

THE PYRAMID SCHEME
Chedet.co.cc
May 7, 2009
By Dr. Mahathir Mohamad

(This is the fifth instalment in a series on the trends that led to the present financial crisis)

1. Then there is the pyramid or Ponzi scheme. Bernard Madoff was only exposed after he lost 50 billion dollars of the money invested with him.
2. The operation is simplicity itself. The operator simply gives back a percentage of the money "invested" with him as dividends. If he pays a dividend of 20 per cent he would finish the money in five years.
3. But as more and more new investors invest with him, he would be able to pay the dividends long after the earlier investors had got back all the money they had invested. Besides the investors would continue to invest more as they receive the high dividends.
4. Generally the investor would be so happy with the high dividends that they would not complain. The authorities would therefore remain ignorant of the operations of the scheme. Besides if exposed and forced to stop the investors would lose all the money they had invested.
5. Madoff would not be the only one to operate this scheme. Actually no wealth is generated as the invested money is actually returned. Nevertheless the so-called dividends would contribute to the per capita and GDP of the country.

48 Comments

By OumonoAuthor Profile Page on May 7, 2009 6:14 PM

What about Multi-level marketing sir. Looks like the trend played by certain group of people tend to turn out like the same scheme.

Hazman Abu Bakar

By jurublogAuthor Profile Page on May 7, 2009 6:16 PM

In the case of Madoff scheme, there are many so called "sophisticated" and well-known investors who were caught in the deceit. The smallish investors also fell into the trap because they "relied" on the sophistication of the existing investors in the scheme. It ended up that they were blinds following the blinds, and got cheated by the schemer.

All due to greed.

<http://www.jurublog.blogspot.com>

By ah_hengAuthor Profile Page on May 7, 2009 6:54 PM

Tun,

Apologize to side track this comment to another major issue: The Perak Crisis.

I understand that you have given your comment a few days back regarding to this but with what

happened today at the State Assembly sitting, it is a blardy good example of how big bully BN was and how BN has been the controlling crooked of the police, arm force, etc despite you and the current PM always champion the noble fact of Doctrince of Seperation of Power!!!

I am a Proud Malaysian and envy myself being a Perakian. But what happened today is totally unacceptable!!!

Please comment Tun... Please do.

WONG

By AlanAuthor Profile Page on May 7, 2009 7:51 PM

Tun,

From what I read from your articles so far, the only way we can beat them (the developed economies) is to fight fire with fire. If we cannot beat them, we have to join them or else we will lag very much behind.

By shahrulAuthor Profile Page on May 7, 2009 8:07 PM

well, we also have a pyramid scheme in Malaysia, but not as big as Madoff. Btw, what happened to their watch dogs? And we still want to play by their rules(book/study)?

By A.KamarulAuthor Profile Page on May 7, 2009 8:33 PM

Hehehe Tun,

That's Economics and Finance. I am sending my two daughters to study in a top American university, one in Economics and one in Finance. Hope they can do better than Madoff. Thanks for writing Tun. Salam.

By DaniaLzAuthor Profile Page on May 7, 2009 8:36 PM

Salam Tun

Out of the topic..

I am watching History Channel on Astro, and the KLCC is being featured in Modern Marvel. It also speaks about the visionary leader, Dr Mahatir and his ideas of the imposibles :)

I cant tell you how proud i am being a Malaysian. Even when i was studying in Aussie, Malaysia is always being referred in lectures for its technology ie the Sepang, KLCC, Putrajaya for its integrated development, longest computer controlled LRT and etc etc.

Not to mention, everytime i'm overseas, the muslims will say "MAHATHEER" once they hear the name Malaysia. Many muslims around the world download your speech. I was once told by an Eritherian (African) colleague how he believes that you are the true muslim champion, unlike other OIC leaders.

We love you Tun, and we truly appreciate everything you have done for us.

Salam;

DaniaL

By HOT ZOOMAuthor Profile Page on May 7, 2009 8:39 PM

Salam,

Macamana sebenarnya skim piramid ni ye?

Adakah semua skim piramid ni menyebabkan pelabur mengalami kerugian atau macamana?

Yang ni skim piramid juga ke?

<http://www.zoompanas2.com/2009/03/program-mlm-online-terhangat.html>

By kamal ahmadAuthor Profile Page on May 7, 2009 8:41 PM

http://en.wikipedia.org/wiki/Ponzi_scheme

Salam kasih dan hormat Ayahanda Tun.

In all seriousness, I submit here; that it was Charles Dickens who invented the precursor to the Ponzi scheme in 1857, decades before Ponzi was even born. Dickens called it: "The Little Dorrit Scheme". But it was Ponzi who took the rap nevertheless.

By Nothing but windAuthor Profile Page on May 7, 2009 8:51 PM

Dear Tun Dr M,

Many western countries claim themselves as the "civilized nations". This means the Asian and African countries as "uncivilized". However, the recent events and tragedies indicate otherwise.

One of such events is this pyramid scheme. It is unbelievable that Bernard Madoff was able raise funds worth more than 50 Billion Dollars. It is all because of high returns promised by Bernard Madoff. Can't they, so 'civilized', know that it is a ploy and it is actually a pyramid scheme?

This indicates that they took a gamble in the hope that they are in the higher stratum. True enough, when the investment became very huge, Bernard Madoff could not service the investments and gave up.

By RahmanAuthor Profile Page on May 7, 2009 8:57 PM

Dear Tun,

In my last comment on your article pertaining to Hedge Funds, I have postulated that money, especially the US Dollar, is a commodity. Naturally it is dominated by the developed countries which become a 'safe' place for all countries and rich individuals.

Since there are just too much money now in the banks in developed countries, this commodity needs to be invested to get returns to the banks. Since productive activities in the developed countries are few in view of very low GDP growth rate in these countries, hedge funds and pyramid scheme become available channels for the banks. Both require good networking or "crony system" to succeed.

