



Uncovering the Dark Side of Ponzi Schemes Through Money Game

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Abstract

Ponzi schemes with new looks and faces can divert people's views against the suspicions of investment organizers under the guise of Ponzi schemes. The purpose of this study is to reveal the dark side of the practice of Ponzi schemes through money games from the user's perspective. This study uses a qualitative method with a phenomenological approach, the selection of this method is used to achieve the research objectives. Collecting data using observation, interviews, and documentation. The results show, HIPO implementing a Ponzi scheme under the guise of a money game, this can be seen in the work system used by recruiting people and raising funds through offering investment packages as a trap as well as containing elements of gambling. Symptoms of the end of the HIPO as a fraudulent investment are shown through changes to the system and policies by the founders so that members cannot withdraw funds.

Keywords: ponzi scheme, money game, dark side

Introduction

The Ponzi scheme was first introduced by a US immigrant who came from Italy, namely Charles Ponzi. This scheme is referred to as a fraudulent investment or a quick and easy way to make a profit (Artzrouni, 2009). This scheme works by raising funds through recruiting members/investors, then receiving money from newly joined investors is used to pay old investors as bonuses/profits promised by agents or promoters of the Ponzi scheme (Skalak et al., 2015). Investor recruitment activities in Ponzi schemes that target individuals as victims are included in the consumer fraud category (ACFE, 2017). Several cases of the phenomenal Ponzi scheme in 1996-1997 occurred in Albania during the monetary crisis with the investment mode as a solution to the problem (Musaraj, 2019). Then in 2009, the world was shocked again by a fraudulent investment case in the Securities and Exchange Commission (SEC) where the culprit was Bernard Madoff. This case was revealed when he told that the business he had built was a fraudulent investment business (Wilkins et al., 2012). Switching to 2015-2016, the case that was quite shocking in the country was First Travel. First Travel succeeded in committing fraud with a religious mode that offered and promised the public low fees to perform the Hajj

and Umrah (Cahyaningrum, 2017; Kamal & Gustiningsih, 2019; Rudi, 2017). Then in 2019, a case of forced investment was revealed based on reports from the public and the OJK statement (Priyo, 2019) regarding a company engaged in sales with a multi-level marketing system (Solichah, 2019) conducted by PT Q.Net and (Faisol, 2019).

Based on several cases of Ponzi schemes that have occurred and were revealed, it can be seen that victims or communities trapped in Ponzi schemes are caused by a lack of financial literacy (Hidajat, 2018; Sadiraj & Schram, 2018), exploitation of trust (Blois & Ryan, 2013), greed (Akinladejo et al., 2013), less effective prevention methods (Harizan, 2017), having higher education (Wilkins et al., 2012), as well as real evidence and the lure of success (Fei et al., 2020). Ponzi scheme operations can be said to always succeed by following the times and technology (W. Chen et al., 2019).

The new form and face of Ponzi schemes in digital platforms make it difficult for people to distinguish between real investments and fake investments (Bartoletti et al., 2020). The forms of Ponzi schemes in digital platforms such as forex, commodities, real estate, cryptocurrencies, bitcoin, and other businesses (Piaw et al., 2019), (Vasek & Moore, 2019). Ponzi schemes in digital platforms are known as money games (Kharisma, 2021), while (Arum, 2012) mentions several characteristics of money games, namely using a binary system, not having legality, not having a product if you have a product, the price is illogical.

Several empirical studies have stated that the money game is not new, it's just that the transformation of the Ponzi scheme that is carried out is not very visible, so people are easily influenced (Piaw et al., 2019), a game of financial illusion through financial products that promise high returns with abnormal returns successfully hides the associated substance risks (Stefanescu & Dumitriu, 2018). (ACFE, 2017) adds that the Ponzi scheme is identical to financial instruments, the products offered in the form of financial products such as investments, stocks, currency, and exchange, promise definite profits without risk. Money game activities are included in the criminal realm, considering the significant losses incurred (Janet & Murwadji, 2020).

The concept of money games is not much different from the concept applied by the Ponzi scheme, only the shape and appearance are different (Rudiwantoro, 2018). The concept used by the Ponzi scheme in running its business is by recruiting new members as a foundation and financial circulation given to old members (Safwan, 2019), then not practicing buying and selling goods and services (Arum, 2012), in practice by delaying the payment of profits to investors. new investors (Sadiraj & Schram, 2018), and money from new investors is used to pay old investors. This practice is called the hole-covering system (Janet & Murwadji, 2020).

