



Can you get rich quick?

Many of us dream of overnight wealth. Even those who don't feel the need for much more money could, no doubt, find worthy causes to give the money to if it suddenly fell in their lap.

The only trouble is that most people can't get rich quickly without putting in heaps of time and/or taking risks that can also make them poor quickly – unless they inherit, are unusually lucky in a lottery or gambling, or commit a crime!

The few exceptions are people with unusual talents, perhaps in the creative arts, sports or IT, or those with a particular ability to sell something – such as Get Rich Quick books!

When you think about it, there can't be other ways of getting rich quickly and comfortably. If there were, we would all do them. That would rapidly push up the price of inputs and spread the gains thinly, to the point that they could no longer be regarded as riches.

We less talented folk, then, are left with the following options (apart from breaking the law!):

- Investing heavily in start-ups, mining or hi-tech companies or other high-risk shares

It's quite possible to gain hugely – or lose all your money – by investing heavily in a single high-risk

company. You can, though, reduce the chances that you will come a cropper if you spread your money over several such companies.

Sure, that will also reduce the likelihood you will do enormously well. But it's a good risk/return tradeoff.

While high-risk companies are more likely than others to go belly up, many don't.

They struggle along, sometimes for years, and then do well. It might be a case of getting rich slowly. So patience greatly improves your chances.

Don't, however, use money you might need for other purposes. There are absolutely no guarantees.

- Trading in shares, options, futures or other financial instruments, using a computer program or other analysis

Many people learn about these methods at seminars. And some claim to have done well with them – although usually they have been trading for a relatively short period.

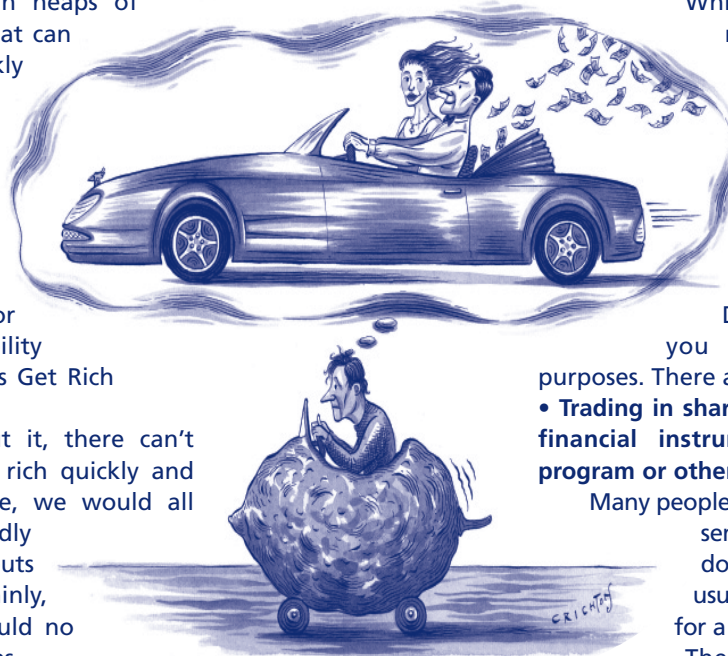
Their early success, which is probably simply luck, prompts them to invest more. Often they end up with substantial losses.

Others are less successful from the start, but the seminar promoters claim that is because they haven't followed the system closely enough. They press on, more diligently, and might do well for a while. But only for a while.

Many claims are made for trading financial instruments. I've yet to be convinced that any of them work – especially after you allow for the high costs of frequent trading and possible tax on capital gains, to say nothing of the costs of the training, computer programs and so on.

Ask yourself: If somebody does find a way to make money by analysing markets, why would they share their

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LOTTERIES, HORSES & CASINOS

The quickest and easiest way to get rich is to win at gambling.

Remember, though, that the people who run these activities need to cover their costs and make a profit before they pay out prizes.

That means the average gambler will, over time, put in more money than he or she wins.

Unless you are unusually lucky, or perhaps in some cases have more knowledge than most people, gambling won't make you rich.

Still, you may be willing to lose more than you gain in exchange for the entertainment.