



Paul Clitheroe

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suckers born every day

I wasn't sure whether to laugh or cry when I read about three separate Victorian business owners paying in total around \$160,000 for chemicals that were supposed to duplicate bank notes. It just reinforces my view that humans instinctively want to find an easy way to make money, and the lure of a fast buck often gets in the way of commonsense.

The young con men behind this remarkable scam promised that when a bank note was soaked in the magic chemicals it would duplicate itself. That's right, put the chemicals on a \$100 note, wait 24 hours, and hey presto, a duplicate \$100 will appear! Get rich quick? Absolutely, but not for the suckers who fell for this ludicrous caper. The chemicals turned out to be nothing more than hair spray and bleach, which might have worked if the victims had wanted to turn blonde....

As bizarre as the story is, our consumer watchdog, the ACCC, estimates that around one in 20 of us will fall victim to a scam this year, costing the community over \$1 billion. Moreover, the ACCC is warning that tighter economic conditions could create a boom for con artists as the growing number of people

facing financial stress become more open to the prospect of making a fast dollar.

There's no doubt scammers move very quickly to take advantage of any situation. Earlier this year we heard reports of crooks pretending to be charity workers accepting donations for the victims of Victoria's bushfires.

According to the government's Scamwatch website (www.scamwatch.gov.au), crims are already trying to cash in on the death of actor Patrick Swayze.

Apparently there are websites that have been set up featuring news of the late Swayze. In reality the sites aim to collect personal credit card details by flogging fake anti-viral software alongside snippets of information about the actor.

Scams come in a variety of forms, from a cold call, to an unexpected text message or a dodgy website but a healthy dose of commonsense remains our best defense. In the case of the money-duplicating chemicals, the victims only had to ask themselves if it works so well why aren't the inventors using it to get rich themselves? The answer, of course, is

because the whole thing was a sham.

Getting rich slow may not be as exciting as the idea of getting rich fast, but it has the advantage of being a sure thing. The only proven formula for building wealth that I know of is to spend less than you earn, and regularly invest the savings in mainstream investments like quality shares, property or term deposits. You won't get rich overnight, but it will work in the long run.

For some good reading on scams, and how to pick and avoid them, log onto www.fido.gov.au - the consumer website of the Australian Securities and Investments Commission.

Paul Clitheroe's 'Making Money' for the week beginning 28 September 2009



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