We had our "Pak Man Tello" which actually uses the money obtain from later contributors to pay for earlier contributors. In accounting term it is almost similar to the terms "teeming and ladding" or "lapping".

What is scary is that in a highly developed financial market with all the regulations, there are people who still believe that some schemes including hedge funds must not be heavily regulated in the name of 'free market'. However we must remember that a 'free market' comprises of individuals. Hence there are good and bad individuals. Are we to believe that a 'free market' can control themselves very well? What we see is that the actions of a few caused catastrophic damages to individuals and even countries. Hence government has to step in when 'free market' has failed. But more importantly we cannot have money to be a full-fledge commodity anymore and there is a need to have regional currencies to reduce this dependency to the US Dollar.

Best regards.

By HOT ZOOMAuthor Profile Page on May 7, 2009 9:13 PM

Salam,

Untuk tatapan anda yang belum tahu atau ikuti artikel berkenaan peristiwa bersejarah baru negara.

Klik sini <http://www.zoompanas2.com/2009/05/bahan-arkib-hot-zoom-komuniti-ver2edisi.html>

By PulauAuthor Profile Page on May 7, 2009 9:44 PM

Dearest Tun

The concept sound familiar, just like "Pak Man Telo" Scheme known as "Skim Cepat Kaya". Pak Man Telo started it in Perak many years ago. Thousand of people got con by him. Loosing lots of money. Including intellectual group too.

Nevertheless, some early jokers got back their investment. However, greed to earn more with bigger investment smack their hope when the scheme was banned by the government and Pak Man Telo was arrested and charged for cheating.

Not sure whether Madoff learned from our local expert or the similar concept is just coincidence.
By Rimba Emas Author Profile Page on May 7, 2009 10:29 PM

Salam buat Tun berdua moga dirahmati Allah s.w.t.

1. Terimakasih Tun tidak berlegah terus mengenegah isu ini. "Pyramid scheme" in samalah terkenal dahulu di negara kita skim 'Pak Man Telo'. Cuma berubah jumlah pelaborannya serta 'educated' sedikit kerana di Amerika rakyat mereka ramai yang lebih kaya dan terpelajar.

2. Bahayanya "Piramid Scheme" ia boleh di manipulasikan oleh si cipta skim ini. Yang diatas boleh menggaut keuntungan jika ramai yang di bawah melabor.. sehingga membahayakan yang di bawah tiada lagi si pelabor baru. Jadi muktamatnya pasti akan berhenti. Yang diatas berjaya mengumpul wang berlebihan yang di tengah lebih sedikit. Sebaliknya yang tiada lagi ahli dibawahnya akan merana.

3. Pada pendapat saya sistem ini dapat diperbaiki jika dibuatkan pusingan. Si pencipta perlulah berhati bersih serta mempunyai niat memperjuangkan untuk jamaah seperti skim kampung dengan nama "main kutu".

4. Tetapi skim ini sering dicemburui oleh pihak pemerintah takut rakyat akan membelakangkan skim yang diperkenalkan oleh kerajaan.

5. Selalunya kejayaan mereka akan disekat oleh akta undang-undang dibawah Bank Negara Malaysia.

6. Rakyat mengambil tindakan begini disebabkan mereka mempunyai cita-cita untuk mempunyai modal besar memulakan perniagaan. Sekarang cara yang pantas boleh mereka dapat cuma melalui pinjaman yang sudah tentu perlu membayar balik serta di kenakan faedah oleh si peminjam.

7. Nak harap duit kwsp kena tunggu akhir umur. Baru nak mula berniaga kubur pun panggil mari..

8. Hanya segelintir rakyat dari kumpulan ramai kadang-kadang dinurkan malaikat untuk sangsi dengan pertubuhan-pertubuhan ini mengeksploi duit mereka untuk menjadi usahawan.

9. Bagi rakyat banterasnya kerajaan terhadap skim ini.. yang bagi rakyat mirip kwsp dan lebih -lebih lagi boleh didiambil secara skala besar sebaliknya rakyat tiada kuasa merencanakan cara pengambilannya sentiasa dipersoalkan rakyat.

10. Akhirnya jangan salahkan rakyat beralih angin pemerintahan jika rakyat sentiasa menanggung segala resiko dalam pekerjaan, gaji, melesetnya ekonomi....

11. Rakyat memberontak tidak mahu lagi sisa orang kaya.. mereka juga mahu menjadi seperti mereka.. rakyat juga mahu ada kuasa untuk mentadbir... tapi rakyat akan terus menderita jika pemimpin mestilah lebih tinggi dari mereka dari segi harta, wang ringgit, taraf hidup malah raja mereka.

12. Allah s.w.t MAHA segala-galanya kamu semua manusia hambanya dan sama taraf sahaja.

13. Wallahua'lam.

By LittleMalays75 Author Profile Page on May 7, 2009 10:30 PM

Salam TUN,

Berbahasa melayulah sekali-sekala.. Ini semua salah kerajaan dulu tak galak kami berbahasa english.

Skang nak fahamkan sebarang maklumat dah pening kepala.

Terima Kasih & Thank You Very Much

Penyokong PPSMI utk anak2

By Dayak Baru WeblogAuthor Profile Page on May 7, 2009 10:41 PM

Di Sarawak ramai yang telah menjadi mangsa skim piramid ini, dari ibu yang menjadi surirumah sehingga mereka yang bekerja memegang jawatan tinggi telah menjadi mangsa. Yang menghairankan ialah kepada mereka yang barjawatan tinggi ataupun mereka yang dikategorikan mempunyai pengetahuan dalam bidang perniagaan juga telah menjadi manga? Adakah kerana ketamakan mereka yang ingin menjadi kaya dalam sekelip mata?

Regards,

Dayakbaru.com

By fawzAuthor Profile Page on May 7, 2009 11:18 PM

It is all about 'wayang' ! Materialistic people are impressed with flamboyant show of extravagance in the highest order, once impressed they want a piece of the action!

