

The Impact of Fraud and Scams on the Economic and Social Life of the Victims



Zainab Saleh

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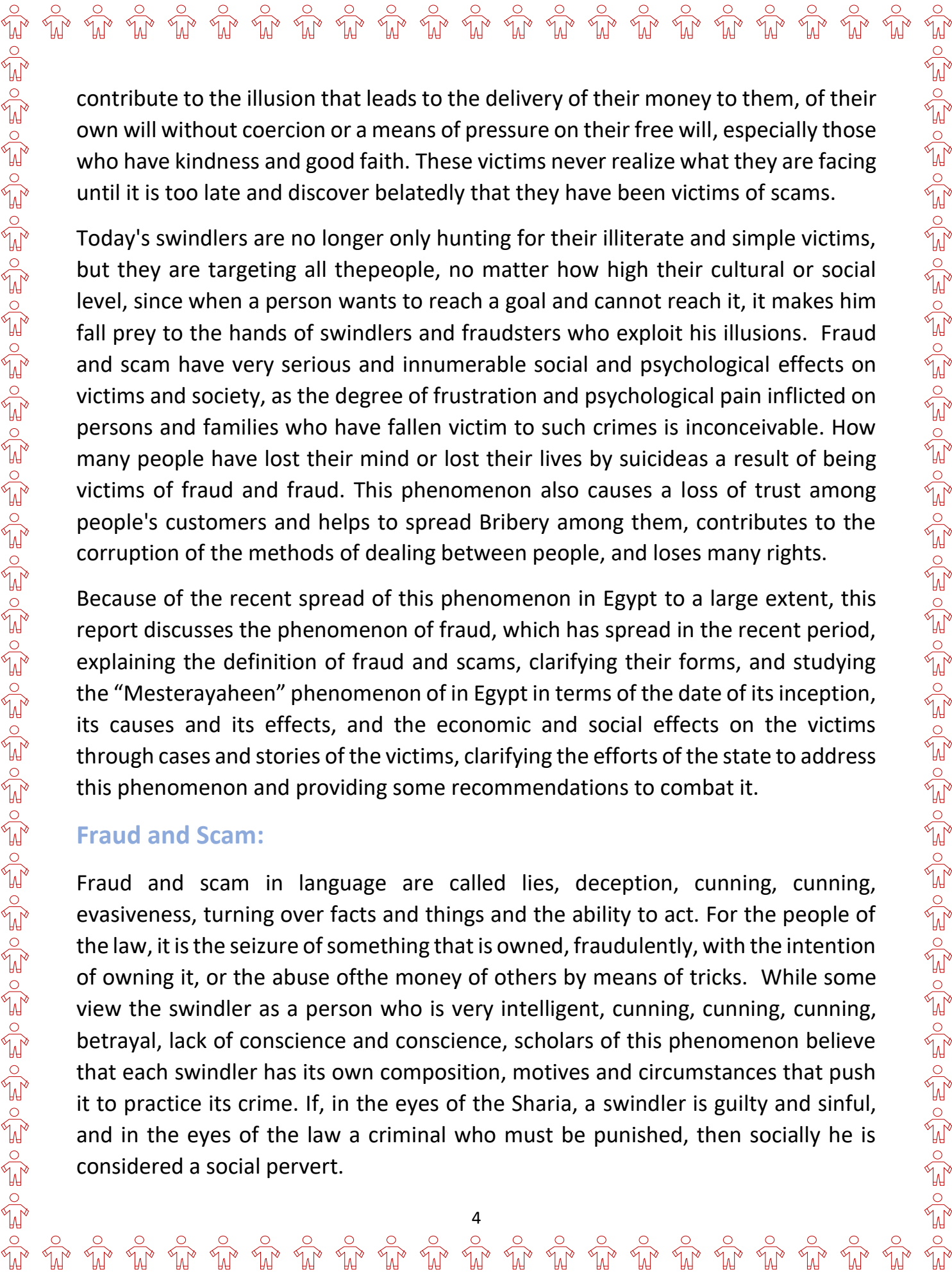


Introduction

Recently, many individuals have been victims of scams, of people who trade in people's hopes and dreams by giving them promises of quick fortune, but unfortunately such individuals discover belatedly that they have fallen victim to fraud, by people about whom little is known after they discover that they have become in the open after what they have become in the open. They sold their property or handed over all their money and jewelry or livestock or land as their source of income and some are mortgaged their homes here only we become in front of a social disaster some of them are exposed to divorce some of them are unable to face their family which pushes them to escape away from their sight for fear of confrontation and some of them become in the blink of an eye without shelter or source of income there are many and many social and economic effects that we can talk about when we talk about the effects of fraud and fraud

Fraud and scam are among the crimes affecting the social, functional and behavioral lifestyle and an economic obstacle that prevents the optimal exploitation of available resources, and one of the most serious crimes for society. It is common in all societies and at all times, and it happens continuously with its different ways from society to society and from time to time.

It is also considered one of the traditional crimes, but it has taken a distinct character among other friendly crimes, because of the elements and foundations on which they are concentrated in mental work, innovative art, and skill abilities, while the needy practices color of methods and means in line with economic, social, cultural and civilizational variables, modern technical developments and electronic means of communication with the advent of these Technologies have become the phenomenon of electronic exploitation like other phenomena that have taken a more advanced aspect in our society and are in line with the times and globalization, so the unscrupulous in the use of these means have found a fertile place to practice a profession of fraud and fraud. Fraudsters resort to clever and cunning tricks and pranks, which make them gain the trust and reassurance of their victims, and reach their material or moral gains or goals. These victims themselves seek to share with the fraudsters, out of greed and love of wealth, in quick and easy ways, as decorated by the perpetrators, where they intelligently and intelligently display their lies supported by bright external manifestations that

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contribute to the illusion that leads to the delivery of their money to them, of their own will without coercion or a means of pressure on their free will, especially those who have kindness and good faith. These victims never realize what they are facing until it is too late and discover belatedly that they have been victims of scams.

Today's swindlers are no longer only hunting for their illiterate and simple victims, but they are targeting all the people, no matter how high their cultural or social level, since when a person wants to reach a goal and cannot reach it, it makes him fall prey to the hands of swindlers and fraudsters who exploit his illusions. Fraud and scam have very serious and innumerable social and psychological effects on victims and society, as the degree of frustration and psychological pain inflicted on persons and families who have fallen victim to such crimes is inconceivable. How many people have lost their mind or lost their lives by suicide as a result of being victims of fraud and fraud. This phenomenon also causes a loss of trust among people's customers and helps to spread Bribery among them, contributes to the corruption of the methods of dealing between people, and loses many rights.

Because of the recent spread of this phenomenon in Egypt to a large extent, this report discusses the phenomenon of fraud, which has spread in the recent period, explaining the definition of fraud and scams, clarifying their forms, and studying the "Mesterayaheen" phenomenon of in Egypt in terms of the date of its inception, its causes and its effects, and the economic and social effects on the victims through cases and stories of the victims, clarifying the efforts of the state to address this phenomenon and providing some recommendations to combat it.

Fraud and Scam:

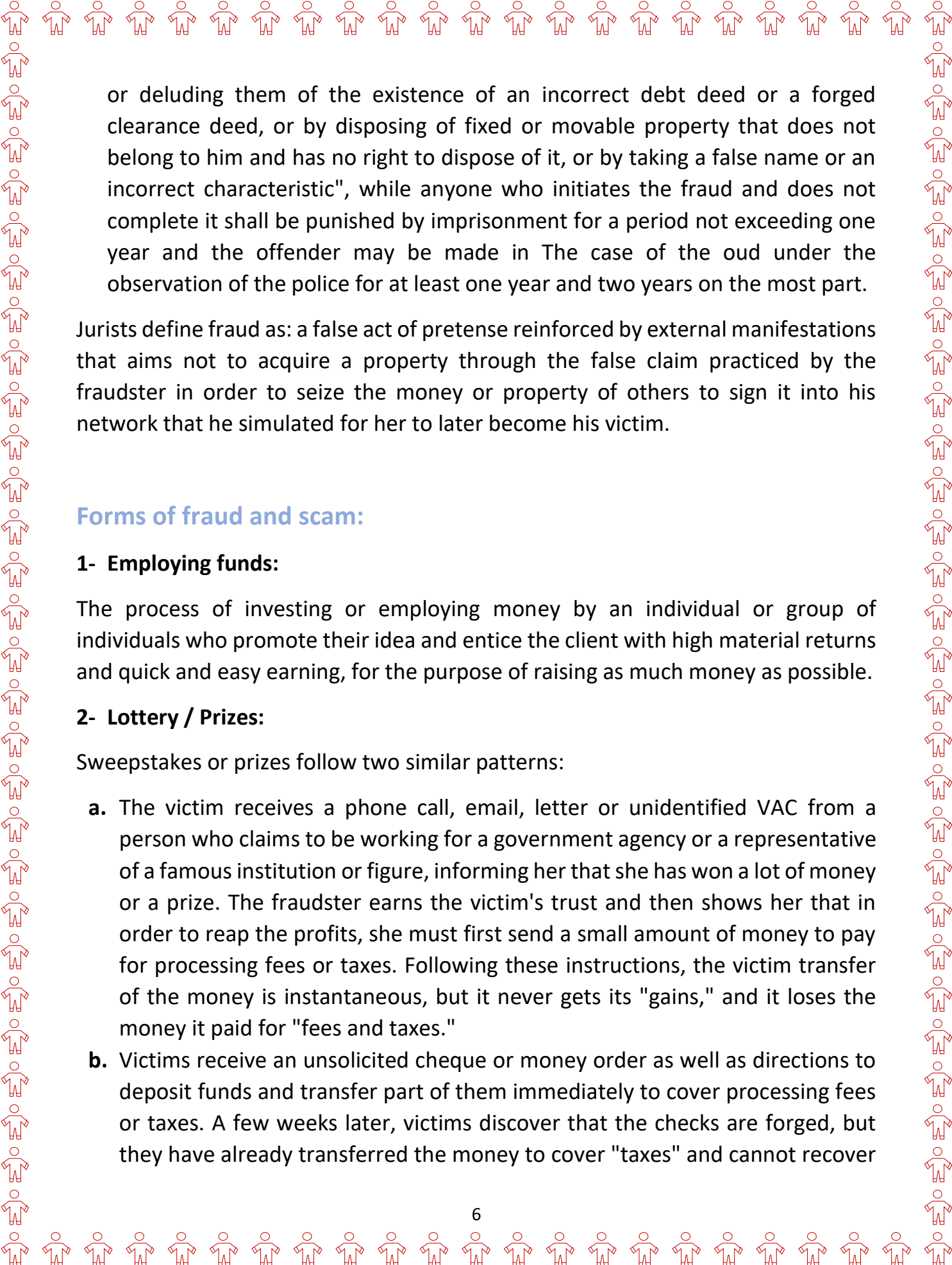
Fraud and scam in language are called lies, deception, cunning, cunning, evasiveness, turning over facts and things and the ability to act. For the people of the law, it is the seizure of something that is owned, fraudulently, with the intention of owning it, or the abuse of the money of others by means of tricks. While some view the swindler as a person who is very intelligent, cunning, cunning, cunning, betrayal, lack of conscience and conscience, scholars of this phenomenon believe that each swindler has its own composition, motives and circumstances that push it to practice its crime. If, in the eyes of the Sharia, a swindler is guilty and sinful, and in the eyes of the law a criminal who must be punished, then socially he is considered a social pervert.



The word scam is given to those who practice the act of lying and deceiving others, whether they get money from them or not. But the origin of the word for Arabs is not in the meaning of lying, but in the practice of the act of deception. Whoever deceives others takes his money or pretends what is not in it. In addition, the word refers to the state of sadness and mystery that afflicts man.

The concept of fraud and scam according to the legal perspective may differ from it according to the social or psychological perspective, and may vary according to the environmental or ecological perspective, all of which are different approaches to the definition of fraud and scam, so we focus in this section on putting forward different definitions of fraud and fraud according to many entrances, as follows:

- Some studies have supported the synonym between the definitions of fraud and fraud, as they consider fraud and fraud as two sides of the same coin, which demonstrates the convergence between them, and the study has provided a more consistent definition of fraud and fraud as "any act carried out by the offender himself or otherwise, through which he reaches the delivery of movable money owned by others unlawfully, using the means of deception provided for by law and the result of which the victim falls into the mistake of motivating the extradition.
- In another study, fraud was defined as "the act of deception by the fraudster to carry the victim to hand over his money to seize it, which would not have been acceptable if he knew the truth", or "the seizure of money owned by others using the means of deception that lead to the victim's mistake and he hands over the money in his possession.
- From the point of view of jurisprudence and the judiciary, scams are defined as "deceiving and misleading the victim so that he falls into confusion and under his influence gives his money to the offender." Although the Egyptian legislator does not define the crime of fraud directly, he has only clarified the penalty for the crime of fraud in Egyptian law and the ways in which the criminal may commit it in the text of article 336 of the Egyptian Penal Code, which states: Anyone who finds the seizure of money, offers, debt bonds, clearance bonds or any movable property shall be punished by imprisonment and is fraudulent to steal all or some of the wealth of others either by using fraudulent methods from It is like deluding people of the existence of a false project or a forged fact, or creating hope of an imaginary profit, paying the amount fraudulently taken,



or deluding them of the existence of an incorrect debt deed or a forged clearance deed, or by disposing of fixed or movable property that does not belong to him and has no right to dispose of it, or by taking a false name or an incorrect characteristic", while anyone who initiates the fraud and does not complete it shall be punished by imprisonment for a period not exceeding one year and the offender may be made in The case of the oud under the observation of the police for at least one year and two years on the most part.

Jurists define fraud as: a false act of pretense reinforced by external manifestations that aims not to acquire a property through the false claim practiced by the fraudster in order to seize the money or property of others to sign it into his network that he simulated for her to later become his victim.