One of the investment providers that has successfully implemented a Ponzi scheme in the form of a money game is HIPO. HIPO appeared in Indonesia in 2019, HIPO stands for the association of international online entrepreneurs founded by someone from Makassar, namely Mr. AJ. HIPO is claimed to be an organization that aims to prosper members and MSMEs (Indaryani, 2020). In carrying out its actions, HIPO offers investment packages to the public and promises a fixed bonus without risk which is conveyed by the founders through agents who have joined investment seminars or personally.

For these findings, OJK through the Investment Alert Task Force (SWI) has attached 14 illegal investments released on August 2, 2019 with the number SP/05/VII/SWI/2019 (Otoritas Jasa Keuangan, 2019a). However, on October 7, 2019, the

OJK again issued a press release with the number SP 07/X/SWI/2019 which stated that HIPO had obtained permission to conduct sales activities with the MLM system (Investasi, 2019). HIPO did not waste this statement so that HIPO has established itself more and more to convince the public by raising funds by offering investment packages that are believed to be able to prosper and improve people's finances.

The momentum accompanied by the strategy implemented by HIPO can be said to be successful. In 2020, HIPO members experienced a very rapid surge, namely + 200,000 members have joined consisting of 34 provinces (Dalimunthe, 2020). The surge was accompanied by the arrival of the COVID-19 outbreak that hit the world, including the world, the outbreak was able to stop the country's economic activity. Thus, due to this impact, many people have become victims of layoffs, through an empirical statement by (Sadiraj & Schram, 2018) says that investment schemes such as Ponzi are very popular and mushrooming during the economic transition period.

Upon the arrival of Covid in Indonesia on March 23, 2020, a new phenomenon emerged. The following month many people who are members of HIPO have admitted that HIPO took members' money away so the incident triggered deep disappointment, debt everywhere, member misery, and blaming each other. For this incident, the researcher tried to confirm to the call center contact 157 regarding HIPO, and it turned out to be true that HIPO was the organizer of fraudulent investments. The collapse of the Ponzi scheme that was built was marked by reports of HIPO members to the authorities. The breakdown of this scheme is not much different from the Ponzi scheme when it can no longer find new members and bonus payments to members stop.

Therefore, as a community, you must be observant of the investment offers offered by your relatives, colleagues, and even your own family members. The fall of the community in the Ponzi scheme is due to the low level of financial literacy owned by the community, this is stated in the results of the financial literacy index survey conducted by the OJK in 2019 with a percentage of 36.12%. Empirically (Hidajat, 2018) states that the lack of public financial literacy can lead to fraudulent investments, but having strong financial literacy can avoid fraudulent investments or as a preventive tool not to join fraudulent investments.

Another study was conducted by (Kasim et al., 2020) which states that the lack of education, regulation, and enforcement in Malaysia has caused public interest in joining the Ponzi scheme. (Fei et al., 2020) stated that the occurrence of economic instability in the country such as inflation and the high cost of living expenses of the people tended to be enthusiastic about investing. Victims of Ponzi schemes often state that when they fail in their investments, people are more likely to focus on misfortune. The victim of this Ponzi scheme never learns from what happened to him so that the victim can fall into the same chasm twice.

Based on this phenomenon, the author is interested in revealing the dark side of the Ponzi scheme practice carried out by HIPO from the user's point of view. The dark side that will be discussed in this research is user behavior by observing and describing HIPO user activities while being a member. The activities that will be the focus of researchers in uncovering the dark side of the Ponzi scheme run by HIPO are the work system, investment models and forms, and tricks of HIPO agents in influencing users or the public to join. The experience of HIPO users with a combination of observation and documentation is expected to provide an overview of the dark side of the Ponzi scheme through HIPO's money game. This research is very important because there are different

portraits in analyzing and interpreting the dark side of Ponzi schemes through money games from the user's perspective.

Research Method

This study uses a qualitative method with a phenomenological approach to uncover the dark side of the Ponzi scheme through money games. Phenomenology refers to the experience as it appears in consciousness, informants explain or describe what a person receives, feels and knows in direct awareness and experience and what emerges from awareness is what is called a phenomenon (Creswell, 2014). The choice of a phenomenological approach is expected to provide an essential picture of the dark side of the Ponzi scheme implemented by investment providers through money games. Fundamentally, the phenomenological approach focuses more on the experience of the informant and puts aside the experience of the researcher as if this information and knowledge had just been obtained from the informant (Creswell, 2014).

