

Swindlers Among Us

by

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They lure students on every corner of the MNSU campus. They are using the college newspaper, the *Reporter*, or message boards on campus to get students attention. A direct approach by them often disturbs one's lunch break in Stompers. Their smooth tongue promises excellent salary and flexible work hours that flatter the students who have little time to work and multiple bills to pay. For example, earn more than \$ 1,000 – \$3,000 per month by simply stuffing the envelopes and working 4-8 hours a week (Reporter) giving the illusion this money can be earned while watching TV or gorging on pizza and beer. Sounds like most students' idea of dream job (Dobo 3). Unfortunately, the “dream job” does not exist and it end up costing a student both time and money.

If a job listing in the classifieds appears suspicious and too good to be true, it probably is, officials warn. Pennsylvania Attorney General Mike Fisher advises the students in Penn State University newspaper that most work-at-home companies are not lawful (Dobo 3). Most of these companies require a down payment of some kind, others require employees to purchase the products needed to complete the job. On November 4, 2003, in the *Reporter's* help wanted section, out of eight employments adds five turned out to be employment scams. By responding to help wanted advertisements in *Reporter*, five employers asked for a fee of \$25 - \$80. Similar ads like these led the consumer to believe that most or all fees will be refunded, which turns out to be false (BBB 2).

In Minnesota, the Better Business Bureau last year fielded more than 4,100 inquiries about work-at-home business offers, an increase of 160 percent in two years (Reinan 4). The

increase in employment scams relates to the economy. According to the U.S. Bureau of Labor Statistics, 8.8 million Americans are unemployed today, compared to 5.2 million in 2000 (BLS 24). “Hard times in economy are good times for employment scammers,” said Jane Driggs, president of the Better Business Bureau of Minnesota and North Dakota (Reinan 4).

According to Minnesota Work Force Center statistics, the unemployment in Mankato is 3.9 % and this is more than the average unemployment rate in Minnesota. Since the city of Mankato offers a limited number of jobs for students and the employers prefer persons who permanently live in the area, MNSU students often become the victims of employment fraud.

Typical fraud in MNSU starts with an ad in college newspaper. Students who respond to the fraudulent advertisements are typically promised excellent salary. They are given presentations that includes multiple examples how individuals become wealthy by selling their product. Almost as an after thought, the scammers ask for some kind of fee. The request often sounds like caring concern. For example, the small fee is for revising the resume to represent the student in a better light sounds thoughtful and innocent. Another, slightly different approach is to request the fee upfront. One scammer in the *Reporter*, claims to guarantee a high-income bartending job, but requires the credit card number and \$79 as access fee to his database.

The varieties in the types of frauds are endless. However, envelope stuffing, product assembly, and medical billing are the most common ploys, says Pennsylvania Attorney General Mike Fisher (Dobo 3). Scammers are using the Internet, newspaper advertisements, seminars, and the direct approach to lure people into employment schemes, which end up costing them money – instead of making them money. When you need money, scammers always have the advantage over you (scam watch 1).

The *Reporters*, advertisement representative sounded surprised as well as worried in a phone interview about the employment frauds. The answer to the question of why school newspaper advertises fraudulent ad sounds reasonable – the ads look real and there is no way that the newspaper can check every help wanted ad to be sure about their legitimacy. For a student this answer raises a new question – what should be done to solve this problem?

Since the newspaper is unable to protect the students for employment scams then the students themselves should wake up and act. The surprising attitude of the Reporter's representative led to conclude that the MNSU students are passive and do not report the scam incidents. It sounded clear that the college newspaper would be happy to receive this kind of information in order to prevent further scam activity. Therefore, the students should pick up the phone and report incident's to the newspaper editors or local consumer protection agencies such as the Better Business Bureau or State Attorney General (Federal Trade Commission).

The students should understand that it is very hard to prosecute employment scam cases. Normally, there must be a certain number of victims or certain dollar loss within a particular county. The attorney general often cannot help in employment fraud cases, because of the way Minnesota law is written, jurisdiction to prosecute many fraud cases lies with local authorities, not the state, said Prentiss Cox, manager of the attorney general's Consumer Enforcement Division (Reinan 4).

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