Forms of fraud and scam:

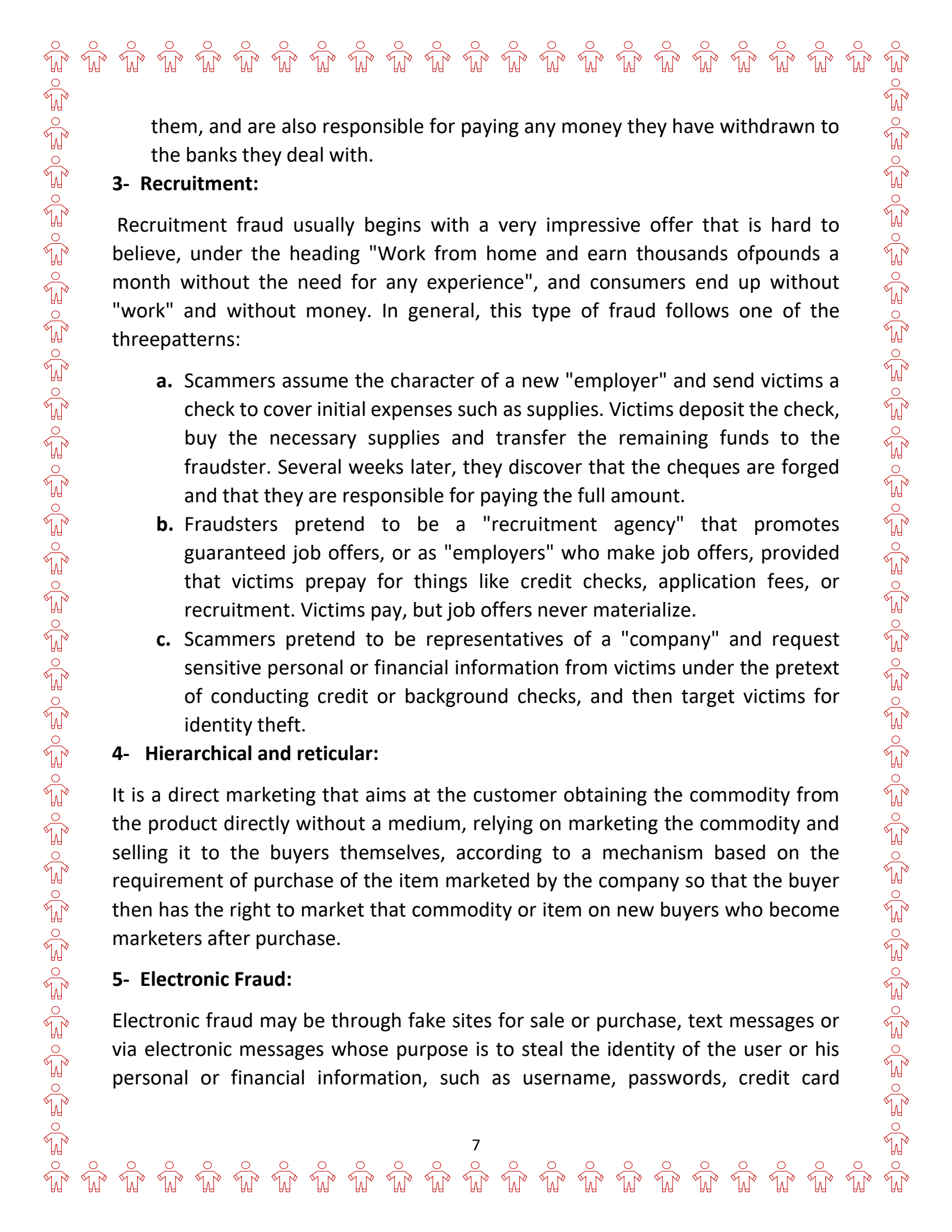
1- Employing funds:

The process of investing or employing money by an individual or group of individuals who promote their idea and entice the client with high material returns and quick and easy earning, for the purpose of raising as much money as possible.

2- Lottery / Prizes:

Sweepstakes or prizes follow two similar patterns:

- a. The victim receives a phone call, email, letter or unidentified VAC from a person who claims to be working for a government agency or a representative of a famous institution or figure, informing her that she has won a lot of money or a prize. The fraudster earns the victim's trust and then shows her that in order to reap the profits, she must first send a small amount of money to pay for processing fees or taxes. Following these instructions, the victim transfer of the money is instantaneous, but it never gets its "gains," and it loses the money it paid for "fees and taxes."
- b. Victims receive an unsolicited cheque or money order as well as directions to deposit funds and transfer part of them immediately to cover processing fees or taxes. A few weeks later, victims discover that the checks are forged, but they have already transferred the money to cover "taxes" and cannot recover



them, and are also responsible for paying any money they have withdrawn to the banks they deal with.

3- Recruitment:

Recruitment fraud usually begins with a very impressive offer that is hard to believe, under the heading "Work from home and earn thousands of pounds a month without the need for any experience", and consumers end up without "work" and without money. In general, this type of fraud follows one of the three patterns:

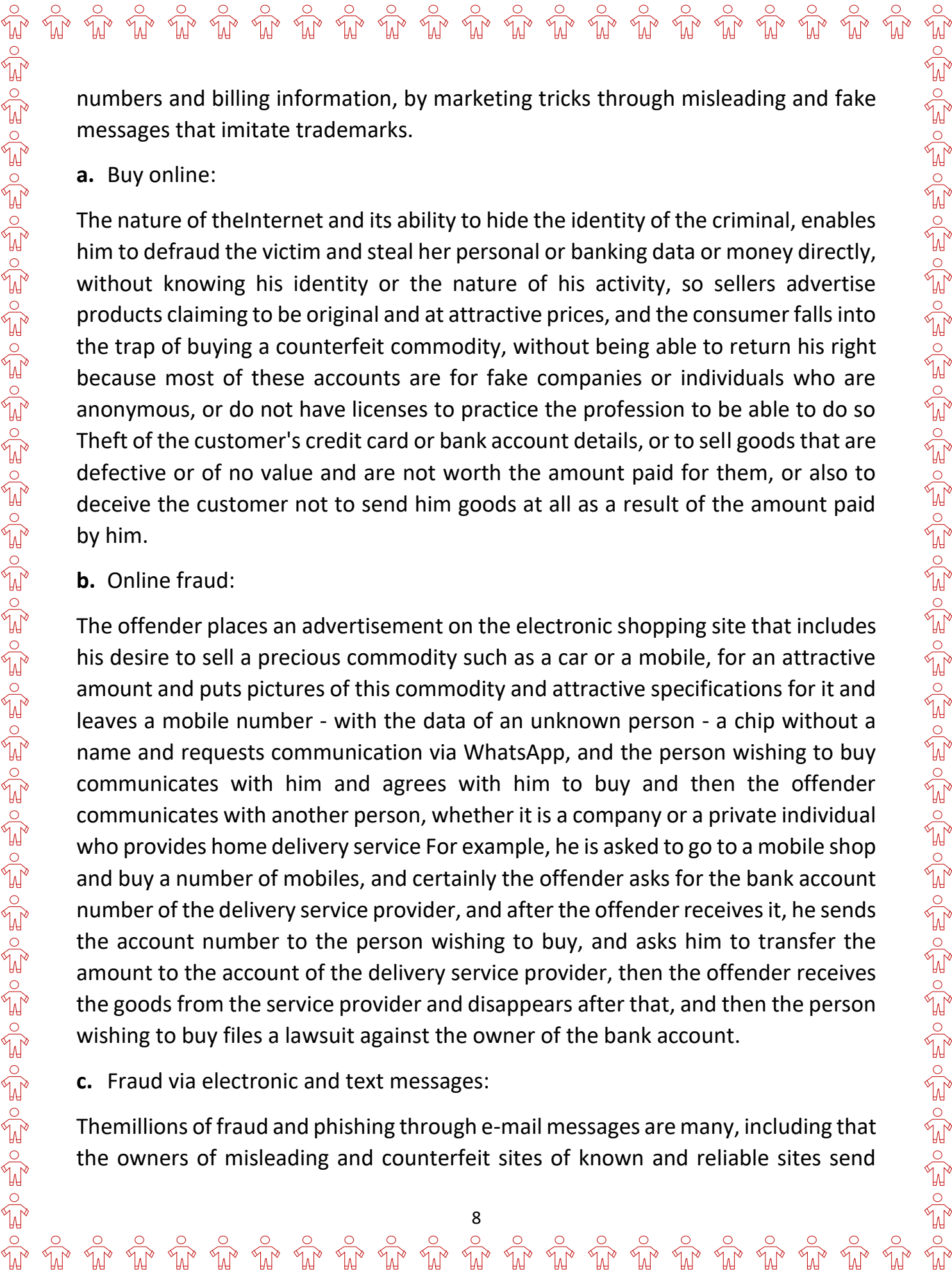
- a. Scammers assume the character of a new "employer" and send victims a check to cover initial expenses such as supplies. Victims deposit the check, buy the necessary supplies and transfer the remaining funds to the fraudster. Several weeks later, they discover that the cheques are forged and that they are responsible for paying the full amount.
- b. Fraudsters pretend to be a "recruitment agency" that promotes guaranteed job offers, or as "employers" who make job offers, provided that victims prepay for things like credit checks, application fees, or recruitment. Victims pay, but job offers never materialize.
- c. Scammers pretend to be representatives of a "company" and request sensitive personal or financial information from victims under the pretext of conducting credit or background checks, and then target victims for identity theft.

4- Hierarchical and reticular:

It is a direct marketing that aims at the customer obtaining the commodity from the product directly without a medium, relying on marketing the commodity and selling it to the buyers themselves, according to a mechanism based on the requirement of purchase of the item marketed by the company so that the buyer then has the right to market that commodity or item on new buyers who become marketers after purchase.

5- Electronic Fraud:

Electronic fraud may be through fake sites for sale or purchase, text messages or via electronic messages whose purpose is to steal the identity of the user or his personal or financial information, such as username, passwords, credit card



numbers and billing information, by marketing tricks through misleading and fake messages that imitate trademarks.

a. Buy online:


The nature of the Internet and its ability to hide the identity of the criminal, enables him to defraud the victim and steal her personal or banking data or money directly, without knowing his identity or the nature of his activity, so sellers advertise products claiming to be original and at attractive prices, and the consumer falls into the trap of buying a counterfeit commodity, without being able to return his right because most of these accounts are for fake companies or individuals who are anonymous, or do not have licenses to practice the profession to be able to do so Theft of the customer's credit card or bank account details, or to sell goods that are defective or of no value and are not worth the amount paid for them, or also to deceive the customer not to send him goods at all as a result of the amount paid by him.

b. Online fraud:

The offender places an advertisement on the electronic shopping site that includes his desire to sell a precious commodity such as a car or a mobile, for an attractive amount and puts pictures of this commodity and attractive specifications for it and leaves a mobile number - with the data of an unknown person - a chip without a name and requests communication via WhatsApp, and the person wishing to buy communicates with him and agrees with him to buy and then the offender communicates with another person, whether it is a company or a private individual who provides home delivery service For example, he is asked to go to a mobile shop and buy a number of mobiles, and certainly the offender asks for the bank account number of the delivery service provider, and after the offender receives it, he sends the account number to the person wishing to buy, and asks him to transfer the amount to the account of the delivery service provider, then the offender receives the goods from the service provider and disappears after that, and then the person wishing to buy files a lawsuit against the owner of the bank account.

c. Fraud via electronic and text messages:

Themillions of fraud and phishing through e-mail messages are many, including that the owners of misleading and counterfeit sites of known and reliable sites send



false messages containing direct links to those sites and asking users to update their personal data by clicking on those links and entering personal and banking information such as username, password, credit card, social security and bank account number, without any user knowing that the purpose of these sites is to steal information only, as their elaborate and imitation design of the original sites Don't make the user feel that theft.

6- Financial fraud:

The promise of quick profit by buying and selling securities such as Forex currencies or fixed assets such as Tedrat and many others.

a) Forex

b) Trade Tidrat

Fraud and scam are the sale of fake contracts for the manufacture of Tidrat for a certain amount and the promise of obtaining monthly profits by claiming that the company rents the funds and operates them with other companies, and this is done without the participant receiving or seeing the victim of the funds that were made for him.

7- Renting Real Estate:

Scammers use the internet, especially websites for free classifieds to entrap the victims. Fraud through rental properties usually occurs in one of two ways:

- a) Tenants are looking for a house or apartment to rent and fall victim to a scam by the "landlord". Victims come across a place in a wonderful area and at a special price. Since the advertisement seems legal, they usually start communicating with the "owner" via email. The owner tells them that the place becomes theirs in case of transferring funds to cover the application fee, the security deposit amount, etc. Victims transfer money and this is the last time the "owner" communicates with them.
- b) Owners rent out their homes or apartments and fall victim to a scam by the "tenant". "Tenants" usually communicate with victims via email, expressing their desire to rent the house or apartment. Scammers send a check as a deposit and then cancel the transaction. Victims refund the money and then discover that the check is forged.



8- Emergency Circumstances:

Scams through an emergency provoke the feelings of individuals and their strong desire to help others who need help. Scammers impersonate their victims and fabricate an emergency, such as "I've been arrested," "I've been robbed," "I'm in the hospital," and target the victim's friends and family asking for help and motherhood.

