According to Forbes' The World's Billionaires List, Warren Buffett is one of the top 10 billionaires for years. In 2019, he became the third wealthiest person in the world. Regardless of his wealth, he has actually an old-fashioned style. He pays his own taxes, he prefers modest clothes, etc.

Buffett is known as The Oracle of Omaha. He is arguably one of the greatest investors of all time. Generally, people tend to have little sympathy for the billionaires, however, it is different for the Buffett; he is a beloved man in lots of societies.

Now, you'll learn about this beloved man in a snap. The book will start from the times in Omaha, where he was born, to his early days in trading and becoming one of the richest people in the world. In the meantime, you will realize Buffett's unique investment sense, which he had and demonstrated throughout his business life.

Buffett was born and grew up in the Great Depression, therefore he knew the value of the money.

Warren Edward Buffett was born on August 30, 1930, to his mother Leila and father Howard, a stockbroker-turned-Congressman. When he was born, the United States was going through the Great Depression. It was the time when people didn't know what was expecting them economically in the future.

Young Warren grew up in the Great Depression, so he was mindful about the value of the money. When he was 2 years old, his father lost his job in a local bank. Yet, he was substantial, so he founded his own company, in which he sold stocks and bonds.

His father didn't earn too much. Actually, it was so low that they couldn't afford enough food to feed everyone else on the table. Sometimes, Warren's mother would eat less than others to give them a proper meal.

Warren never forgot about these difficult times because of the Depression years. Moreover, his desire for security and stability increased. When he was 6 years old, his father's business started to pay off. Seeing that, Warren's interest in his father's job increased, too.

He wanted to be like his father. He used to pay a visit to his father's office. When he was 10 years old, his father decided to take him on a business trip to New York Stock Exchange. When he was 11 years old, he and his sister Doris, made their first profit by buying and selling stocks.

It wasn't easy for him to afford those stocks. At first, he worked at the local golf course as the collector of lost golf balls. The more he found, the more he sold golf balls to the golfers. Then, when he was 14 years old, he became the newspaper delivery boy in the area he lived. He got up early in the morning, delivered papers and collected subscription fees.

He had saved all his money from these jobs and in a couple of months, he purchased 40 acres of land for $1,200.

Warren's academic life was good, too. He enrolled at the University of Pennsylvania at the age of 16 to study business. He stayed two years, moved to the University of Nebraska to finish up his degree, and emerged from college at age 20 with nearly $10,000 ($53,000 in today's money) from his childhood businesses.

Columbia Business School was the place that Buffett met his mentor and started his investment career.

When he was an undergraduate he had straight A's. Seeing his success, he had applied to the Harvard Business School. Surprisingly, he was rejected. Maybe, it was best for him to be rejected by Harvard. Because his life changed in somewhere else.

After Harvard rejected him, he applied to the Columbia Business School and he was accepted. When he was a student of Columbia, he realized that he met his mentor and he felt that that mentor would change his life. That mentor was economist Benjamin Graham who is widely known as the "father of value investing" nowadays.

Benjamin Graham's vision was based on not taking risky stocks. How did he make it? Well, first he resolved a company's intrinsic value and then he compared it against the market value. The difference between two values is that the market value is the current price the stocks are being sold at, however, intrinsic value is the essential value of the company.

A company’s intrinsic value is not easy to find out quickly. In order to find it, one needs to conduct meticulous research. It requires adding up all of its assets, revenue streams, and future prospects.

So as to learn if a stock is risky or not, intrinsic value and the market value is compared. If the intrinsic value is higher than the market value, then the stocks are not risky. Those undervalued stock prices would get higher soon to meet the market value, so it is best to buy them beforehand. By conducting this strategy, Graham became a legend for making high profits from low-risk stocks.

Warren Buffett admired his professor’s strategy, which also became his own strategy in time. He and his professor’s relationship improved gradually. Because Graham realized that Buffett was standing out in the classroom between other students.

Buffett was the first student that had got A+ in Graham’s two decades of teaching. When Buffett graduated, he was hired to work for Graham’s investment firm on Wall Street -- Graham-Newman Corp. While working in the firm some of his proposals were rejected because they were risky. However, he didn’t give up working harder and eventually, he became a star employee.

A deal with a chocolate company was one of the noteworthy deals of his. In 1954, the price of cocoa skyrocketed and Buffett saw the opportunity. A chocolate maker from New York consulted to Graham-Newman and Buffett gave the idea that they could liquidate millions of pounds of cocoa and sell the beans to stockholders in their company. He realized that the future of cocoa is bright, so he made the deal. It was a win-win deal both for the chocolate maker and for Graham-Newman.

When he was 26, Buffett returned to his hometown Nebraska and set up his own business.

Buffett never liked the mobility in the market in New York City. He missed his hometown, Nebraska day by day. Now that he was a father, he wanted to move his family to a calm and a peaceful place: Omaha.

When he came to his hometown, he started to form his own business, Buffett Associates, Ltd. With the help of his friends and family, he raised $500,000 within a year.
In his first year, his initial $500,000 portfolio increased in value by 10 percent. He doubled that value by the end of the third year! Surprisingly, he was doing better than the Dow-Jones Industrial Average. Moreover, in 1961 he purchased a controlling interest in a company.

That company was Dempster Mill Manufacturing, which is a windmill company that was not the first choice of most other investors. However, Buffett knew that the company had a higher intrinsic value. So, he put 1 million dollars of his partnership money into the company. It was the biggest investment he'd made so far.