"Pandan muka dia-orang yang kena dengan Pak Man Telo, Madoff dan banyak lagi." Siapa tamak dia rugi.

But seriously, I think the world is coming to an end soon!

By Pak JalekAuthor Profile Page on May 7, 2009 11:25 PM

Salam Tun,

Need you view on such scheme which happening in our country. Does it contribute to our GDP?

To my understanding most of ppl taking up loan from the bank and invested in these schemes and finally being cheated.

By romeoAuthor Profile Page on May 7, 2009 11:58 PM

Assalamualaikum Ayahanda Tun Mahathir.

Saya masih lagi menanti Komen ayahanda tentang penasihat baru MAS.

Terima kasih Ayahanda Tun.Gaji yg banyak diberikan pada Penasihat MAS tu lebih baik di beri pada rakyat yg memerlukan kerja.Sebagai komen saya yg terdahulu saya menantikan KOMEn ayahanda Tun Mahathir walau 100 Tahun..

I really like when u r smiling Ayahanda Tun MAhathir.

Take Care.

By etp2020Author Profile Page on May 8, 2009 12:23 AM

Buat ler bisnes yang genuine businessnya,ada produk atau perkhidmatan yang menguntungkan peserta ,pengelola dan juga negara.

Gunakan akal yang waras untuk buat penghitungan demi menjaga kerharmonian semua rakyat jelata.

contohnya: <http://www.hotmember2u.com>

Thanks Tun

By samuraimelayuAuthor Profile Page on May 8, 2009 1:11 AM

SALAM AYAHANDA RAKYAT TUN

IZINKAN,

WHATEVER OR HOWEVER WE TERMED THE SCHEME, PYRAMID, PONZI OR PAK MAN TELO (3Ps)... IT BRINGS BACK THE CHILLS THROUGH OUR SPINE... THE THOUGHT OF OUR DARLING WIFE SIMPLY FALLING PREY TO SUCH SCHEME(SCAM?) SOME YEARS AGO.

THOUGH SAD, WE BECAME WISER AND SINCE THEN HAD 'HEDGED-OUT' ANY AGENT/REPS FROM OUR BORDERS.

NO REGRETS BUT A LESSON WELL LEARNED.

ALFATIHAH, AMIN.

By pakbelalangAuthor Profile Page on May 8, 2009 1:22 AM

Dear Tun M,

I think it is high time for the government to act now to stop all this nonsense in the political front.

It looks like it has become out of control. The oppositions are really ridiculing the democratic system to test the government's strength.

Drastic action must be taken once and for all and move on to focus on the development of the country.

Much time has been wasted just to "entertain" these irresponsible leaders of the opposition who don't seem to be bothered about anything else except trying to rock the whole government machinery.

We cannot allow this situation to continue. It affects our country's security and political stability. It does not augur well if the govt. just let it continue with this kind of uncertainty in the political front.

ENOUGH IS ENOUGH of fooling around. There must be a limit to everything in order to ensure that the rakyat feel comfortable and safe.

So Hisham, I suggest you should start preparing another round of "OPERASI LALANG" to check this rot. Don't give them a damn.

We are really tired to see all the stupid antics shown by the oppositions.

Kerajaan jangan jadi macam "PONDAN". Kerajaan jangan ikut rentak mereka yang tidak bertanggung jawab dan menjadi pengkhianat negara.

A responsible government must act without fear and favour to protect the majority of the rakyat who want peace of mind to continue with their life in order to earn decent living for their families.

Don't worry about being unpopular. The issue is whatever action taken must be seen to protect the country's peace and security.

Being a minister of Internal Affairs how I wish you to repeat the statement made by the late Tun Ismail appeared on TV way back after May 13 1969 incident telling the rakyat that DEMOCRACY IS DEAD. Itu baru anak "JANTAN".

By donplaypuksAuthor Profile Page on May 8, 2009 2:57 AM

Dear Tun

"Besides if exposed and forced to stop the investors would lose all the money they had invested."

Are you suggesting that the Madhoff Ponzi Scheme was actively promoted by the West (USA) so that they could bump up GDP figures to hoodwink us?

That's an incredible and outrageous slant that only totally biased and contrarian 'look East, but export West' champions like you could propose. I suppose you said that with tongue-in-cheek!

No doubt many of your sycophantic followers will respond with 'Thanks for making that clear in so few words, Tun', 'Bravo, you should write a book on it' and 'Tun, you saved the Islamic World with this timely 'expose!' But, what's the truth?

In actual fact, there appears to be some clear laziness, oversight and bribery of the SC and Madhoff's auditors in the USA that enabled Madhoff ('one of us', 'one of the boys') to perpetuate this fraud on many unsuspecting educated and uneducated people for more than 10 years. Some investors even committed suicide after their life-savings were wiped out.

When such a Ponzi Scheme fails, the past dividends which may have contributed to GDP will now have to be written back i.e. GDP will now be reduced for humongous capital write-offs, in the same way that say, Maybank may have to write back possible permanent impairment losses in dodgy investments (much against Bank Negara's advise) in Indonesian banks, against its Profit & Loss Account. That will reduce the bank's earnings and capital, as Madhoff write-offs will GDP.

Similarly, where once huge gains from speculative and mega-leveraged (30 or more times deposits) forex, futures and CDS casino type financial instruments trading upped GDP numbers, now their worthless papers and hedging losses will also bring down GDP figures.

Thus there is a mechanism for correcting GDP figures when income and capital losses are negative. It's not a one way street which you conveniently forget to mention in all your 'financial series' blogs.

So, what's your beef?

Yes, speculative over-leveraged forex and futures trade MUST be curbed, and Government supervision of organisations and practices strengthened Internationally much, much more than it has been.

But you can't legislate against human nature, GREED and the congenitally crooked.