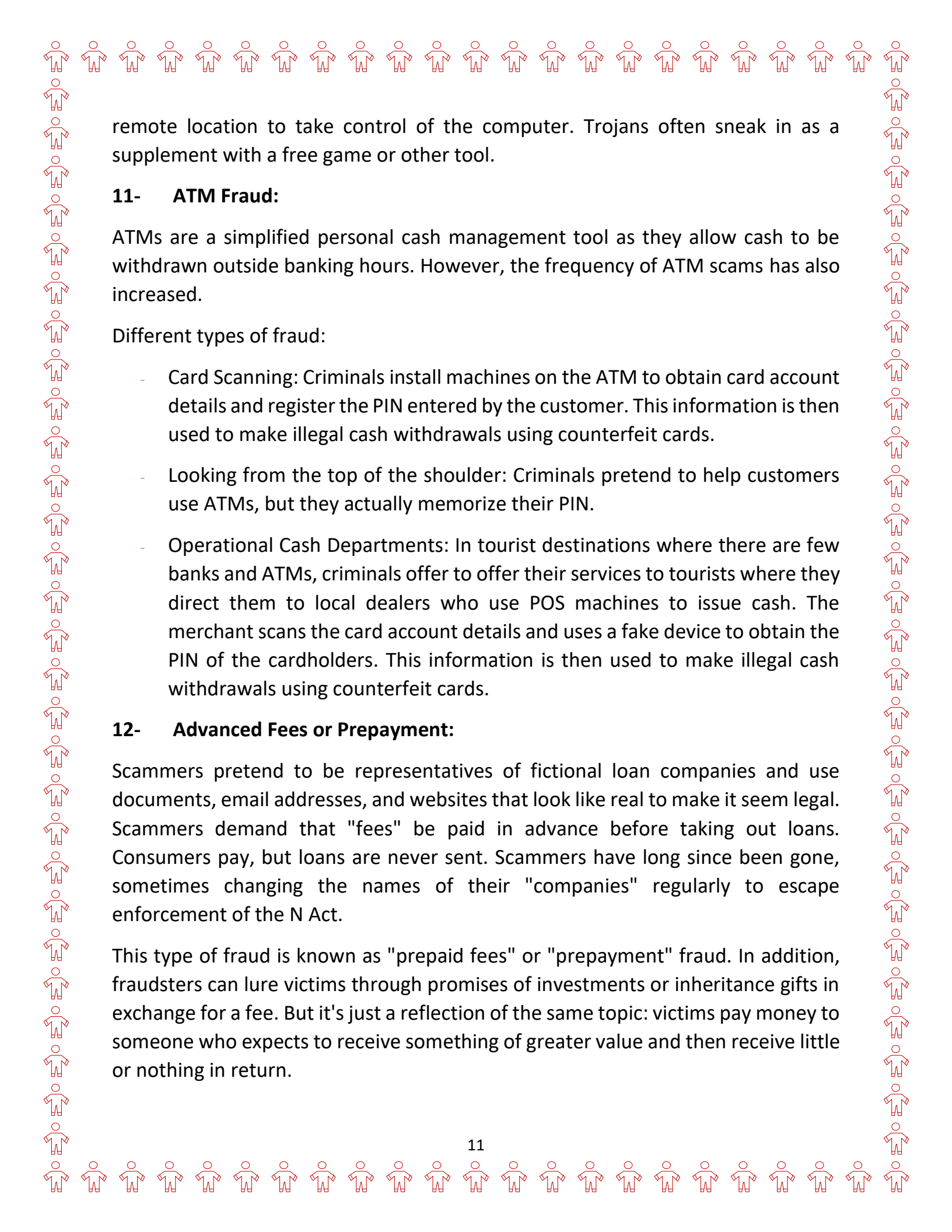
Scams come through emergency circumstances in all shapes and sizes. There is grandparent fraud where scammers communicate with the elderly claiming to be their grandchildren, asking for money urgently. Scams through social media networks where scammers hack into profiles on social networks, then target friends with urgent requests for money, claiming to be injured, arrested, etc.; and do the same by hacking into email profiles. They use the information in these profiles to provide sufficient personal details to make their requests look real.

9- Relationship:

Relationship scams begin with a simple form in which a man and a woman meet online. The relationship develops: they correspond by email, talk on the phone, and exchange photos. Finally, they plan to meet and may even plan for marriage. As the relationship gets stronger, things begin to change. The man asks the woman to transfer money to him; he needs the bus fare to visit his sick uncle. The amount of the transfer is initially small but the requests continue and his daughter needs emergency surgery, he needs to pay for the ticket to go on a visit and so on. Promises to pay money are hollow promises;

10- Key Loggers and Trojans:

Key Loggers are programs that track a computer user and capture their movement on the keyboard. These systems are used by hackers to get passwords or encryption keys and thus bypass other security measures. A Trojan horse is a program that appears to be evil and evil, but performs illegal activities when it works. It can be used to locate password information, make the system more likely to enter in the future, or simply destroy the programs or the data on the T-Hard Disk. It resembles a Trojan horse to a virus, except that it does not repeat itself. It stays in the computer to cause damage or allow someone from a



remote location to take control of the computer. Trojans often sneak in as a supplement with a free game or other tool.

11- ATM Fraud:

ATMs are a simplified personal cash management tool as they allow cash to be withdrawn outside banking hours. However, the frequency of ATM scams has also increased.

Different types of fraud:

- Card Scanning: Criminals install machines on the ATM to obtain card account details and register the PIN entered by the customer. This information is then used to make illegal cash withdrawals using counterfeit cards.
- Looking from the top of the shoulder: Criminals pretend to help customers use ATMs, but they actually memorize their PIN.
- Operational Cash Departments: In tourist destinations where there are few banks and ATMs, criminals offer to offer their services to tourists where they direct them to local dealers who use POS machines to issue cash. The merchant scans the card account details and uses a fake device to obtain the PIN of the cardholders. This information is then used to make illegal cash withdrawals using counterfeit cards.

12- Advanced Fees or Prepayment:

Scammers pretend to be representatives of fictional loan companies and use documents, email addresses, and websites that look like real to make it seem legal. Scammers demand that "fees" be paid in advance before taking out loans. Consumers pay, but loans are never sent. Scammers have long since been gone, sometimes changing the names of their "companies" regularly to escape enforcement of the N Act.

This type of fraud is known as "prepaid fees" or "prepayment" fraud. In addition, fraudsters can lure victims through promises of investments or inheritance gifts in exchange for a fee. But it's just a reflection of the same topic: victims pay money to someone who expects to receive something of greater value and then receive little or nothing in return.



13- Overpayment:

Using the overpayment trick, scammers play the role of buyer and target consumers who sell a service or product. The "buyer" sends the seller a seemingly legal check, usually withdrawn from a known bank, for an amount greater than the agreed price. Scammers contact the seller to clarify this increase in payment and ask him to deposit the check and transfer the additional funds. A few weeks later, victims discover that the check is forged, but they are still responsible for paying the money withdrawn to the bank.

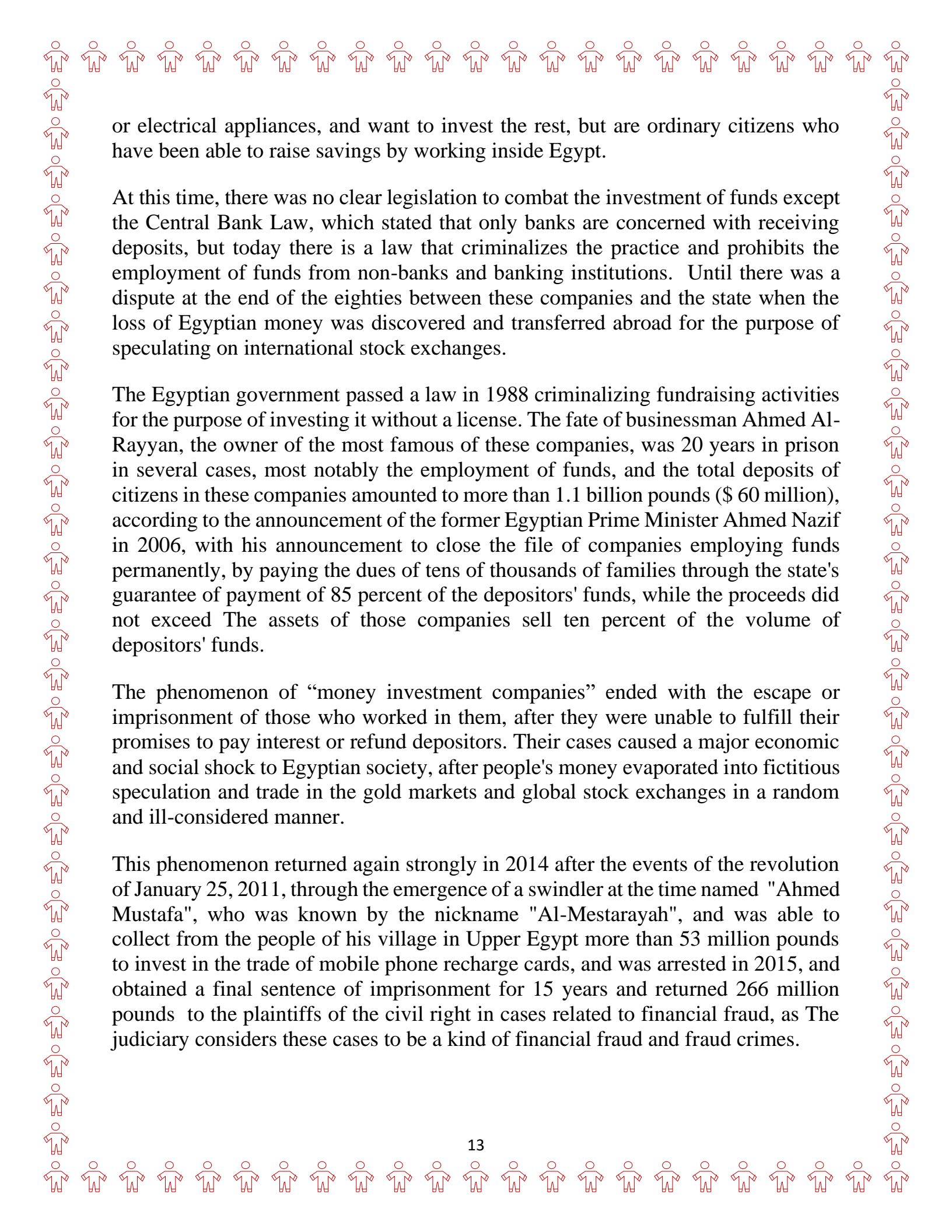
Study of the “Mesterayaheen” phenomenon in Egypt:

Date of its origin:

It is possible to trace the origins of the “Mesterayaheen” phenomenon in Egypt, back to the seventies and eighties of the last century, which witnessed the emergence of what was known as money-making companies whose work extended to all sectors of the economy, and their number reached 60 companies, the most famous of which are Al-Rayyan, Al-Saad and Al-Huda and others. These companies collected money from depositors for the purpose of “investing” them in return for a high financial return, especially compared to the interest rates in Egyptian banks, which were low at the time, which doubled the demand for them, especially from workers abroad. These companies also enjoyed religious cover, provided by a number of sheikhs, who were interested in providing their services as a means of halal profit in exchange for “usurious banks”.

This phenomenon began through currency trading, and in the eighties these people were born from the womb of foreign exchange trade with citizens working abroad, and they were greedy after they discovered that Egyptians have savings that are not easy, so they worked to use them to their advantage. After identifying specific categories of targets, the money placement companies in the eighties were able to squander about 5 billion pounds, but the situation is quite different today, while the new money employees agree with their predecessors in greed for savings only, they are multi-background, some of them trading livestock or drivers and other usual professions especially since the informal currency trading market has declined over the past years.

The citizens targeted by the fraud are also of different nature: they are no longer a group of workers abroad who have spent parts of their savings buying land, houses



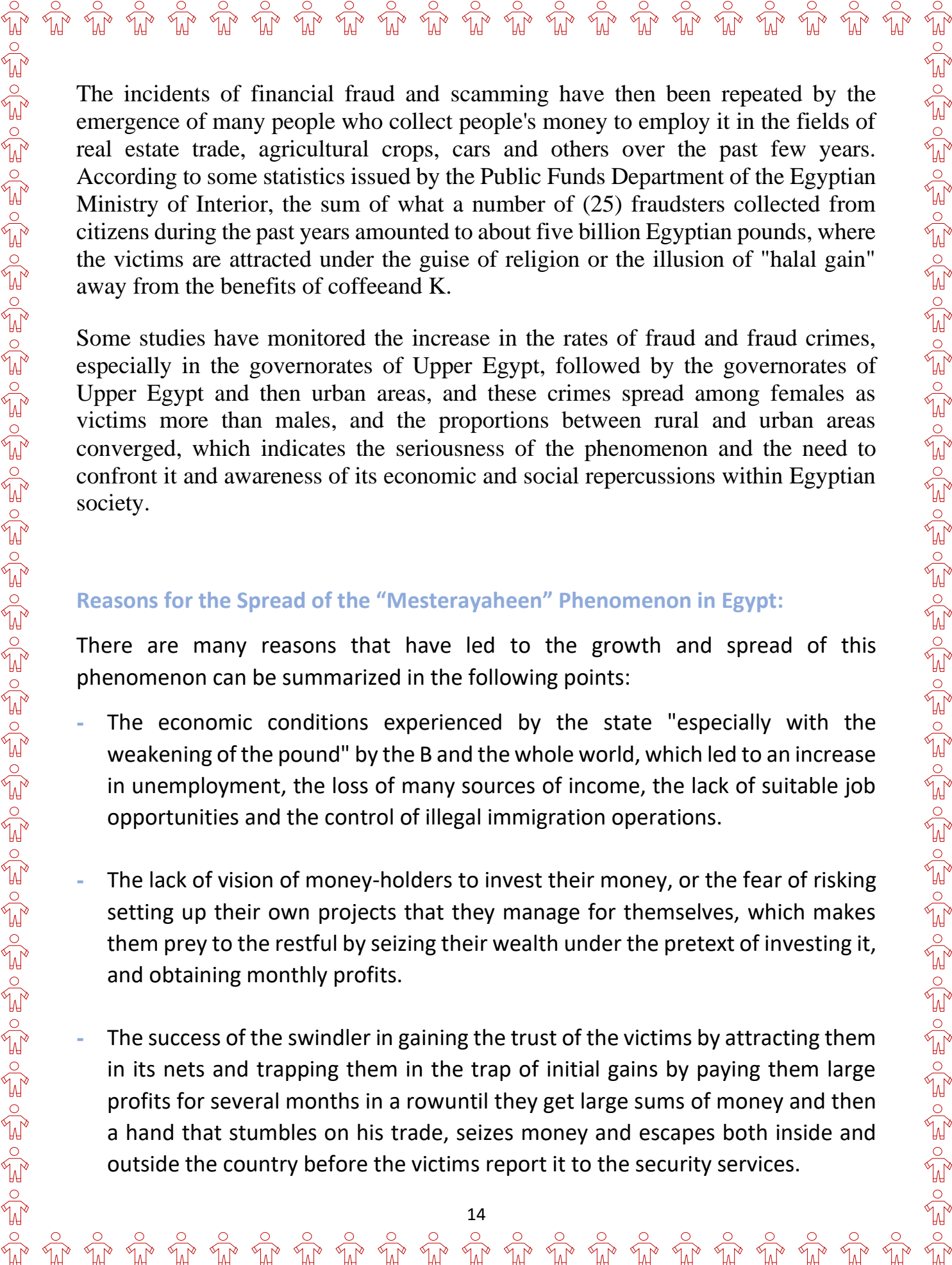
or electrical appliances, and want to invest the rest, but are ordinary citizens who have been able to raise savings by working inside Egypt.

At this time, there was no clear legislation to combat the investment of funds except the Central Bank Law, which stated that only banks are concerned with receiving deposits, but today there is a law that criminalizes the practice and prohibits the employment of funds from non-banks and banking institutions. Until there was a dispute at the end of the eighties between these companies and the state when the loss of Egyptian money was discovered and transferred abroad for the purpose of speculating on international stock exchanges.

