

Tips for Dealing with Fraud

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Remember: No one falls prey to a fraud crime. They think they are making a great investment, giving to a worthy charity, getting a great deal on travel, or responding to a request from their bank. Con criminals' stock-in-trade is to look like the real thing. That is why it is often hard to spot a fraud, and why we need to be on our guard. Here are some steps to take.

1. Understand the various scams that are common including how they work and what you can do about them. Some great resources:

<https://www.aarp.org/money/scams-fraud/>

www.bakerfraudreport.com

2. Sign up for alerts for frauds happening right now and in your area:

AARP Fraud Watch Network Scam-Tracking Map

<https://www.aarp.org/money/scams-fraud/tracking-map/?intcmp=AE-SCM-FRD-SUBNAV-MAP>

BBB Scam Tracker

<https://www.bbb.org/scamtracker>

3. Get on the "Do Not Call" list.

This will not prevent fraud criminals from calling you – after all, why would a criminal obey the law?

However, you will know that anyone who does call you pitching the next hot investment or whatever should not be calling you.

Here is how to sign up:

<https://www.consumer.ftc.gov/articles/0108-national-do-not-call-registry>

4. Have a plan for getting off the phone and out of any potential fraud situation.

The longer you interact with a con criminal, the more likely you will be taken. The con is profiling you – looking for your hot buttons.

So, when the telephone rings, be ready with a plan to hang up. Write your script for saying no – “Sorry, busy.” “No thanks.” “Don’t understand what you are saying.” “Do not call again.” and then hang up.

And don’t forget to call screen – let the answering machine pick up and listen to see if it is someone you know and want to talk with. Caller ID helps too.

5. Determine for yourself: your investment plan, charity gift-giving, and other important decisions. Do it right now and not when the con criminal calls.

The best way to make investments and to give to charity is to establish your goals and then develop your plan of action. Pick your investments and your favorite charities.

Armed with your plan of action, there is no need to listen to a con criminal telling you what you should be doing. You already have the best plan.

6. Know how con criminals use persuasion and social influence to commit their crimes.

Con criminals use persuasion as their weapon in fraud crimes. To understand just how they do it, watch this video entitled, “Weapons of Fraud:”

<https://www.youtube.com/watch?v=AVugzihLQ10>

The more you know about how the con operates, the more likely you will be able to spot a crime in action.

7. Ask questions and then check the answers.

The best way to deal with a con is to not deal with her or him at all – hang up, leave, send that scam email to the trash file. However, sometimes we need to interact with others – on investments, charity-gifts, travel plans, and so forth. Unfortunately, there is always the possibility that that broker or agent or charity is a fraud.

The best way to find out is to ask questions and check answers.

For example, ask a potential investment broker: “Are you licensed to sell me this investment?” “What is your broker number?” Then go and check that information at FINRA – an agency that licenses brokers:

<http://www.finra.org/investors/ask-and-check>

The background of financial brokers can also be checked at:

<https://adviserinfo.sec.gov/>

[Investor.gov](https://investor.gov)

For charity gifts, ask: “What is your registration number?” “How much goes to the charity?” Then go find out about the charity:

<https://www.aarp.org/money/scams-fraud/info-2019/charity.html?intcmp=AE-FWN-LIB1-POS1>

Before you engage in any important decision – signing up for a travel plan, sending in money for a lottery, responding to requests for information – develop a list of questions and then check the answers before making a commitment.

8. Update your computer’s virus protection regularly. Look before you click open that email file. Don’t share personal and other information on-line to unknown parties. Use strong and different passwords for you accounts. Back up your hard drive regularly.

Con criminals do their best to send emails that look real – complete with phony logos, authoritative language and warnings, personal details, and so forth. Often, it is difficult to know what is real and what is a fake. That is why it is important to take as many on-line precautions as you can.

9. Don’t think you are invulnerable to the con criminal’s pitch.

A common myth is that the only people taken in a con are those who are weak, gullible, lonely, stupid, or possessing some other negative quality. The truth of the matter is that we can all be taken in a fraud – especially if the con can tap into our desires and wants.

Based on a survey of victims of 15 different fraud crimes, the UK Office of Fair Trading put it this way:

“Our research dispels the myth that only the vulnerable, elderly or naïve are taken in by scams. Anyone can be taken in because scams are customised to fit the profile of the people being targeted. There really is a scam for everyone.”