The watchword is SECOND TO SECOND CONTINUOUS GOVERNMENT VIGILANCE!

And the failing in that fiduciary duty of Governments is endemic in the West, the East and here at home too! or have you forgotten that playing with your new toy, Apanama itu? I forget! Lol.

<http://donplaypuks.blogspot.com>

By azienmatAuthor Profile Page on May 8, 2009 3:14 AM

Macam-macam sistem ada. Ada bank tempat untuk simpan wang dan pinjam wang.

Ada sistem insurans, boleh simpan duit sekurang-kurang sikit tapi disertakan khidmat sampingan. Ada sistem seperti diatas, dah macam unit trust pun boleh jadi. Dijadikan tempat menyimpan + pelaburan disertakan dengan dividen, jika ada.

Itulah kuasa wang tunai. Siapa yang dapat pegang wang tunai lebih dialah berpengaruh.

Kita? Nak beri pinjaman duit takda, nak meminjam tiada kata manis mampu dijanjikan pada si pemberi pinjaman. Akhirnya, hanya mampu menyimpan, melabur dan meminjam wang tunai saja layaknya.

By pakbelalangAuthor Profile Page on May 8, 2009 3:49 AM

PERAK ASSEMBLY SHOWDOWN: Perak Regent admonishes Nizar to respect royal address

The Raja Muda told the duo: "I don't want to get involved in this. I just want to give my speech, so respect my speech, when I am giving it. You understand that? If you want to work with me in future, you have to respect my speech. Understand?"

comment:

What a great Regent he is.

Daulat Tuanku !!

By yayananAuthor Profile Page on May 8, 2009 5:24 AM

Salam,

I am no body neither the expert in this particular area but I can sense your point of view on this matter.

I think this kind of scheme or I personally call it a cycle that finally lead to financial crisis. The money itself do not help the growth of economy instead it rolling in a group of people or investors in a system with ordinary operator so-called the investment king who control over it.

No economic value actually generated since it is only a mathematical system where an operation of numbers result in another numbers.

-yanzz

By kamal ahmadAuthor Profile Page on May 8, 2009 7:47 AM

Salam kasih dan salam hormat Ayahanda Tun. May I please be kindly allowed to state an off topic comment here Sir.

The physics of automotive engineering is: Brake Horse Power (BHP) would take you to speed while - in keeping that speed later would be the task for Torque (lb/feet). If you have plenty of BHP, you may go from standstill to 155mph (and beyond) for top speed and keeping you at that pace would be your torque (33lb - per square feet of normal space travel in any 360 degrees angle).

Thus torque numbers would be a larger figure as opposed to BHP ratings. That has to be plain logic.

The simple truth is, you could take an air-cooled VW engine and keep working on it till it delivers you 500+ of BHP and an even greater sum of torque. But could it keep at speed – say for a continuous run at 155mph for a 120 minutes stretch? That is where fine, reliable and decades of proven automotive engineering comes in. A good V12 engine would take you to 155mph all day long happily, delivering all kinds of plush comfort while the engine is working at only a relaxing 4000 Revolutions per Minutes (RPM) delivering you all those massive and stable BHP. Step on the gas, and it's ever ready to give you more. Usually this kind of engineering would be on the higher costing side.

When you observe the speed and rpm ratings of any car, you can already tell almost everything about the engine and the vehicle itself.

Some “bawah pokok” mechanics could fix a turbo-charger to your engine and guarantee “gualantee sama lu” instant 100% increment in both BHP and torque. The price would be cheaper no doubt because the “bawah pokok” mechanic had omitted all other kinds of necessary plumbings like intercooler and waste-gate in the name of cheap low budget quickie power. Similarly, the “bawah pokok” mechanic may even fix in a canister of laughing gas Nitrous (NOS2) into your intake plenum for an even “gila-gila” lightning bolt charge. I am sure you would sprint from 0-60mph in a single fart of 3 or 4 seconds. But where would you go after you reach that 100mph mark? Most likely, you would be at the Pearly Gates scratching your heads trying to make out what that flash of light was all about. I am sure back here on earth, your team would be busy collecting your debris in a 3 km radius, created when you literally combusted while going at 150mph with those “bawah pokok” engineering technologies.

There are many kind of engineering's in the world today. I am sure we know them already, and some

surely knows more than me. I am merely a casual observer to this field.

Similarly today I see the same analogy in our local Malaysian politics. We have PAKATAN RAKYAT's (PR) DAP shouting all kinds of slogans to fire up on all the non Malays into hating the government. And equally we have PAS stroking their goatee while vehemently trashing any other Malay who is not PAS as un-Islamic and un-holy as they are. A loosely alliance built on anger and desperations. Say it does deliver the required BHP to take you up to speed. Say that speed is the PRU13. Say they win later. Now in all honesty to ourselves and our children, do you think we even have enough torque to keep us there at that pace of travel through time and space? I am sure that same "bawah pokok" mechanic would be pumping all sorts of bicycle parts in desperation to stay at speed. Would it hold? Do they even have enough braking power to come back to a safe halt? – Braking Power is another topic all together here - Do they even have time to stop for directions or read the sign boards? Do they even have the right kind of transmission set-up to transfer all those power on to the asphalt? And I am thinking a Mr.Bean antics upon discovering that he could actually remove his steering wheel from the hub while the vehicle was going at 155mph. Imagine the horror on their faces!

Looking at how the PAKATAN RAKYAT has been handling themselves during by-elections and latest, during the Perak DUN Seating yesterday, I would earnestly say that democracy would fail us at PRU13. So now everyone, let us apply this logic: BHP would take us there. We can find all kind of BHPs in the market today. We can have "bawah poko" BHP for a song, or we could keep our effortless cruising machine that has been proven over the last 51 years with excellent working engineering and technologies. Logic says that when you have a bad fan belt, you change that fan belt only. You do not discard that vehicle and jump into a "bawah pokok" technology. Do that and you are the Guinea Pig.