The Egyptian government passed a law in 1988 criminalizing fundraising activities for the purpose of investing it without a license. The fate of businessman Ahmed Al-Rayyan, the owner of the most famous of these companies, was 20 years in prison in several cases, most notably the employment of funds, and the total deposits of citizens in these companies amounted to more than 1.1 billion pounds (\$ 60 million), according to the announcement of the former Egyptian Prime Minister Ahmed Nazif in 2006, with his announcement to close the file of companies employing funds permanently, by paying the dues of tens of thousands of families through the state's guarantee of payment of 85 percent of the depositors' funds, while the proceeds did not exceed The assets of those companies sell ten percent of the volume of depositors' funds.

The phenomenon of “money investment companies” ended with the escape or imprisonment of those who worked in them, after they were unable to fulfill their promises to pay interest or refund depositors. Their cases caused a major economic and social shock to Egyptian society, after people's money evaporated into fictitious speculation and trade in the gold markets and global stock exchanges in a random and ill-considered manner.

This phenomenon returned again strongly in 2014 after the events of the revolution of January 25, 2011, through the emergence of a swindler at the time named "Ahmed Mustafa", who was known by the nickname "Al-Mestarayah", and was able to collect from the people of his village in Upper Egypt more than 53 million pounds to invest in the trade of mobile phone recharge cards, and was arrested in 2015, and obtained a final sentence of imprisonment for 15 years and returned 266 million pounds to the plaintiffs of the civil right in cases related to financial fraud, as The judiciary considers these cases to be a kind of financial fraud and fraud crimes.



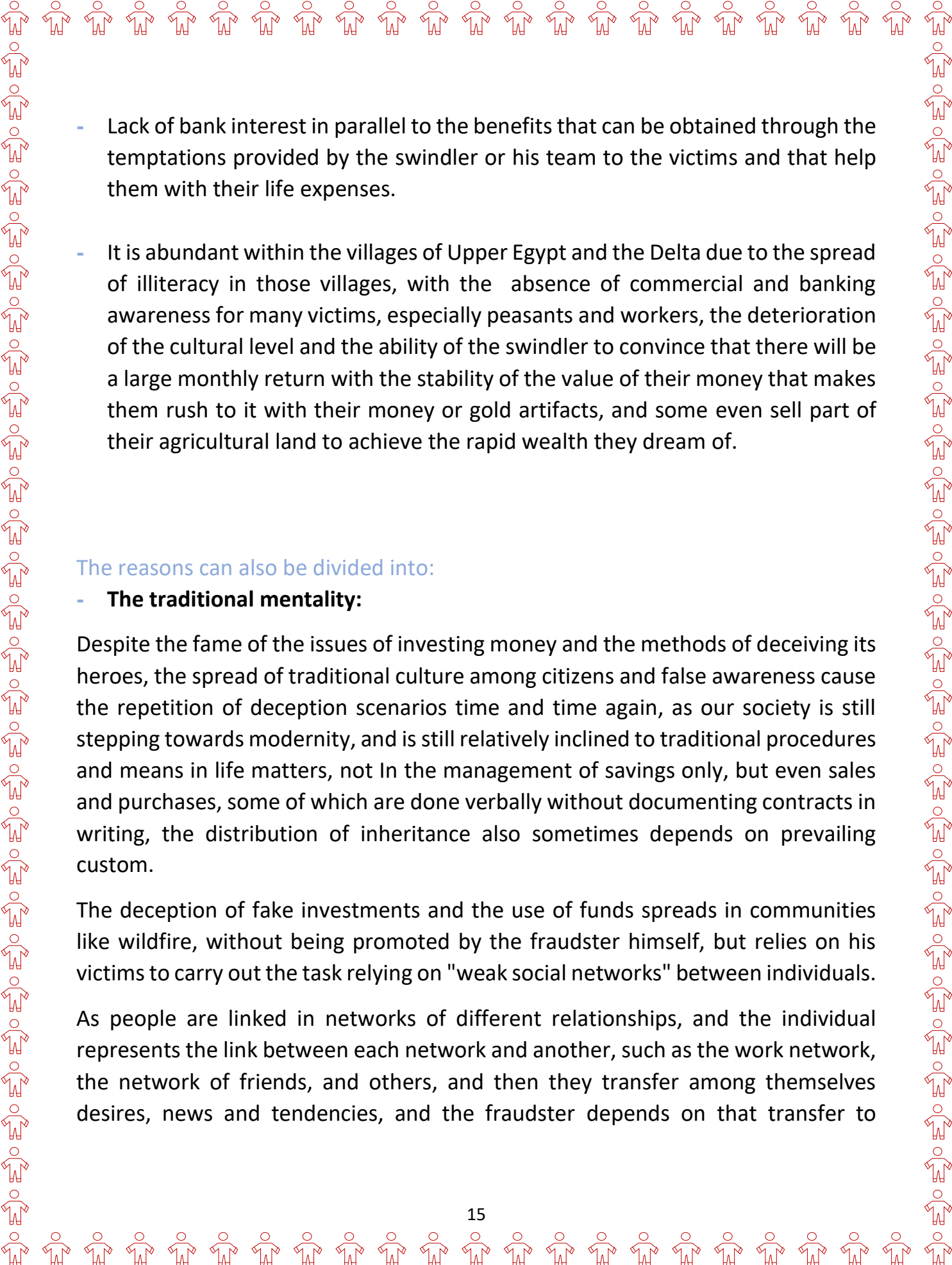
The incidents of financial fraud and scamming have then been repeated by the emergence of many people who collect people's money to employ it in the fields of real estate trade, agricultural crops, cars and others over the past few years. According to some statistics issued by the Public Funds Department of the Egyptian Ministry of Interior, the sum of what a number of (25) fraudsters collected from citizens during the past years amounted to about five billion Egyptian pounds, where the victims are attracted under the guise of religion or the illusion of "halal gain" away from the benefits of coffee and K.

Some studies have monitored the increase in the rates of fraud and fraud crimes, especially in the governorates of Upper Egypt, followed by the governorates of Upper Egypt and then urban areas, and these crimes spread among females as victims more than males, and the proportions between rural and urban areas converged, which indicates the seriousness of the phenomenon and the need to confront it and awareness of its economic and social repercussions within Egyptian society.

Reasons for the Spread of the “Mesterayaheen” Phenomenon in Egypt:

There are many reasons that have led to the growth and spread of this phenomenon can be summarized in the following points:

- The economic conditions experienced by the state "especially with the weakening of the pound" by the B and the whole world, which led to an increase in unemployment, the loss of many sources of income, the lack of suitable job opportunities and the control of illegal immigration operations.
- The lack of vision of money-holders to invest their money, or the fear of risking setting up their own projects that they manage for themselves, which makes them prey to the restful by seizing their wealth under the pretext of investing it, and obtaining monthly profits.
- The success of the swindler in gaining the trust of the victims by attracting them in its nets and trapping them in the trap of initial gains by paying them large profits for several months in a row until they get large sums of money and then a hand that stumbles on his trade, seizes money and escapes both inside and outside the country before the victims report it to the security services.

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- Lack of bank interest in parallel to the benefits that can be obtained through the temptations provided by the swindler or his team to the victims and that help them with their life expenses.
 - It is abundant within the villages of Upper Egypt and the Delta due to the spread of illiteracy in those villages, with the absence of commercial and banking awareness for many victims, especially peasants and workers, the deterioration of the cultural level and the ability of the swindler to convince that there will be a large monthly return with the stability of the value of their money that makes them rush to it with their money or gold artifacts, and some even sell part of their agricultural land to achieve the rapid wealth they dream of.


The reasons can also be divided into:

- **The traditional mentality:**

Despite the fame of the issues of investing money and the methods of deceiving its heroes, the spread of traditional culture among citizens and false awareness cause the repetition of deception scenarios time and time again, as our society is still stepping towards modernity, and is still relatively inclined to traditional procedures and means in life matters, not in the management of savings only, but even sales and purchases, some of which are done verbally without documenting contracts in writing, the distribution of inheritance also sometimes depends on prevailing custom.

The deception of fake investments and the use of funds spreads in communities like wildfire, without being promoted by the fraudster himself, but relies on his victims to carry out the task relying on "weak social networks" between individuals.

As people are linked in networks of different relationships, and the individual represents the link between each network and another, such as the work network, the network of friends, and others, and then they transfer among themselves desires, news and tendencies, and the fraudster depends on that transfer to



promote himself very intelligently and without resorting to official promotion channels.

It is noticeable that many fraudsters involved in fraud cases easily gain the trust of their victims, as they are from their circle of acquaintances, friends or neighbors, which makes it easier to fall into their traps and easily seize victims' money.

- **Religious factors:**

It consists in the rejection of haram earnings and usurious transactions by multiple categories of Muslim communities.

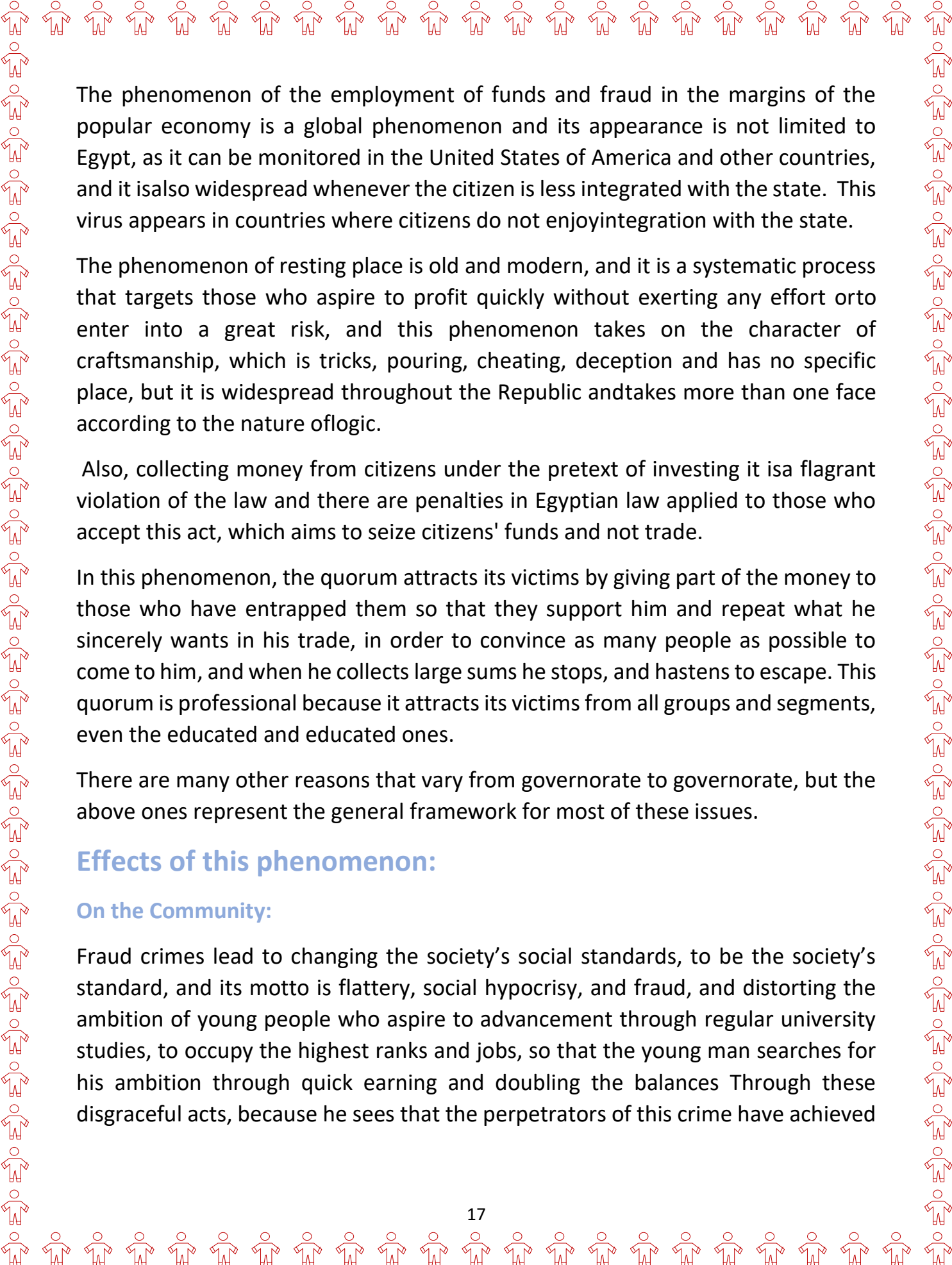
- **Excessive greed and obsession with wealth:**

Without greed, there is no swindler. greed and the want of material things have become the main reason people fall prey to swindlers. Although the scenario is repeated, but many fall into the same trap. Since the individual does not want to make any effort or do serious work, hence the nickname rest, i.e., the “Mestarayah/ lazy” tempts people to rest, sleep and obey in exchange for imaginary gains, the dream of getting rich fast is a fast-acting taste. A large segment of Egyptians is obsessed with getting rich and always tend to want to earn fast and venture with money, even if the offer is illogical and unacceptable.

- **Poor confidence in banks:**

The cunning of the fraudster is not the only factor on which the success of money investment schemes depends. There are other variables related to the public who are attracted to the temptations of fraudsters as a result of the lack of confidence in the banking sectors or perhaps fear of them and the repercussions of dealing with them, and there are groups of the masses who feel intimidated by the banking sector or perhaps You do not trust it enough, so you try to avoid it in various ways, and financial inclusion measures aim to change that view. The greed for higher interest than bank rates make some easy prey for these types of fraud, as well as the desire to operate unclean money, as some may earn money through devious methods that do not fit with the official rates of income, so investing money in front of them becomes a convenient way to invest money without the need to indicate its source.

- **A global and systematic phenomenon:**



The phenomenon of the employment of funds and fraud in the margins of the popular economy is a global phenomenon and its appearance is not limited to Egypt, as it can be monitored in the United States of America and other countries, and it is also widespread whenever the citizen is less integrated with the state. This virus appears in countries where citizens do not enjoy integration with the state.

The phenomenon of resting place is old and modern, and it is a systematic process that targets those who aspire to profit quickly without exerting any effort or to enter into a great risk, and this phenomenon takes on the character of craftsmanship, which is tricks, pouring, cheating, deception and has no specific place, but it is widespread throughout the Republic and takes more than one face according to the nature of logic.

