

FOREWORD

The best selling author of the *Rich Dad, Poor Dad* series of books, Robert Kiyosaki said, "The richest people in the world build networks; all others look for work. Nothing wrong with being an employee but only if you were lucky enough to be born 50 years earlier."

Today in Singapore, if you are aged 30 and above, have young children, a heavy mortgage, numerous financial commitments and little cash, the spectre of pay cuts and retrenchments is an ominous reminder that there is no longer job security for anyone. The need for an alternative source of income has become even more crucial as the unexpected and unpleasant is happening more often. It is pure wishful thinking to dismiss the idea that you won't be the next victim of a lay-off.

Fortunately, there are alternatives, and one of them is multi-level marketing (MLM). Even the conservative and paternalistic Singapore government has seen the value of MLM in today's economy. Singapore rationalised the rules and regulations governing multi-level marketing in May 2000, effectively legitimising the industry and differentiating clearly legal multi-level marketing schemes from illegal 'pyramids'.

Through network marketing, the consumer now has wider choice of quality products at affordable prices, and the more entrepreneurial-minded ones can start a network marketing business with hardly any capital, no overheads, no loans and absolutely no risk. For those who harbour ambitions to start their own business, this is a viable and relatively painless way of taking the plunge to build a powerful source of residual income.

In planning for a secure retirement, conventional wisdom suggests investing in properties, equities, bonds, endowment plans, etc. to build up assets and income to pay for our children's education, our own retirement and unforeseen medical needs. This has not been an inappropriate strategy in the past given the security, continuity and longevity of employment income and good rates of return on financial assets. However, with future rates of investment returns expected to be lower, worsened by the rising cost of education and healthcare, we need to set aside even more money just to