I look at PAS antics, especially that ungrateful Malay - Nizar in front of the DYMM Raja Nazrin Shah in the Perak DUN yesterday as totally improper and arrogantly to the hilt and over. A Malay would never be that way to his Raja Melayu. Nizar had taken in the DAP and PKR, a coalition of mostly non-Malay politicians into humiliating the DYMM Raja Muda Perak and Raja Puan Muda yesterday.

A serious reprimand must be meted in regards to this kind of conduct. The Home Minister must be firmer in his actions and equally, his yellings just as well. The Home Minister must be the kind of person who would not worry too much about political image down the road; he may have none anymore when done and he must be prepared for that political risk. It should be "all in a day" kind of slogan for him. He must be that kind of focused mind. Maybe the PM should import in a Gurkha from Nepal for that job?

I shall end this comment with this; a brother who looks like a cross between a Malay and a Gurkha (Nik) once came to study abroad. He is 5 foot 5 inches tall (or so). While in his first few weeks abroad, he often got into trouble with the mat sallehs in his rough neighborhood who would off course intimidate him out at any chance they could get. One day I told him, wear a military tag ID on your wrist and carry a good sized "chakri" on your waist and pronounce to everyone that you are Bahadur Tapa, a Gurkha (ex British Arm Forces) from Nepal. He did just that and eventually he changed his mind about moving out of that crazy neighborhood as he quickly earned respect and made many friends as Bahadur Tapa the crazy/intensed Gurkha from Nepal.

Hope we could relate to this comment of mine. Thank you for tolerating my off topic commenting Tun. We are indebted to you for the kindness upon us.

By zamanAuthor Profile Page on May 8, 2009 7:50 AM

Salam Sejahtera Untuk Tun dan Keluarga.

1)Tun jasa Mu tetap di kenang dan di abadikan.

2)Tun semasa menayambut jasa Mu di kenang untuk Pak Lah,Datuk Najib telah melantik Pak Lah sebagai penasihat Pembangunan Koridor Negara. sebelum ini pun Pak Lah baru di lantik sebagai penasihat Mas.

3)Semasa di temu duga Tun mengatakan secara sinis bahawa dulu Tun ada juga minta jawatan penasihat MAS tetapi "tidak berkelayakkan".

4)Perkara yang saya nak utarakan di sini apa perlunya Pak Lah di lantik untuk jawatan jawatan tersebut.

5)Kita lihat sahaja apa dah jadi kepada Negara yang AMAN DAN MAKMUR semasa Tun memimpin.Kepada Datuk Najib Jangan lah kita kerana bersifat kasihan menyebabkan kita hilang pertimbangan.

6)Saya perlu menekankan di sini perkara yang paling pokok yang perlu di lakukan oleh Najib ada lah memulih kan KEDAULATAN NEGARA.

7)Perkara yang utama yang paling ketara sekali dalam mengembalikan Kedauletan negara adalah isu JEMBATAN BENGKOK DAN ISU PENJUALAN AIR KEPADA SINGAPURA.

8)Selagi Najib tidak selesaikan perkara ini ia akan menjadi igauan kepada rakyat Malaysia.

9)Saya sangat sangat merasakan apabila terbina nya Jembatan tersebut isu isu lain akan turut selesai secara tersendiri.

10)TUN WE REALY LOVE YOU WITH ALL OUR HEART.I CANNOT INMAGINE WHAT MALAYSIA WILL BE WITHOUT YOU.SEMOGA TUN DAN KELUARGA DI LIMPAH KURNIA ALLAH.
By OnlookerAuthor Profile Page on May 8, 2009 8:20 AM

There were also many Big Hoax businessmen in Malaysia who usually relied on the lie in filing income tax return in order to pay higher income taxes to the Inland Revenue Department for purpose of showing proof to the commercial banks as a qualification to borrow bank loan. The exaggerated income reported in the cheated income tax return would also be used to calculate the overstated per capital income and GDP of Malaysia. What say you then? Do you still insist that Malaysia is much richer than the United States?

By wajaperakAuthor Profile Page on May 8, 2009 11:02 AM

Dengan Izin Tun...Terimakasih..

Abang Kamal Ahmad.

Tq very much for 'the parallel comparison'.Can I add my non intelengence worth in this sense?

I always imagined myself as a fighter pilot as great as fictious character 'Bigglesworth'.One of his passions is dogfight.He surely has skills and a lot of good doses of luck to survives the war.

Imagine having a go at Anwar Ibrahim circus of accomplish fighter of Ace the Lim brother's,Anwars clans,Karpal fraternity,Nizar and companies..

You wants to folows procedure in 'engagement' or go at them like a mad dog?

You can never managed to knock a spot on these bloodhounds..So where do I stands..?

Being a dutiful fighter pilot who will not engaged until 'The Mas Advisor' commands so ?

Or procured the latest MIG 35,SU-30MKI or SU35 and waits patiently to strike?

How do you attacks Anwar Circus?

Have a buddy who are willing to die for the country..

First me and my buddy will always stalks and try to isolated this hounds..You know their character..Always finds solace and comforts somewhere..

Masquarading as commercial planes, we will edge closer and closer for the kills..They will spot's us on their radar of course..But I have one trade secret of blinding their sensor into believing we are 'commercial planes'..

Closer and closer until we can locks them on the firing 'mode'.Heart beating wildly in our chests..we fireds the R77M-1 missiles..One..two...swooswh..

Why two only you may asks..Do you know how much this baby cost's..?

Will it ever be blocks by the American sunburst? Will the F15, F16 and F18 American built's Anwar's buddy managed to outmanouvre us..?

Will they retaliates with AIM-7 Sparrow or AIM-9 Sidewinder?

I really miss the good old days..

