

SCAMS: FROM PONZI TO BITCOINS

From the time of Charles Ponzi, the lure of the quick buck pried from the hands of innocent and greedy investors has been almost too much to resist—to the profit of scammers across continents and decades. In our timeline, we track some of the most infamous scams of the last 100 years.

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Sources: *The New York Times*, *The Economist*, *Forbes*, and the FBI Archive

Designed by Meehyun Nam-Thompson



1920: BOSTON

Through an arbitrage scheme of paying off old investors with funds from the new investors, **Charles Ponzi** was able to swindle his investors. The Take: \$20 million, or \$235 million today

1930: SWEDEN

Known as the “Match King,” **Ivar Kreuger** offered phenomenal profitability, and his investment matching monopoly was continually expanding. The plot collapsed in the 1930s, and Kreuger shot himself. The Take: \$250 million, or \$3.2 billion today

1984: PORTUGAL

Known as the “the people’s banker” for her excuse of “I was only trying to help the poor,” **Dona Branca** targeted innocents. The Take: \$95 million

1994: RUSSIA

Sergei Mavrodi’s MMM Company offered a 1,000 percent return on investments and scammed 40 million people. The Take: \$10 billion

1994: ROMANIA

Ioan Stocia ran the Caritas scheme out of Cluj-Napoca. A mutual aid game to help Romanians over the transition to capitalism, it offered eight times their investment in six months. The Take: \$1 billion to \$5 billion

2001: HAITI

Cooperatives offering 15 percent return rates ran ads featuring pop stars. It was believed to be backed by the government. The Take: \$240 million (60 percent of Haiti’s annual GDP)

2007: CHINA

Wang Fengyou’s Yilishen Tianxi Group offered 30-60 percent return to investors who bought and raised ants—sold back to the company, ground up, and sold to companies for medicine and beauty products. The Take: \$2 billion

2008: UNITED STATES

Bernard Madoff used a fraudulent investments company, targeting charities and wealthy individuals. The Take: \$65 billion

2009: SOUTH AFRICA

Barry Tannenbaum offered 200 percent returns through fraudulent pharmaceutical imports and forged antiretroviral orders. The Take: \$1.2 billion

2009: MEXICO/U.S.

Michael Eugene Kelly, owner of Yucatan Resorts, scammed senior citizens’ pensions and savings, offering bogus timeshare investments in Cancun hotels. The Take: \$428 million