In fact, if you think you can’t be taken, you are likely to let your guard down and are on the road to becoming a victim.

10. If a con crime is occurring, report it immediately. The more information you can provide about the crime, the greater the ability of law enforcement to act. Useful information includes any IP address used (if an Internet crime), the name(s) the con used, any addresses and phone numbers used by the con, and specific details about what happened.

Here are some organizations that stand ready to help:

<https://www.aarp.org/money/scams-fraud/tracking-map/>

<https://www.aarp.org/aarp-foundation/our-work/income/elderwatch/report-fraud/>

www.ic3.gov

www.reportfraud@ftc.gov

Additional assistance for seniors can be found at National Elder Fraud Hotline operated by the DOJ's Office of Victims of Crimes:

<https://stopelderfraud.ovc.ojp.gov/>

833-FRAUD-11 or 833-372-8311

11. Don't lecture or belittle fraud crime victims.

If you find someone who has been taken, don't lecture them about how stupid it is to send their money to a con. It may well be obvious to you, but for that person, he or she may very well believe that it is not a con but a great investment or deal.

Falling prey to a fraud crime is embarrassing – to say the least. This embarrassment is increased because there is a tendency to blame the victim and not the criminal who is the real cause of the crime. A lecture just increases the embarrassment and serves to drive a wedge between you and the crime victim – a wedge that the con is likely to exploit. Instead, give the victim social support and gently help them to discover for her- or his-self the nature of the crime.

12. If you have been the victim of a fraud, you are likely on a call list that will be sold to and traded between criminals. In other words, you have a very good chance of being called again. Now would be a good time to re-double some of the fraud prevention recommendations listed above. Think through what you could have done differently and make those changes in your life. In some cases, victims needed to change their phone number and emails.

13. One painful aspect of fraud crimes is that typically very little, if any, of the lost money is recovered. The con criminal squanders the money for her or his own lifestyle and launders and hides any additional money. The assets may be in a jurisdiction which cannot be reached by U.S. authorities. In cases where some money was returned to victims, it can take up to a decade to track down and recover assets.

To find out how to attempt to get money back from a scam, check out this webpage created by Lauren Sanders at the National Consumer Law Center (NCLC):

<https://library.nclc.org/getting-money-back-scammed-consumers#:~:text=While%20scammers%20mostly%20use%20payment,is%20ReportFraud.FTC.gov>.

14. If you have been a victim of a fraud, it is normal to feel embarrassed, upset, angry, and a host of similar emotions. A typical response is to blame oneself and to feel stupid or some similar emotion. The criminal wants you to feel that way. It is known as the blow-off – making you feel embarrassed and ashamed so you would tell anyone about the crime, including the authorities.

As such, it is important to remember: (a) We can all be robbed in a fraud – research has shown that victims come in all shapes and sizes including prominent members of the community; the stereotype of a lonely, gullible, stupid victim is just that -- a stereotype. (b) Fraud criminals succeed because they are good at what they do – they spend their waking hours trying to find ways to scam another human being. They have developed powerful pitches coupled with effective influence tactics to enact their crimes. You are not the person to blame – the fraud criminal is. (To understand how influence is used as a weapon in this crime, watch the video in Point #6).

15. If you are the friend of a victim, it is important to be supportive of your friend who may experience a range of negative reactions including withdrawal, depression, and even suicide.

16. If you are a fraud victim, one of the most important things you can do is report the crime to law enforcement and others (see Point # 10). This is the first step to standing up to the criminal and taking charge of the situation. Given that we can feel embarrassed by being the victim of a scam, it can take courage to report the crime and doing so says more about who you are than whatever a con criminal can do to you. And, you have stood up for your community – there will be fewer victims because of your actions. You are a hero to your community for taking such actions.

17. The influence fraud criminals use in their crimes play on our human emotions and feelings. As such being a victim in a fraud crime means that we are human – not stupid, weak, gullible, or incompetent. And even if we had a lapse or made a mistake, that doesn't mean we are stupid. Who hasn't made a mistake or failed to maintain constant vigilance? It doesn't mean we are stupid and foolish – just human.

18. Being victimized in a fraud crime can play on our sense of self-worth – how could I be so foolish, stupid, etc.? It is important to re-establish our sense of self-worth by doing such things as reflecting on our accomplishments, expressing our love to others, engaging in the types of activities that bring us joy, and helping and supporting others – doing the positive things in our life that bring us self-worth, both before and after the crime.