Our acts can be no wiser than our thoughts, Our thinking can be no wiser than our understanding."

- [George S. Clason](#), The Richest Man In Babylon

"Better a little caution than a great regret."

- [George S. Clason](#), The Richest Man In Babylon

"Preceding accomplishment must be desire. Thy desires must be strong and definite."

- [George S. Clason](#), The Richest Man In Babylon

"Good luck can be enticed by accepting opportunity."

- [George S. Clason](#), The Richest Man In Babylon

"It costs nothing to ask wise advice from a good friend."

- [George S. Clason](#), The Richest Man In Babylon

"Men of action are favored by the Goddess of good luck."

- [George S. Clason](#), The Richest Man In Babylon

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Wish There Was a Faster/Easier Way?

Whenever you're ready, here are four ways I can help you be more productive, find more balance and live life more on purpose...

1. **Curious? Discover how productive you really are...** Take this free, 2-minute assessment to unlock your PQ and discover the top 25 habits you need to get big things done. [Take the 2-minute quiz →](#)
2. **Overwhelmed? Get a free chapter of my book...** Let me show you how to beat procrastination, permanently, with this free sneak peek inside **TAoL**'s ultimate productivity primer. [Download your free chapter →](#)
3. **Stuck? Grab a 90-Day TRACKTION Planner...** Get the tool thousands trust to help them take control of their time, master their habits and hit goals in every part of their lives. [Order your 90-day planner →](#)
4. **Burned out? Join the TRACKTION Community...** Take the 6-week masterclass, get weekly group coaching, find accountability partners and connect with like-minded self-starters. [Get started FREE →](#)

[Arthur Worsley](#)

I founded **TAoL** to discover and share the best wisdom on how to live long and prosper. Before that I studied Psychology, Philosophy & Physiology at Oxford and consulted at McKinsey. **Still curious?** [Learn more](#) or [take my FREE productivity quiz](#).