When fighting are done within visual range and machine gun are the only trajectory you can spit on viciously against one another and skills and flying skills alone will lets you see through the days..

BAMMMMM!..

Damn you!! Sleeping on the job again?...

Err sorry boss..I caught that 40winks agains..

Make sure it is your last 40 winks or I make sure you can have all the sleep minus on the job!!

Yes boss..

Sheesh..I am dreaming..

Would you not like it comes through though crashing and burning Anwar's American war machines..?

Until the Meatloaf Rock And Roll Dreams Comes True...

By RepublicAuthor Profile Page on May 8, 2009 11:06 AM

Selamat Pagi Tun

A invest in X.
X 'return' interest to C.

D invest in X.
X 'return' interest to A.

C invest in X.
X 'return' interest to D.

and goes on....

By cucu tok buyungAuthor Profile Page on May 8, 2009 11:42 AM

TUN.

Saya tak berapa pandai hal2 piramid ni. Yang saya tahu melabur secara ini tidak akan menjadi kaya. Saya tak pernah tertarik atau khairah akan skim semacam ini sejak pada masa 'HOT'Pak Man Telo walaupun Pak Man tu kira2 seBandor dengan teman.

Sedikit nak sentuh lagi keadaan di Perak.

Satu peristiwa yang tak seharusnya berlaku. Pihak Pembangkang sepatutnya dah tahu akan kedudukan mereka yang sebenar. Mereka telah pun berada di pihak yang telah gagal untuk meneruskan kuasa di Perak. Tak perlu lah lagi saya perincikan lagi disini. Semua orang dah tahu kronologi nya tumbang nya kerajaan PR di Perak.

Ini salah pemimpin2 PR di Perak juga yang menyebabkan mereka tumbang. Mereka telah tersilap bermain "Catur" dengan BN. Mereka tersilap langkah dan UMNO/BN telah mengambil kesempatan untuk buat satu pergerakan 'Check Mate' untuk menumbangkan mereka.

Tanya lah pada Siva Kumar. Macam mana dia buat boleh buat kesilapan dalam perancangan dan keputusan sehingga meninggalkan 'Loop Hole' yang membolehkan memberi peluang pada BN menyerap masuk dan memecahkan benteng pertahanan PR seterusnya berjaya mengambil alih kuasa di Perak.

Malah teori 'Lompat Katak' yang diperkenalkan oleh DSAI tu lah yang di guna pakai dan di realisasikan oleh UMNO/BN Perak. Perkara sama akan berlaku jika 16 Sept. oleh DSAI di capai. Kenapa UMNO/BN di persalahkan bila mereka gagal dalam permainan ini.

Kerana itu kita lihat Siva bermati2an untuk mempertulkan kesilapan yang telah dilakukan nya yang mana telah melenyapkan kerajaan PR di Perak. Kerana 'kepandaian' dan 'kebodohan' dia bermain politik lah maka Nizar hilang jawatan MB dan exco2 lain hilang jawatan. Sivakumar mesti dipersalahkan dan bertanggung jawab akan kemelut ini. Dia yang mulakan permainan dari awal nya. Kenapa salahkan UMNO. UMNO hanya mengikut rentak bila diajak bermain politik. Itulah politik. Akan sentiasa mengintai peluang.

Dalam permainan politik tidak ada 'desiplin2' khusus untuk diikuti. Siapa cekap dia dapat.

Semoga Dr. Zambry dan rakan2 nya dapat terus mentadbir negeri Perak dan membangun kan nya untuk kembali zaman kegemilangan di era 'Bijeh Timah' nya.

"A pessimist see the difficulty in every opportunity; an optimist sees the opportunity in every difficulty"

-Winston Churchill.

By donplaypuksAuthor Profile Page on May 8, 2009 12:25 PM

Dear Tun

Further to my earlier comment above on your outrageous sweeping statements, there is another FUNDAMENTAL ERROR in your blog on Ponzi Schemes.

DIVIDENDS ARE NOT INCLUDED IN COMPUTING GDP STATISTICS!

It is corporate profits and losses that make up some of the elements of GDP.

E.g. If MAS makes a profit of \$1,000 and pays out a dividend of \$100, then \$1,000 goes towards MAS's retained profits (capitalised) and M'sia's GDP. The payment of \$100 is merely a return of capital to shareholders and a cash flow item. If we include the dividend of \$100 in GDP, that would clearly be double counting and an error of biblical proportions.

I'm sure you can verify this with many of the leading Economists in M'sia such as Madam Zeti at Bank Negara, Dr. R. Thillinathan at Genting and Dr. Lim Teck Ghee at Cpasia.

In the Madhoff Ponzi Scheme, it would be the false profits that he reported to the SC that would have bumped up GDP, and now that the scheme is all but wiped out, that slice of GDP will also be adjusted downwards. The 'dividend' Madhoff paid would not have figured in any USA GDP statistics!!

Trust that is clear and you will explain it in your blog.

Thank you.

<http://donplaypuks.blogspot.com>

By ,Melayu merantauAuthor Profile Page on May 8, 2009 3:49 PM

Salam Aahnda Tun.

"Pak Man Telo ikut Madhoff atau Madhoff ikut Pak Man Telo.."

Yang paling berminat untuk melabur skim sebegini ialah ORANG MELAYU...habis tanah, rumah digadaikan untuk skim ini...Baik Chikgu Melayu, Pegawai Melayu, Peniaga Melayu semuanya terkena dengan sekim cepat kaya ini..

SEMUANYA SAMA AJA.....

Jangan kena tipu lagi yer.....

By edfazlyAuthor Profile Page on May 8, 2009 7:14 PM

Salam Tun

hai hai warga blog

TUN

dalam hal ni, skim-skim dicipta dan dilaksanakan atas dasar sistem kewangan yg menyiksakan peminjam wang maka mereka yg bijak pandai macam madof pakman memberikan satu kebebasan wang namun pada akhirnya tidak dilaksanaka dengan baik mengakibatkan kerugian yg amat sgt kepada pelabur..