Also, collecting money from citizens under the pretext of investing it is a flagrant violation of the law and there are penalties in Egyptian law applied to those who accept this act, which aims to seize citizens' funds and not trade.

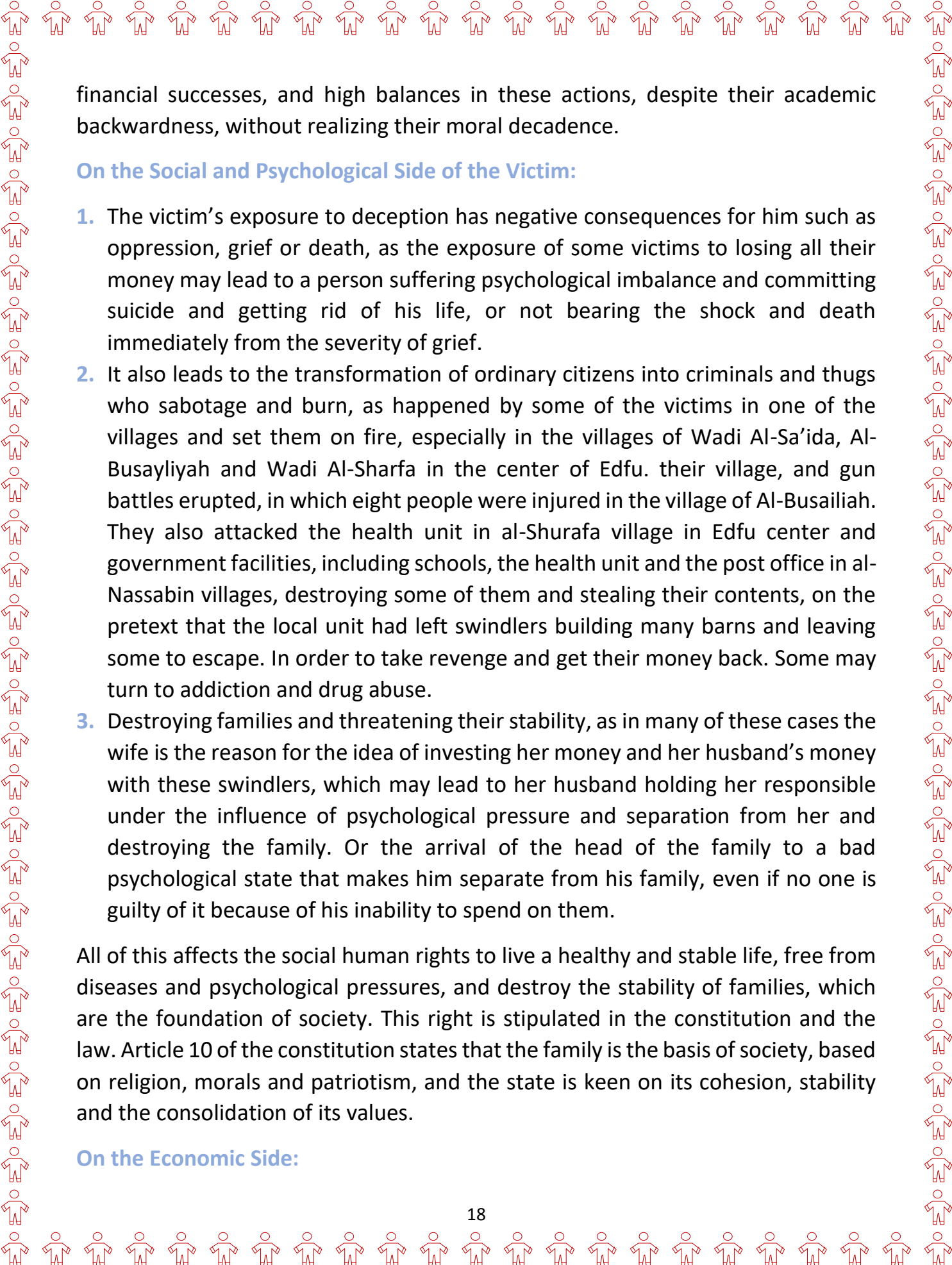
In this phenomenon, the quorum attracts its victims by giving part of the money to those who have entrapped them so that they support him and repeat what he sincerely wants in his trade, in order to convince as many people as possible to come to him, and when he collects large sums he stops, and hastens to escape. This quorum is professional because it attracts its victims from all groups and segments, even the educated and educated ones.

There are many other reasons that vary from governorate to governorate, but the above ones represent the general framework for most of these issues.

Effects of this phenomenon:

On the Community:

Fraud crimes lead to changing the society's social standards, to be the society's standard, and its motto is flattery, social hypocrisy, and fraud, and distorting the ambition of young people who aspire to advancement through regular university studies, to occupy the highest ranks and jobs, so that the young man searches for his ambition through quick earning and doubling the balances. Through these disgraceful acts, because he sees that the perpetrators of this crime have achieved



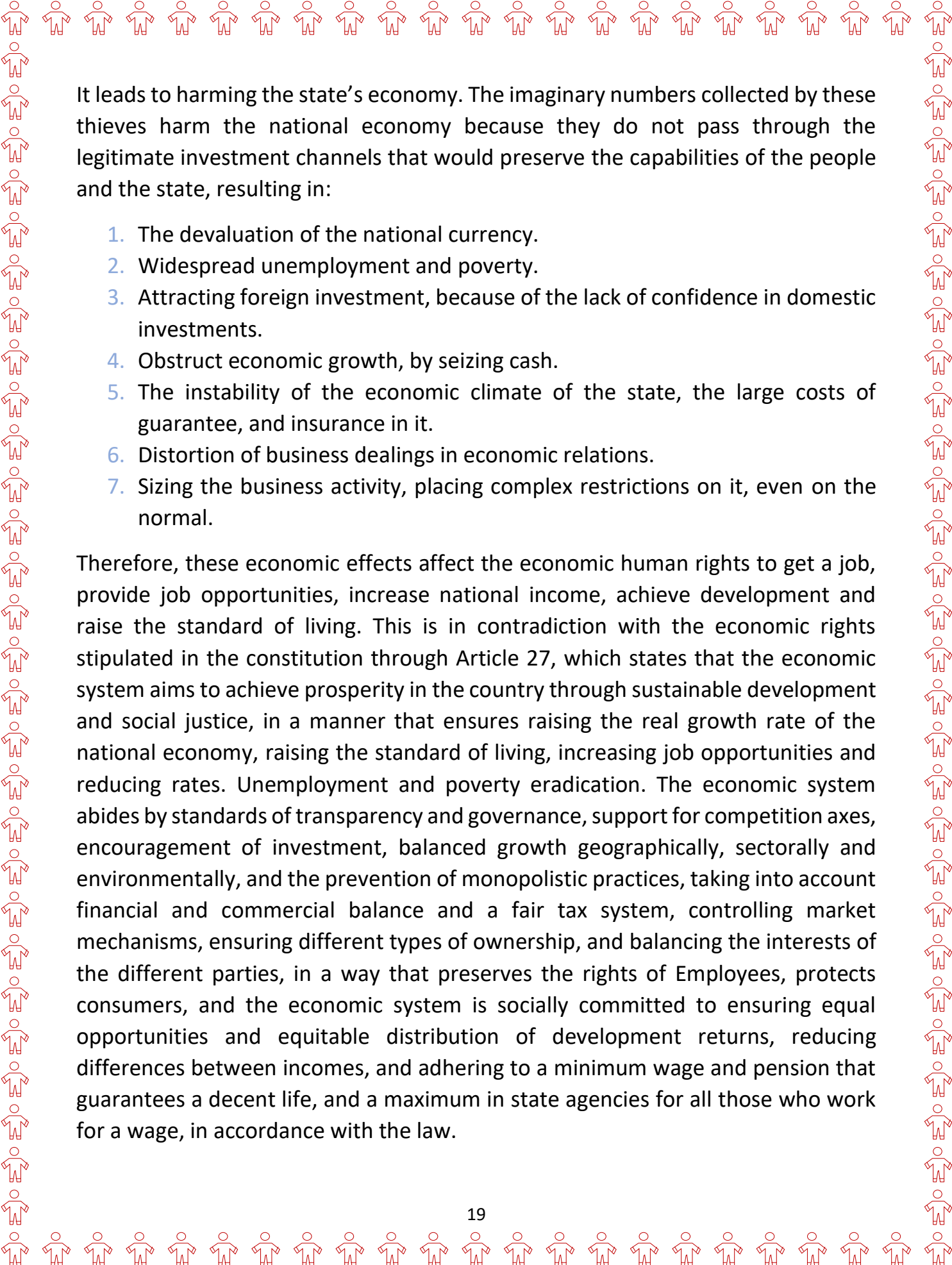
financial successes, and high balances in these actions, despite their academic backwardness, without realizing their moral decadence.

On the Social and Psychological Side of the Victim:

1. The victim's exposure to deception has negative consequences for him such as oppression, grief or death, as the exposure of some victims to losing all their money may lead to a person suffering psychological imbalance and committing suicide and getting rid of his life, or not bearing the shock and death immediately from the severity of grief.
2. It also leads to the transformation of ordinary citizens into criminals and thugs who sabotage and burn, as happened by some of the victims in one of the villages and set them on fire, especially in the villages of Wadi Al-Sa'ida, Al-Busayliyah and Wadi Al-Sharfa in the center of Edfu. their village, and gun battles erupted, in which eight people were injured in the village of Al-Busailiah. They also attacked the health unit in al-Shurafa village in Edfu center and government facilities, including schools, the health unit and the post office in al-Nassabin villages, destroying some of them and stealing their contents, on the pretext that the local unit had left swindlers building many barns and leaving some to escape. In order to take revenge and get their money back. Some may turn to addiction and drug abuse.
3. Destroying families and threatening their stability, as in many of these cases the wife is the reason for the idea of investing her money and her husband's money with these swindlers, which may lead to her husband holding her responsible under the influence of psychological pressure and separation from her and destroying the family. Or the arrival of the head of the family to a bad psychological state that makes him separate from his family, even if no one is guilty of it because of his inability to spend on them.

All of this affects the social human rights to live a healthy and stable life, free from diseases and psychological pressures, and destroy the stability of families, which are the foundation of society. This right is stipulated in the constitution and the law. Article 10 of the constitution states that the family is the basis of society, based on religion, morals and patriotism, and the state is keen on its cohesion, stability and the consolidation of its values.

On the Economic Side:

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It leads to harming the state's economy. The imaginary numbers collected by these thieves harm the national economy because they do not pass through the legitimate investment channels that would preserve the capabilities of the people and the state, resulting in:

1. The devaluation of the national currency.
2. Widespread unemployment and poverty.
3. Attracting foreign investment, because of the lack of confidence in domestic investments.
4. Obstruct economic growth, by seizing cash.
5. The instability of the economic climate of the state, the large costs of guarantee, and insurance in it.
6. Distortion of business dealings in economic relations.
7. Sizing the business activity, placing complex restrictions on it, even on the normal.

Therefore, these economic effects affect the economic human rights to get a job, provide job opportunities, increase national income, achieve development and raise the standard of living. This is in contradiction with the economic rights stipulated in the constitution through Article 27, which states that the economic system aims to achieve prosperity in the country through sustainable development and social justice, in a manner that ensures raising the real growth rate of the national economy, raising the standard of living, increasing job opportunities and reducing rates. Unemployment and poverty eradication. The economic system abides by standards of transparency and governance, support for competition axes, encouragement of investment, balanced growth geographically, sectorally and environmentally, and the prevention of monopolistic practices, taking into account financial and commercial balance and a fair tax system, controlling market mechanisms, ensuring different types of ownership, and balancing the interests of the different parties, in a way that preserves the rights of Employees, protects consumers, and the economic system is socially committed to ensuring equal opportunities and equitable distribution of development returns, reducing differences between incomes, and adhering to a minimum wage and pension that guarantees a decent life, and a maximum in state agencies for all those who work for a wage, in accordance with the law.



On the Organizational Side:

1. Loss of citizen confidence in official systems, and their effectiveness in achieving the great goals for which they were established.
2. Loss of citizen confidence in the statements of officials.
3. Weakness, and fading hope of reforming society.
4. Wasting laws and regulations and not adhering to them because of their futility in fighting swindlers and erasers.
5. The weakness and disappearance of regulatory bodies, the mediators between society and the government, and their failure to defend the rights of victims.