Thanks to his investment, he became the chairman of the board for the company. In order to solve financial problems, he had to work for the company. The next year, the company's profits increased by doubling the stock value -- $2 million.

At the end of 1962, the company's net worth was tripled its initial value. So, Buffett wanted to move along and he sold the company and earned a $2.3 million profit. Amazingly, when he was only 35, his 1965 portfolio had $22 million worth and his net worth was at nearly $4 million.

Buffett is most closely associated with Berkshire Hathaway today. His relationship with the company goes back to 1962.

Buffett purchased a controlling interest in Berkshire Hathaway, in 1964. When Warren Buffett is researched, this company's name is seen together with his name. Before the purchase in 1964, Buffett was already interested in this company in 1962.

Berkshire Hathaway's history goes back to 1839. The company started out to business as a textile manufacturer. However, in the early 1960s, Asian and Latin American manufacturing markets overwhelmed American textile manufacturers, because of their cheaper prices. Buffett started to buy stocks from the company at only $7.60 per share. The company was not doing well.

When he researched the company for its intrinsic value, he realized that the stocks should be at $16.50 per share. So he bought stocks as much as possible. In the end, he was the majority shareholder of the company.

Before Warren Buffett, Berkshire Hathaway would always struggle as a textile company, but with the help of him, it succeeded as a holding company such as the insurance company he purchased in 1967 for $8.6 million -- National Indemnity Co.

As a textile company, Berkshire earned around $45,000 in profit per year, however, National Indemnity stock, which is Berkshire's holdings, earned around $2 million per year. The gap between the two of them was obvious, so Buffett started to work on Berkshire more than ever.

One year later, he dedicated himself to Berkshire to make the company greater. He dissolved the original Omaha partnership which had started from $500,000 13 years ago and increased to over $100 million.

Warren Buffett kept adding new firms to Berkshire Hathaway's holding and the Berkshire stocks skyrocketed from $7.60 in 1962 to $95 in 1976! Since the things were going well for the company and his name, he wanted to accomplish one more thing that he always wanted to do: owning a newspaper.

A couple of years later, Berkshire Hathaway became the major shareholder in the diversified family-owned company Washington Post. This newspaper was important for him because it was the newspaper that he had delivered to people when he was a delivery boy. In the meantime, his yearly salary in the company was $50,000.

Every year, Buffett's wealth increased more than ever.

Berkshire Hathaway's stocks increased to $290 in 1979, and Buffett's net worth was $140 million. In the meantime, he was outperforming the DJI Average. In the 1980s his investment strategies underwent a change since the US economy was improved.

Since his oldtimer mentor Benjamin Graham died, Warren Buffett had changed his target companies. Instead of buying small and undervalued companies, he started to buy bigger and more known firms like Washington Post and GEICO (an insurance company in the US).

With the help of his major investments and the right time in the economy, his wealth was doubled and even tripled. President Ronald Reagan promised to mend the struggling economy, in 1980. He started mending by cutting interest rates which lead people to buy and sell more.

The more stocks sold the more Dow points increased. At the end of the day, it jumped 38.81 points and set a new record. However, Warren Buffett kept his strategies the same and Berkshire Hathaway stayed on the same wavelength with the Dow. At the end of 1983, Berkshire stocks went up to $1,310. It worths $1.3 billion in today's money.

In the meantime, Warren Buffett's net worth skyrocketed, too. It went from $140 million to $620 million. Things were going swimmingly and in 1985, Forbes added Warren Buffett to their annual list of billionaires.

Having all that money, but he preferred modesty throughout his life.

When he was 27, Buffett bought a house for $31,500, which is located in a quiet neighborhood of Omaha, Nebraska. He still lives there in a modesty.

He never liked the idea of segregation. In fact, he boycotted the local Rotary Club for it's not accepting non-white members policy. He opposed many of his peers on that subject. In the end, his ideas led him to become a Democrat, which contrasted with his father who is a lifelong Republican who had worked as a congressman in Washington for eight years.

After the death of his father, his support for the Democratic campaigns increased. He began to make donations for those campaigns frequently. Also, on the contrary of other wealthy people, he didn't want the tax cuts for the rich, which would benefit himself very much so.

He didn’t have an expensive lifestyle, so when he realized that he wasn’t sure what to do about his wealth, he decided to do something that will benefit everyone. He didn’t want his children to live off the back of their father either. He taught and wanted them to have their own earnings and choose their own way of life.

When his wife Susan Buffett passed away in 2006, he decided to donate most of his wealth to the charities. It was divided among Buffett family foundations and Bill - Melinda Gates Foundation. Most of his wealth was going to be allocated to the Bill and Melinda Gates Foundation, which focuses on improving people's health and giving them the chance to lift themselves out of hunger and extreme poverty.

In 2015, Buffett’s net worth was $64 billion, in the light of that, his donation commitment made him one of the greatest donators. Having this title would make him prouder than ever.

Buffett: The Making of an American Capitalist by Roger Lowenstein Book Review

Warren Buffett learned it is important to know the real value and the selling value of a company thanks to his mentor Benjamin Graham. The key was to knowing the difference between them and working on them. Also, he combined his ambition, work ethics, and modest lifestyle to this end. As a result of his endless effort, his fortune exceeded $66 billion.

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