TUN

Tun kayaraya... he he tp rakyat biasa ni makan gaji siang mlm pagi petang..kalu nak mula bisnes pun mmg kerajaan ade sedia pelbagai cara, namun setiap cara itu mencekik peminjam itu kembali, namun perlu juga dipersalahkan sikap segelintir yg BUTA WANG kelabu mata melihat wang ringgit dlm acc bank...

TUN

apasalahnyer jika kerajaan memberi dividen yg besa kepada para pelabur yg dikelolakan oleh Pemodalan nasional berhad.. jika ini berlaku maka rakyat tidak akan hilang tumpuan kepada skim2 seperti swiss cash!... bank al rajhi ade menyediakn acc yg membayar secara daily return berdasarkan nilai simpanan wang dlm acc mereka..betulkn jika saye salah..

salah hormat

fazly mohd

kota anggeriks

By zaki_77Author Profile Page on May 8, 2009 10:18 PM

Let's not be sensitive about the issue. The vast majority of individuals who control such non-wealth are from the jewish stock. It is not anti-semiticism but prudency to question why such individuals and companies have been allowed to get away with it for so long!

By sifoosideeAuthor Profile Page on May 9, 2009 10:37 AM

Assalamualaikum Tun. Skim piramid ini biasanya dikaitkan dengan skim cepat kaya. Orang yang terawal biasanya akan mendapat pulangan yang besar. Biasanya orang bawahan akan menjadi mangsa.

Sistem ini seperti cendawan tumbuh selepas hujan. Di mana-mana sahaja kita pergi, terdengar orang promote tentang skim mereka.

Tidak salah jika sistem itu betul. Banyak juga syarikat dah berjaya yang mengamalkan sistem piramid ini. Contoh, CNI, Amway dan sebagainya.

Jika dibuat dengan betul dan bersungguh-sungguh pasti berjaya.

Jangan jadikan hangat-hangat tahi ayam je.....kalau nak buat biarlah bersungguh.

SifooSidee
<http://mudahbelajar.com>
By cabaikeringAuthor Profile Page on May 9, 2009 10:50 AM

salam tun n all..

betokah najib dan even tun sendiri yang menjadi tulang belakang skim cepat kaya ni?

depa kata amir hasan dari swiss cash mengaku dia ni dulu tukang masak untuk tun maka tun approach dia suruh buat benda ni...

wallahualam..

jom mai jengok saya

<http://www.juaimurah.blogspot.com>
<http://www.cabai-kering.blogspot.com>

wassalam

cabaikering
By HBTAuthor Profile Page on May 9, 2009 10:56 AM

Ayahanda Tun,

Pyramid or ponzi scheme was introduced and initiated in USA many many years ago. It had revolved into a gigantic power of democracy today by singing the tune of IF YOU CAN'T BEAT THEM, JOIN THEM be it in investments, insurance, politics, rules and regulations or businesses due to brain with no heart, and China has banned such scheme when it created social unrest in her southern provinces 10 years ago.

As a post graduate student of Business Administration with major in Economics, I cannot accept such approach because they allow Tom, Dick and Harry to be in the management team without "work hard" qualifications of degrees, diploma or whatsoever, just "kong gali kong" (spin and twist facts), then you will get rich eventhough you know it is forbidden in our religion and educated conscience. If we support it, then what is the point of having us to work hard for our degree and certificates then, tak payah belajar Lah pun boleh dapat RM500 satu hari.

Because the scheme cannot realize the profits or dividends due to market trends shaped by world politic and economic landscapes, they have no choice and became more vocal in their presentation skills like: BE GREEDY WHEN OTHERS ARE FEARFUL, means we can even kill others to get ourselves rich? This is nonsense, and they do it through CLOSED DOOR seminars or at gerai kopi so that the government does not know what they are doing. This scheme has proven illegal thus Bernie Madoff was sent for 160 (am I right?) years jail for this scheme.

These investors of Bernie have no choice but keep their involvement in secret because it is a shame to let the world know that "I was conned by my own greed"!!!! So, who is going to stop this scheme? It is the Government and the people of that particular country can put a stop to these "kong gali kong" scheme through education, laws enforcement and the conscience (religion) of the people. And those people who are conned because they are ignorant and believe that they are above the laws and regulations, ha...ha... they are not stupid, they are smart and self-centered to think that they are the god or the king and do not accept their fate (nasib). In reality, this ponzi scheme reflects in the MACRO statistics of the Per Capita

and GDP of the rich countries through the main and secondary media or index to make people believe it as a way of "cari makan" of the right attitude. That is very wrong!!!!
By mgpunyaAuthor Profile Page on May 9, 2009 11:09 AM

YABhg Tun,

Malaysia are so good at copycatting everything.. Realityshows....everything from the West you can name them...

Get Rich Quick scheme too....

I say...good riddance to all the so called investors in such scheme.

We had such scheme here in Malaysia, namely Swiss Cash, Mirza..etc..ect. Those people who lost their money through such scheme should not complain, far from calling themselves victims. These so called victims are greedy fools, ready to part with their money for bigger return. So they thought....

By mgpunyaAuthor Profile Page on May 9, 2009 12:13 PM

YABhg Tun,

Pyramid Scheme :

Definition

Chain-recruiting scam in which the main objective is to continuously bring in new members (euphemistically called sales representatives, independent representatives, or even 'investors') than to sell anything of real value. In this scheme, 'A' recruits 'B' and 'C,' who in turn recruit 'D' and 'E' and 'F' and 'G,' who in turn recruit â and so on. Every new member pays an entrance fee (typically called 'investment' or some other beguiling name) which is divided among his or her recruiter, recruiter's recruiter, and â right up to the originator of the scheme. This charade continues until the whole structure collapses from the ever growing need for more and more gullible recruits and everybody (except the promoters and the early recruiters) loses out.