The Economic and Social Implications on Victims

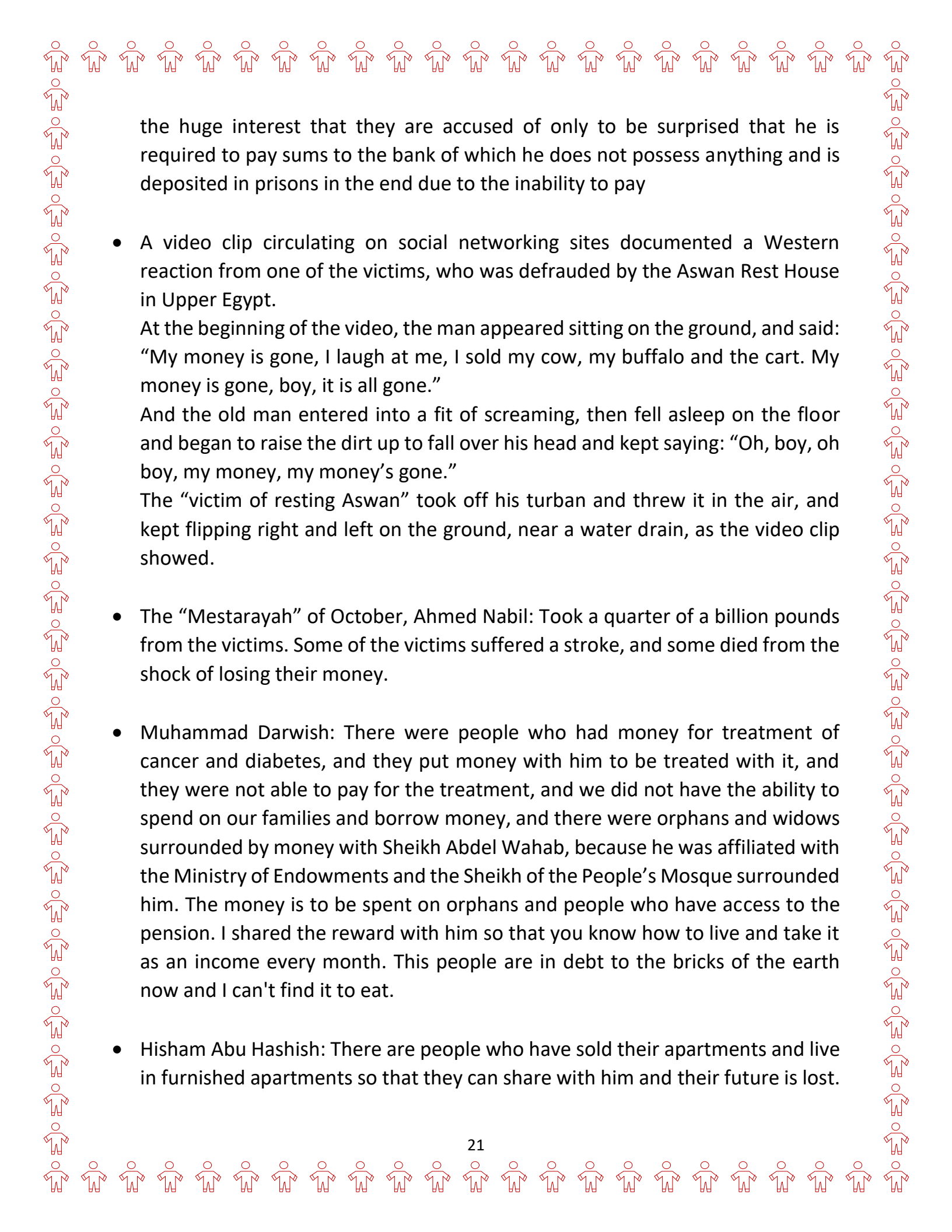
Cases and Accounts of Victims:

There is no doubt that the victims of fraud by fraud professionals by investing money, despite their greed for quick profit and huge money without any effort, does not prevent that some of them go through very difficult humanitarian conditions, some of them left their home and could not see their family after losing everything they owned. In the blink of an eye, some of them are exposed to divorce cases after the situation reached the point of not having anything to live on, and some of them sold her gold or those who sold his wife's gold, and some of them disposed of the money of his daughter's device and prepared her for marriage, which led to the annulment of the engagement, which constitutes a burden on Country

- A livestock dealer in the village of Hajer al-Sibaya in Aswan, one of the victims of the livestock "Mesterayaheen", published a picture of him on social media, in which he appeared while he tied himself and his three children with ropes, and threatened to commit suicide, due to the loss of his money that he traded with the "Mestarayah".

The merchant said that he had nothing to live for after he sold all his livestock to the resting place for quick profit.

Some of them resort to borrowing from banks and take the money and hand it over to those who sell them illusion in the hope that he will pay the amount of



the huge interest that they are accused of only to be surprised that he is required to pay sums to the bank of which he does not possess anything and is deposited in prisons in the end due to the inability to pay

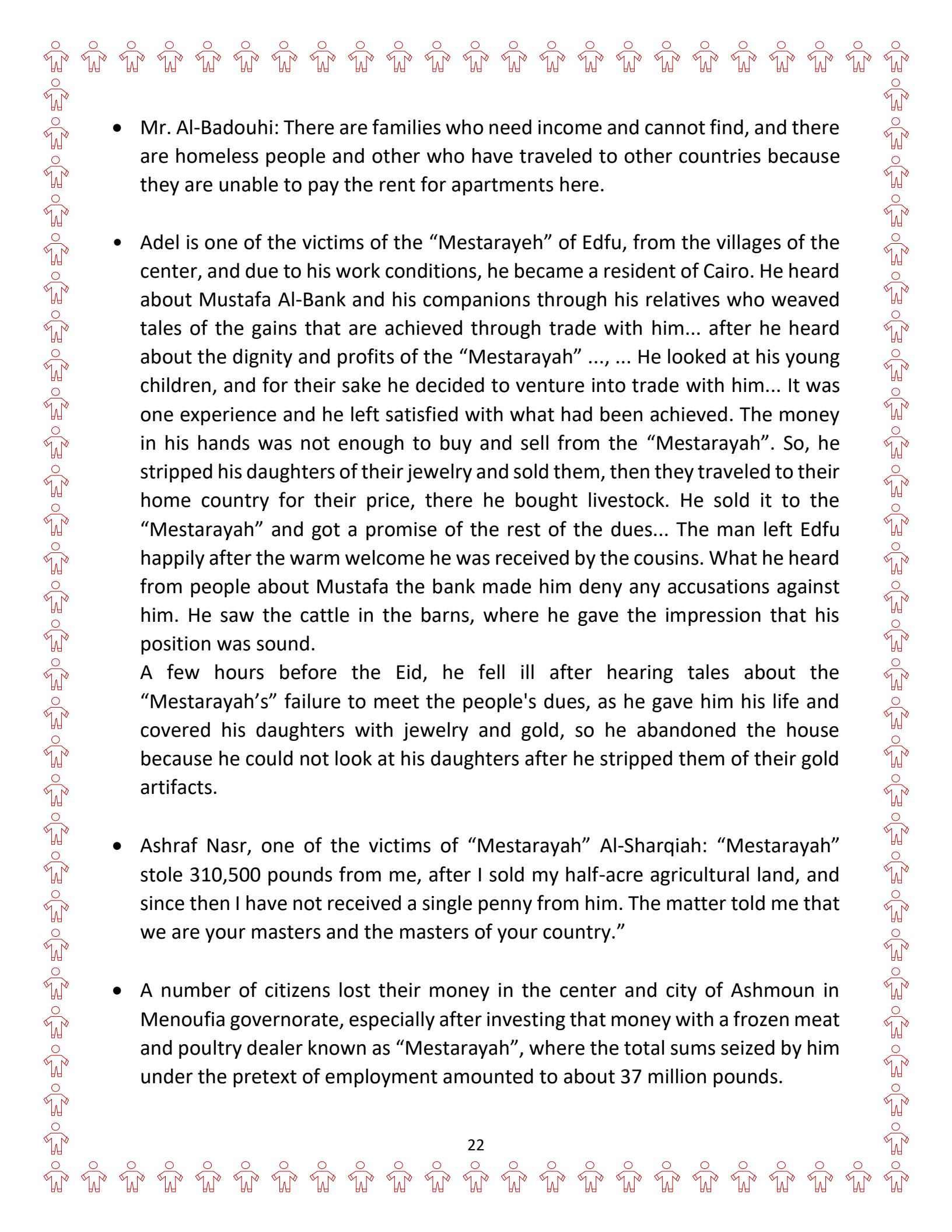
- A video clip circulating on social networking sites documented a Western reaction from one of the victims, who was defrauded by the Aswan Rest House in Upper Egypt.

At the beginning of the video, the man appeared sitting on the ground, and said: “My money is gone, I laugh at me, I sold my cow, my buffalo and the cart. My money is gone, boy, it is all gone.”

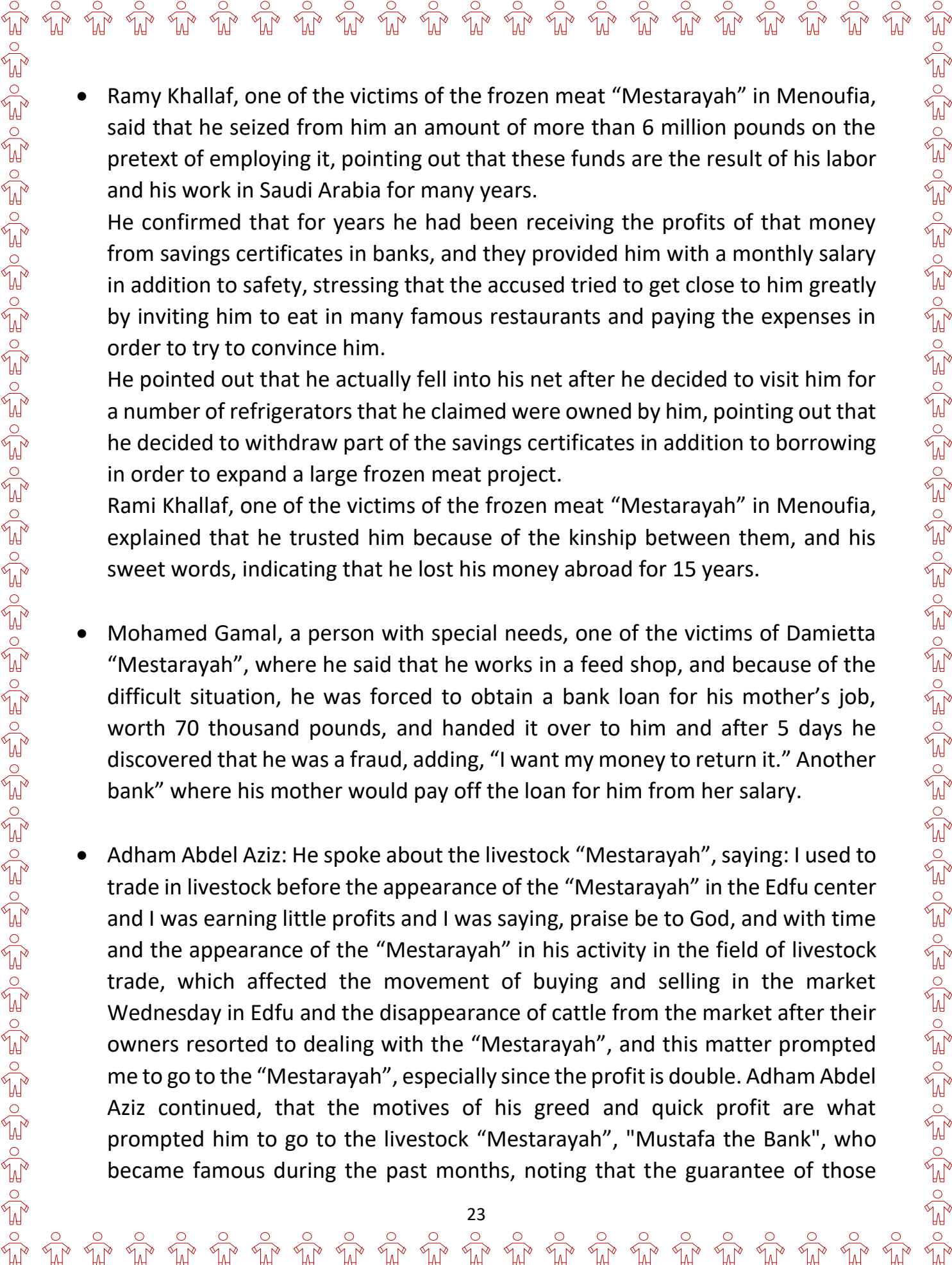
And the old man entered into a fit of screaming, then fell asleep on the floor and began to raise the dirt up to fall over his head and kept saying: “Oh, boy, oh boy, my money, my money’s gone.”

The “victim of resting Aswan” took off his turban and threw it in the air, and kept flipping right and left on the ground, near a water drain, as the video clip showed.

- The “Mestarayah” of October, Ahmed Nabil: Took a quarter of a billion pounds from the victims. Some of the victims suffered a stroke, and some died from the shock of losing their money.
- Muhammad Darwish: There were people who had money for treatment of cancer and diabetes, and they put money with him to be treated with it, and they were not able to pay for the treatment, and we did not have the ability to spend on our families and borrow money, and there were orphans and widows surrounded by money with Sheikh Abdel Wahab, because he was affiliated with the Ministry of Endowments and the Sheikh of the People’s Mosque surrounded him. The money is to be spent on orphans and people who have access to the pension. I shared the reward with him so that you know how to live and take it as an income every month. This people are in debt to the bricks of the earth now and I can't find it to eat.
- Hisham Abu Hashish: There are people who have sold their apartments and live in furnished apartments so that they can share with him and their future is lost.

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- Mr. Al-Badouhi: There are families who need income and cannot find, and there are homeless people and other who have traveled to other countries because they are unable to pay the rent for apartments here.
 - Adel is one of the victims of the “Mestarayah” of Edfu, from the villages of the center, and due to his work conditions, he became a resident of Cairo. He heard about Mustafa Al-Bank and his companions through his relatives who weaved tales of the gains that are achieved through trade with him... after he heard about the dignity and profits of the “Mestarayah” ..., ... He looked at his young children, and for their sake he decided to venture into trade with him... It was one experience and he left satisfied with what had been achieved. The money in his hands was not enough to buy and sell from the “Mestarayah”. So, he stripped his daughters of their jewelry and sold them, then they traveled to their home country for their price, there he bought livestock. He sold it to the “Mestarayah” and got a promise of the rest of the dues... The man left Edfu happily after the warm welcome he was received by the cousins. What he heard from people about Mustafa the bank made him deny any accusations against him. He saw the cattle in the barns, where he gave the impression that his position was sound.

A few hours before the Eid, he fell ill after hearing tales about the “Mestarayah’s” failure to meet the people's dues, as he gave him his life and covered his daughters with jewelry and gold, so he abandoned the house because he could not look at his daughters after he stripped them of their gold artifacts.
 - Ashraf Nasr, one of the victims of “Mestarayah” Al-Sharqiah: “Mestarayah” stole 310,500 pounds from me, after I sold my half-acre agricultural land, and since then I have not received a single penny from him. The matter told me that we are your masters and the masters of your country.”
 - A number of citizens lost their money in the center and city of Ashmoun in Menoufia governorate, especially after investing that money with a frozen meat and poultry dealer known as “Mestarayah”, where the total sums seized by him under the pretext of employment amounted to about 37 million pounds.

