

Scams, schemes and frauds: Six reasons we fall for them

Written by Jim Murphy

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The saying goes: "There's a sucker born every minute." Whether it's a religious sighting, the latest diet or gadget that promises fast weight loss, the newest real estate get rich approach, a charity fundraising effort, or a sweepstakes prize, it's not surprising that so many of us fall for scams, schemes and frauds. It's only human nature. The fact is that we're wired to be believers. Here are six reasons why we fall for scams, schemes and frauds:

1. We want to be believers.

A philosopher once said, "Man prefers to believe what he prefers to be true." We want to believe in things that confirm our beliefs -- and presented with the opportunity, we often leap to do so. We often hold onto our confidence in something even when there are signs that suggest we do otherwise.

2. We hate to miss out on something.

We hear these pitches all the time: "This is a once-in-a-lifetime opportunity," or "For a limited time only." When we leap on these offers, we enjoy the adrenalin quick action creates in us. Sometimes, we may even feel it's worth the gamble to take advantage of such an offer with the hope that it proves to be legitimate.

3. We want to have good luck.

After all, who doesn't deserve some now and then? Good things happen to good people, the saying goes. Certainly we are good people and we should finally be recognized as such.

4. It feels good to trust others.

When people feel trusting, researchers have noted changes in brain chemistry that generate a sense of well-being. The bottom line is that it simply feels better to be a believer than a skeptic. We also hate the notion of accusing someone of lying or of not being the authority they claim to be. We hate to hurt people's feeling by suggesting that they are liars. What if we are wrong?

5. We love the idea of getting big results from modest effort.

For most of us, it's hard to lose weight; it feels complicated to invest; it takes time to get fit. We work hard for so many things in our lives, if someone can promise us something fast and easy, how can that not be appealing? Certainly, we deserve a break every now and then.

6. We crave being connected to something larger than ourselves.

By and large, humans are naturally compassionate and empathetic and scammers know how to play on the heartstrings. That's true whether it's a charity created in response to a calamitous event or a person stranded penniless in a faraway city. Instinctively, we not only want to help, but we want to feel like we are part of a larger effort to fight for a cause or respond in a catastrophe.

The tendency of humans to want to trust others is certainly a commendable trait. But there have always been people who will take advantage of this -- and there always will be. The saying "There's a sucker born every minute" is an old one. Often attributed to P.T. Barnum, it was really uttered by one of the owners of the Cardiff Giant, one of the strangest hoaxes this country has ever experienced. Long before Charles Ponzi (after whom the Ponzi Scheme was named), and Bernie Madoff who was able to con experts, institutions, and lay investors to the tune of

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billions of dollars, people were ready, willing and eager to be fooled. Back in 1869, the people of Cardiff, New York, and later the entire country, were conned into thinking that a 10-foot statue of a naked man that had been unearthed, was in fact, the fossilized remains of giant who had lived in biblical times. People flocked from near and far, and its long chain of owners became rich beyond their imagining.

There will always be schemers and scammers who will try to stay a step ahead of us. And they will increasingly find ways to invade our lives by using technology to make the opportunities they offer look, smell, and feel like the real thing. However, there are ways to be less vulnerable.

It's essential that you take the time to vet promises and people before you act. Do the research and don't think that because you are an expert, familiar with arena in which this opportunity is being offered, you don't need to do your homework. After all, at least as many 'experts' as 'lay' people fell for Madoff.

Never let someone to pressure you into making too quickly. Rarely is there an opportunity that requires immediate action. And, if you find yourself racing forward without wanting to take time, be suspect. In all likelihood, you're acting out of emotion, not common sense.

It's important that you never forget that scammers are skillful salesmen, well practiced in the art of sounding like they know what they are taking about. They take advantage of the gambling instinct buried to a greater or lesser degree inside all of us. It's okay to be skeptical, to need persuading. Anyone who is legitimate will respect your wariness and provide you with the time and information that you need.

This old adage still holds true: "If it is too good to be true, it generally is." And, while there is no such thing as "your lucky day," you will be much happier if you can avoid being scammed.

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