Isn't that obvious...

No...not to the greedy.

By JamalAuthor Profile Page on May 9, 2009 5:42 PM

Dear Tun,

The basic principles of a new socio-economics system are as follows;

1) The compulsory annual payment of alms from a part of our wealth for the benefit of the worthy causes (in the Quran it is called the Zakat)

2:177 True piety does not consist in turning your faces towards the east or the west - but truly pious is he who believes in God, and the Last Day; and the angels, and revelation, and the prophets; and spends his substance - however much he himself may cherish - it - upon his near of kin, and the orphans, and the needy, and the wayfarer, and the beggars, and for the freeing of human beings from bondage; and is constant in prayer, and renders the purifying dues; and [truly pious are] they who keep their promises whenever they promise, and are patient in misfortune and hardship and in time of peril: it is they that have proved themselves true, and it is they, they who are conscious of God.

2:110 And be constant in prayer, and render the purifying dues; for, whatever good deed you send ahead for your own selves, you shall find it with God: behold, God sees all that you do.

2) Wealth is not an end but a means to a higher end.

3:14 Fair in the eyes of men is the love of things they covet: Women and sons; Heaped-up hoards of gold and silver; horses branded (for blood and excellence); and (wealth of) cattle and well-tilled land. Such are the possessions of this world's life; but in nearness to Allah is the best of the goals (To return to).

3) Riba' or usury or charging of interest is forbidden

2:275 Those who gorge themselves on usury behave but as he might behave whom Satan has confounded with his touch; for they say, "Buying and selling is but a kind of usury" - the while God has made buying and selling lawful and usury unlawful. Hence, whoever becomes aware of his Sustainer's admonition, and thereupon desists [from usury], may keep his past gains, and it will be for God to judge him; but as for those who return to it -they are destined for the fire, therein to abide

2:276 God deprives usurious gains of all blessing, whereas He blesses charitable deeds with manifold increase. And God does not love anyone who is stubbornly ingrate and persists in sinful ways.

4) Gambling or the game of chance is forbidden

2:219 They will ask thee about intoxicants and games of chance. Say: "In both there is great evil as well as some benefit for man; but the evil which they cause is greater than the benefit which they bring." And they will ask thee as to what they should spend [in God's cause]. Say: "Whatever you can spare." In this way God makes clear unto you His messages, so that you might reflect

5:90 O you who have attained to faith! Intoxicants, and games of chance, and idolatrous practices, and the divining of the future are but a loathsome evil of Satan's doing:' shun it, then, so that you might attain to a happy state!

5) Enterprise or business ventures are encouraged

6) Profit can be gotten from activities that add value to the product

7) Taking the possession of others is forbidden

8) Cheating is forbidden

9) Honesty and trustworthiness in business is a must

10) Accumulation of excessive wealth is forbidden

11) Charity is encouraged and will lead to the better end

12) Excessive stinginess is forbidden

13) Excessive greed is forbidden

14) To be benevolent to our debtors is encouraged

We will explore these principles to discover how they work to provide us a better socio-economic system for the whole of mankind.

Like it or not this has to be the way. And there has to be regulations and enforcement.

As we all know Freedom must be balanced with Responsibility. Only regulations and enforcements can this balanced be maintained.

Or else we will have mayhem...like in the Perak assembly, the world economy, etc....

By sitinurAuthor Profile Page on May 9, 2009 6:03 PM

Asalamulaikum bapak....

he he he...saya hanya mampu melabur dlm amanah saham nasional...

he he he.....

By S..TanAuthor Profile Page on May 9, 2009 8:45 PM

Dear Tun, salam mesra harap sihat gembira. Kiriman saya dgn izin kali ini...

.....M'SIAN UNAPPARENT PYRAMID

I hope people realize the biggest risk of a Pyramid scheme for M'sia is the NEP run by Umno. If not carefully screened, it will operate like a Ponzi scheme. These schemes work by using new contribution to create 'returns'. More and more tax revenue will be required to run the NEP.

Like a Ponzi scheme, tax contributions from others will be used to give away divine privileges instead of making people work. Giving them high returns will make them blind and unquestioning of the misuse of funds. In the end everybody is brought down.

Pyramid scheme works so long as contributors keep increasing. For NEP that is assured by the increasing tax base. Beware the M'sian style Pyramid scheme. Privileges and aid to deserving and genuine bumiputeras who generate returns on the aid is not the issue.

Ignore at your own risk.

By wm_khairulAuthor Profile Page on May 9, 2009 11:15 PM

skrg ni mcm2 bentuk piramid dah yang keluar..tapi yang slalu kena umpan adalah masih orang yg sama.
By hanizaAuthor Profile Page on May 10, 2009 5:21 PM

assalamualaikum ayahanda Tun,

Well, all in all, having all said, still, there's victims everywhere. The think is they seems so real, so systematic and well developed. I remind myself and all fellow malaysians, 'bukan senang nak senang'. No short cuts like magic investing.

By SukdershanAuthor Profile Page on May 10, 2009 10:33 PM

Tun,

Is the ASN1, ASN2, ASN3 a pseudoPonzi scheme set up by the Gomen? Or is it real.

By HajarAuthor Profile Page on May 11, 2009 7:02 PM

Dearest YAB dan Di Kasihi Tun,

About 8 months ago someone wanted to borrow some money from me; this person was promised very high returns out of an investment. I tried to advise this person about the possibility that it's a PYRAMID SCHEME, BUT AS ALWAYS, this person WAS ALREADY BLINDED BY GREED. This person kept on asking me for the money, and I felt harassed.

I ended up lending this person RM5,000. I did not give the amount that this person originally wanted; I knew that I would never see the money again...Indirectly, I also lost money in this the PYRAMID scheme recently. Poor me...

-- May Allah SWT bless Tun and family --

Leave a comment

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