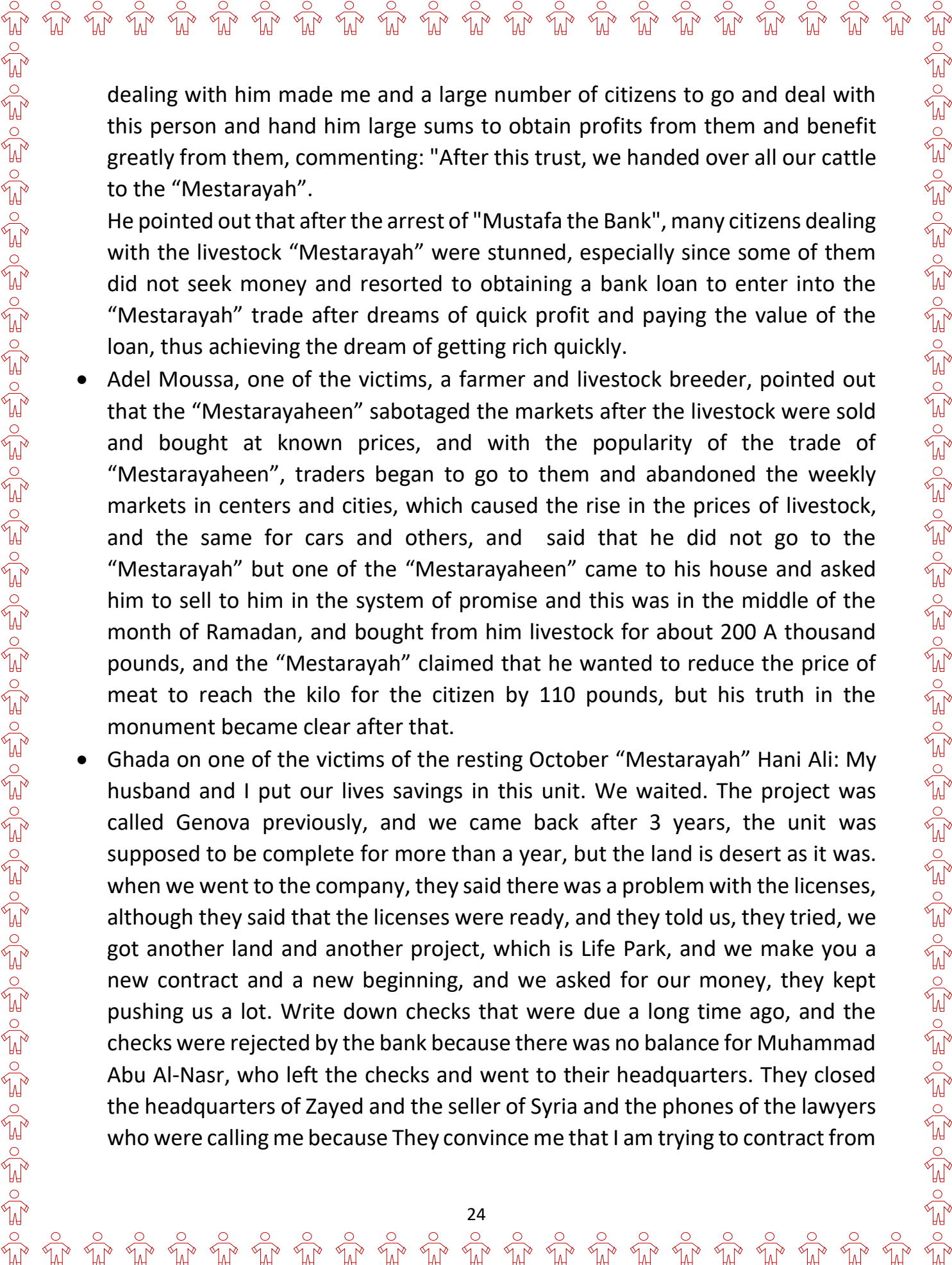
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- Ramy Khallaf, one of the victims of the frozen meat “Mestarayah” in Menoufia, said that he seized from him an amount of more than 6 million pounds on the pretext of employing it, pointing out that these funds are the result of his labor and his work in Saudi Arabia for many years.

He confirmed that for years he had been receiving the profits of that money from savings certificates in banks, and they provided him with a monthly salary in addition to safety, stressing that the accused tried to get close to him greatly by inviting him to eat in many famous restaurants and paying the expenses in order to try to convince him.

He pointed out that he actually fell into his net after he decided to visit him for a number of refrigerators that he claimed were owned by him, pointing out that he decided to withdraw part of the savings certificates in addition to borrowing in order to expand a large frozen meat project.

Rami Khallaf, one of the victims of the frozen meat “Mestarayah” in Menoufia, explained that he trusted him because of the kinship between them, and his sweet words, indicating that he lost his money abroad for 15 years.

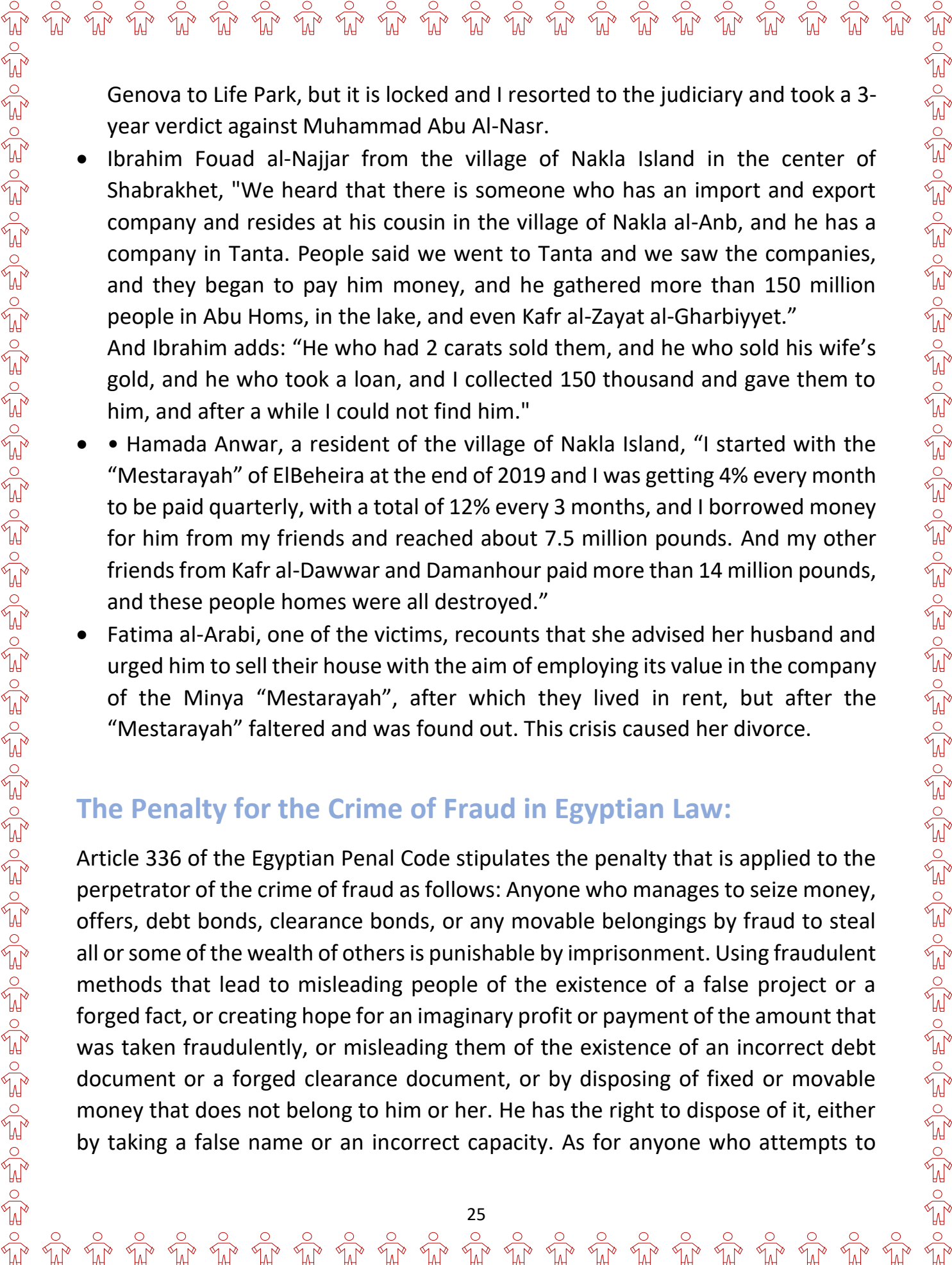
- Mohamed Gamal, a person with special needs, one of the victims of Damietta “Mestarayah”, where he said that he works in a feed shop, and because of the difficult situation, he was forced to obtain a bank loan for his mother’s job, worth 70 thousand pounds, and handed it over to him and after 5 days he discovered that he was a fraud, adding, “I want my money to return it.” Another bank” where his mother would pay off the loan for him from her salary.
- Adham Abdel Aziz: He spoke about the livestock “Mestarayah”, saying: I used to trade in livestock before the appearance of the “Mestarayah” in the Edfu center and I was earning little profits and I was saying, praise be to God, and with time and the appearance of the “Mestarayah” in his activity in the field of livestock trade, which affected the movement of buying and selling in the market Wednesday in Edfu and the disappearance of cattle from the market after their owners resorted to dealing with the “Mestarayah”, and this matter prompted me to go to the “Mestarayah”, especially since the profit is double. Adham Abdel Aziz continued, that the motives of his greed and quick profit are what prompted him to go to the livestock “Mestarayah”, "Mustafa the Bank", who became famous during the past months, noting that the guarantee of those



dealing with him made me and a large number of citizens to go and deal with this person and hand him large sums to obtain profits from them and benefit greatly from them, commenting: "After this trust, we handed over all our cattle to the "Mestarayah".

He pointed out that after the arrest of "Mustafa the Bank", many citizens dealing with the livestock "Mestarayah" were stunned, especially since some of them did not seek money and resorted to obtaining a bank loan to enter into the "Mestarayah" trade after dreams of quick profit and paying the value of the loan, thus achieving the dream of getting rich quickly.

- Adel Moussa, one of the victims, a farmer and livestock breeder, pointed out that the "Mestaraheen" sabotaged the markets after the livestock were sold and bought at known prices, and with the popularity of the trade of "Mestaraheen", traders began to go to them and abandoned the weekly markets in centers and cities, which caused the rise in the prices of livestock, and the same for cars and others, and said that he did not go to the "Mestarayah" but one of the "Mestaraheen" came to his house and asked him to sell to him in the system of promise and this was in the middle of the month of Ramadan, and bought from him livestock for about 200 A thousand pounds, and the "Mestarayah" claimed that he wanted to reduce the price of meat to reach the kilo for the citizen by 110 pounds, but his truth in the monument became clear after that.
- Ghada on one of the victims of the resting October "Mestarayah" Hani Ali: My husband and I put our lives savings in this unit. We waited. The project was called Genova previously, and we came back after 3 years, the unit was supposed to be complete for more than a year, but the land is desert as it was. when we went to the company, they said there was a problem with the licenses, although they said that the licenses were ready, and they told us, they tried, we got another land and another project, which is Life Park, and we make you a new contract and a new beginning, and we asked for our money, they kept pushing us a lot. Write down checks that were due a long time ago, and the checks were rejected by the bank because there was no balance for Muhammad Abu Al-Nasr, who left the checks and went to their headquarters. They closed the headquarters of Zayed and the seller of Syria and the phones of the lawyers who were calling me because They convince me that I am trying to contract from

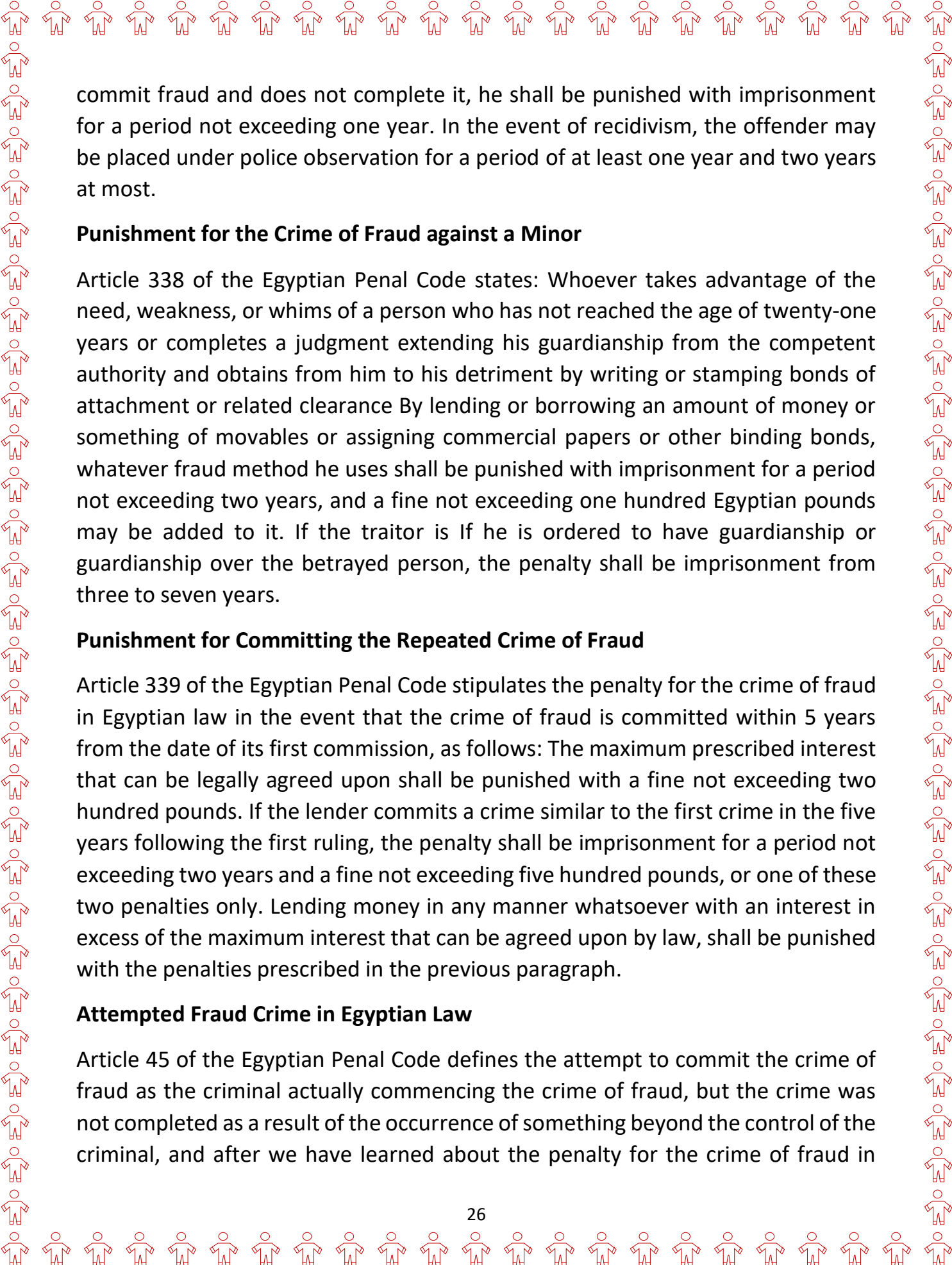


Genova to Life Park, but it is locked and I resorted to the judiciary and took a 3-year verdict against Muhammad Abu Al-Nasr.

- Ibrahim Fouad al-Najjar from the village of Nakla Island in the center of Shabrakhet, "We heard that there is someone who has an import and export company and resides at his cousin in the village of Nakla al-Anb, and he has a company in Tanta. People said we went to Tanta and we saw the companies, and they began to pay him money, and he gathered more than 150 million people in Abu Homs, in the lake, and even Kafr al-Zayat al-Gharbiyyet." And Ibrahim adds: "He who had 2 carats sold them, and he who sold his wife's gold, and he who took a loan, and I collected 150 thousand and gave them to him, and after a while I could not find him."
- • Hamada Anwar, a resident of the village of Nakla Island, "I started with the "Mestarayah" of ElBeheira at the end of 2019 and I was getting 4% every month to be paid quarterly, with a total of 12% every 3 months, and I borrowed money for him from my friends and reached about 7.5 million pounds. And my other friends from Kafr al-Dawwar and Damanhour paid more than 14 million pounds, and these people homes were all destroyed."
- Fatima al-Arabi, one of the victims, recounts that she advised her husband and urged him to sell their house with the aim of employing its value in the company of the Minya "Mestarayah", after which they lived in rent, but after the "Mestarayah" faltered and was found out. This crisis caused her divorce.

The Penalty for the Crime of Fraud in Egyptian Law:

Article 336 of the Egyptian Penal Code stipulates the penalty that is applied to the perpetrator of the crime of fraud as follows: Anyone who manages to seize money, offers, debt bonds, clearance bonds, or any movable belongings by fraud to steal all or some of the wealth of others is punishable by imprisonment. Using fraudulent methods that lead to misleading people of the existence of a false project or a forged fact, or creating hope for an imaginary profit or payment of the amount that was taken fraudulently, or misleading them of the existence of an incorrect debt document or a forged clearance document, or by disposing of fixed or movable money that does not belong to him or her. He has the right to dispose of it, either by taking a false name or an incorrect capacity. As for anyone who attempts to



commit fraud and does not complete it, he shall be punished with imprisonment for a period not exceeding one year. In the event of recidivism, the offender may be placed under police observation for a period of at least one year and two years at most.

Punishment for the Crime of Fraud against a Minor

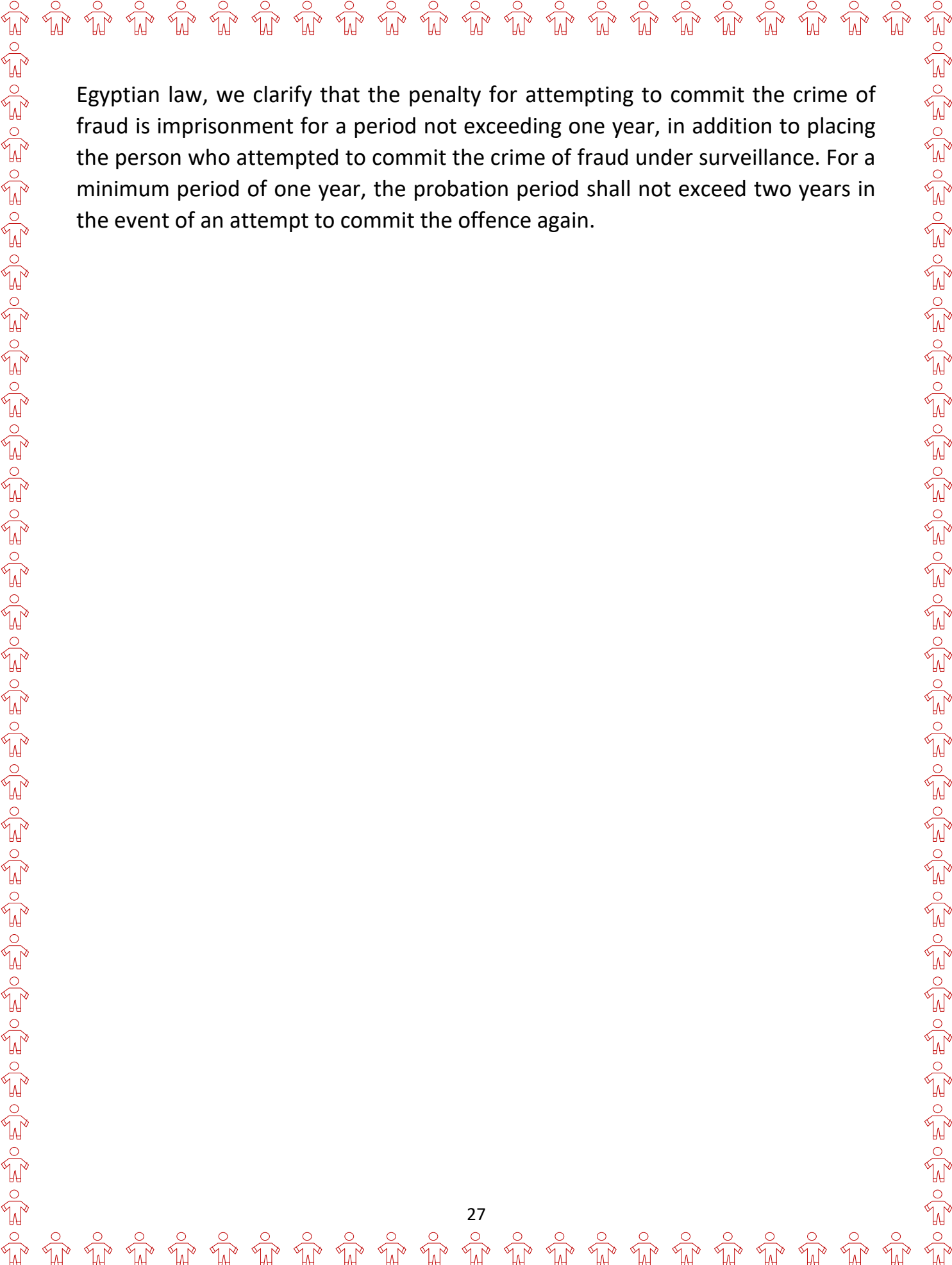
Article 338 of the Egyptian Penal Code states: Whoever takes advantage of the need, weakness, or whims of a person who has not reached the age of twenty-one years or completes a judgment extending his guardianship from the competent authority and obtains from him to his detriment by writing or stamping bonds of attachment or related clearance By lending or borrowing an amount of money or something of movables or assigning commercial papers or other binding bonds, whatever fraud method he uses shall be punished with imprisonment for a period not exceeding two years, and a fine not exceeding one hundred Egyptian pounds may be added to it. If the traitor is If he is ordered to have guardianship or guardianship over the betrayed person, the penalty shall be imprisonment from three to seven years.

Punishment for Committing the Repeated Crime of Fraud

Article 339 of the Egyptian Penal Code stipulates the penalty for the crime of fraud in Egyptian law in the event that the crime of fraud is committed within 5 years from the date of its first commission, as follows: The maximum prescribed interest that can be legally agreed upon shall be punished with a fine not exceeding two hundred pounds. If the lender commits a crime similar to the first crime in the five years following the first ruling, the penalty shall be imprisonment for a period not exceeding two years and a fine not exceeding five hundred pounds, or one of these two penalties only. Lending money in any manner whatsoever with an interest in excess of the maximum interest that can be agreed upon by law, shall be punished with the penalties prescribed in the previous paragraph.

Attempted Fraud Crime in Egyptian Law

Article 45 of the Egyptian Penal Code defines the attempt to commit the crime of fraud as the criminal actually commencing the crime of fraud, but the crime was not completed as a result of the occurrence of something beyond the control of the criminal, and after we have learned about the penalty for the crime of fraud in



Egyptian law, we clarify that the penalty for attempting to commit the crime of fraud is imprisonment for a period not exceeding one year, in addition to placing the person who attempted to commit the crime of fraud under surveillance. For a minimum period of one year, the probation period shall not exceed two years in the event of an attempt to commit the offence again.

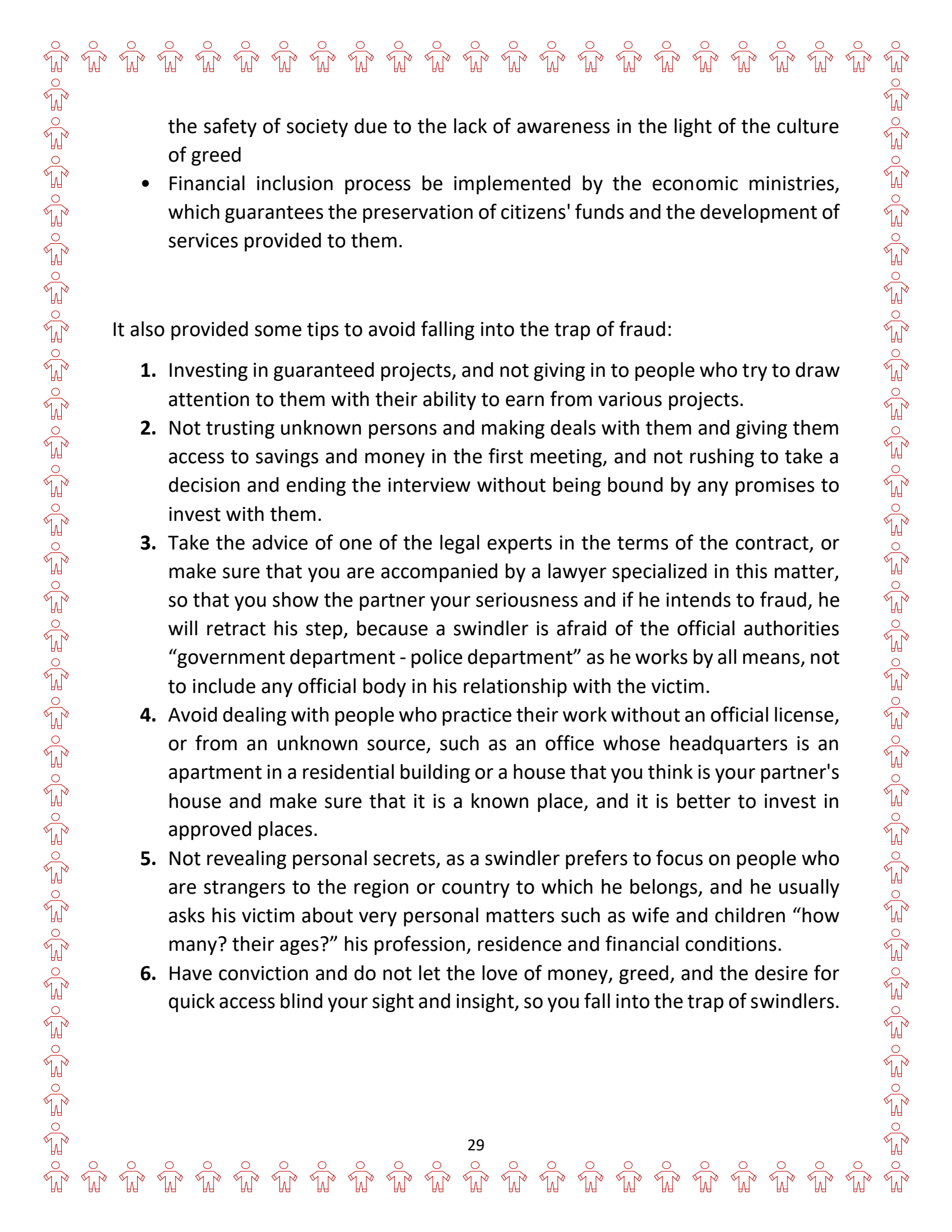


Conclusion

The phenomenon of fraud and scam is one of the most serious problems facing Egyptian society at the moment, especially after the great economic crises experienced by the countries of the world, not only Egypt. These economic crises are the main factor in the abundance and spread of crimes in society, which harm its members and threaten its stability. We can say that the phenomenon of "Mestaryaheen" is not new to Egyptian society, but has appeared through many eras and periods but in different deceptive ways and tricks characterized by its compatibility with the variables and developments associated with each period of time. It is a changing and renewed phenomenon that depends on the intelligence and cunning of the swindler and fraudster in choosing the trick that suits the local community and the characteristics of individuals in it. It also depends on the victims and their different characteristics and their role in providing appropriate opportunities to complete the scams and fraud on them and their money. It is the greed of the victims and their desire to get rich quickly without effort, even if they are from the educated groups, that facilitate the work of these swindlers and make them easy prey for them. It is necessary to continue to educate all segments of society to investigate the accuracy of this type of financial transactions, through the various traditional and modern media and through social networks, in parallel with the important efforts made by the security and legislative agencies to avoid the recurrence and continuation of this phenomenon.

Recommendations:

- The legislation be changed and the penalties toughened for such crimes, so that whoever commits these crimes will know that he will not enjoy this money that he looted.
- Awareness be increased by all media, urging citizens to invest safely in their money and highlighting the phenomenon so that people realize its seriousness
- Religious institutions should make a lot of effort in order to educate citizens not to be led by unknown people to encourage fake investment, in order to prevent all of us in the end from spreading such phenomena that threaten



the safety of society due to the lack of awareness in the light of the culture of greed

- Financial inclusion process be implemented by the economic ministries, which guarantees the preservation of citizens' funds and the development of services provided to them.

It also provided some tips to avoid falling into the trap of fraud:

1. Investing in guaranteed projects, and not giving in to people who try to draw attention to them with their ability to earn from various projects.
2. Not trusting unknown persons and making deals with them and giving them access to savings and money in the first meeting, and not rushing to take a decision and ending the interview without being bound by any promises to invest with them.
3. Take the advice of one of the legal experts in the terms of the contract, or make sure that you are accompanied by a lawyer specialized in this matter, so that you show the partner your seriousness and if he intends to fraud, he will retract his step, because a swindler is afraid of the official authorities “government department - police department” as he works by all means, not to include any official body in his relationship with the victim.
4. Avoid dealing with people who practice their work without an official license, or from an unknown source, such as an office whose headquarters is an apartment in a residential building or a house that you think is your partner's house and make sure that it is a known place, and it is better to invest in approved places.
5. Not revealing personal secrets, as a swindler prefers to focus on people who are strangers to the region or country to which he belongs, and he usually asks his victim about very personal matters such as wife and children “how many? their ages?” his profession, residence and financial conditions.
6. Have conviction and do not let the love of money, greed, and the desire for quick access blind your sight and insight, so you fall into the trap of swindlers.