The phenomenological approach procedure is carried out by determining a problem that occurs in the HIPO investment operator from the user's point of view regarding the system or scheme used, then the problem is explained based on the phenomenon that occurs and is associated with the researcher's assumption whether the system implemented by the HIPO investment operator contains elements of a Ponzi scheme. Then the researchers collected evidence and data related to HIPO investments for further study with the help of informants and other supporting data such as articles, official press releases from the government, and other supporting evidence.

So that it will form a truth regarding the system used by HIPO in developing and raising its investment which later this HIPO will become the object of this research with the main key being members of HIPO themselves as informants who are willing to share their experiences while being a member of HIPO. When the data has been collected, the next step the researcher takes is to analyze the data by reducing the information to a statement or quote and inserting the statement into the research theme. The researcher develops a textural description of the informant's experience, then develops a structural description of the informant's experience regarding the situation, and condition and combines textural and structural descriptions to convey the dark side of the Ponzi scheme through the money game implemented by investment organizers.

This research was conducted by interviewing informants, observing the behavior of informants who are members of investment organizers and documenting the findings obtained during this research. This finding becomes a bond that cannot be separated in an observation, interview, and documentation. This research was conducted on an investment provider that raises funds from the public to ensure better success and welfare, namely HIPO with the main focus being the users of HIPO. The selection of HIPO as the object of research was based on the anxiety of public funds that did not return the investment carried out as well as several friends and colleagues who participated in this investment.

(Dalimunthe, 2020) said that the target of HIPO in 2020 must reach one million members spread throughout Indonesia. So that researchers limit the number of populations that will be sampled in this research considering the availability and ease of obtaining data. The informants in this study were selected based on competence and according to the data needs of the researchers. So that the researchers determined the criteria for informants in the study, namely: 1) being a member of HIPO, 2) having access

to enter the HIPO application, 3) being an active member or member, 4) having an upline or downline. The following informants are considered capable of answering and providing the data needed by researchers including: ZK is 38 years old, a person with a bachelor's degree in economics, and has been a member of HIPO since September 4, 2019 with a total investment of Rp16,500,000. MR is 25 years old, a person with a bachelor's in management education background, and has been a member of HIPO since 27 August 2019 with a total investment of IDR 17,700,000. DK is 29 years old, a person with a bachelor's in management education background, has been a member of HIPO since October 12, 2019 with a total investment of IDR 750,000. SH, 46 years old, a person with a management education background, has been a member of HIPO since August 6, 2019 with a total investment of IDR 16,500,000. 44 years old BS, a person with a bachelor's in engineering education background, has been a member of HIPO since November 11, 2019 with a total investment of IDR 80,000,000.

The name of the informant in question is deliberately disguised to maintain the confidentiality of the identity of the informant who is part of the research code of ethics. Interviews with informants were carried out by adjusting the time and place of the informants. This is done to obtain different information from each informant, with the same concept of questions so that later the data obtained is in the form of consistent information that can be tested. The interview technique used to obtain information about the scheme implemented by the investment provider is HIPO. In addition to the interview method used by the researchers, the observation method was also carried out by researchers within a year and a half, during which time the researchers used to provide an overview of the birth of an investment provider called HIPO, the development of HIPO and the disappearance of HIPO from the community. Documentation of all interviews and observations is packaged in the form of audio, video and images which are used to analyze the information.

Documentation of the results of interviews and observations is expected to be structured and able to answer the problems in this study. To achieve the expected results, the researcher tested the validity of the information by data triangulation. Analysis of data or information obtained by researchers is carried out by data reduction, data presentation, verification and concluding. Data reduction on information obtained through interviews, observations and documentation is classified according to the subject or aspects discussed, then described in detail to provide a comprehensive picture. The results of data reduction are conveyed based on the information provided by the informants as well as the results of observations and documentation obtained during the research. The presentation of the data is presented based on the essence captured by the researcher. Disclosure and presentation of the data is continuously verified so that the final result of this research obtains a conclusion that will answer the research problem.

Result and Discussion

The initial step in this research refers to the research procedure that begins with determining a problem that occurs in the HIPO investment operator from the user's point of view regarding the system or scheme used, then the problem is described based on the phenomena that occur and is associated with the researcher's assumptions whether the system applied by the operator is HIPO investments contain elements of a Ponzi scheme. Then the researchers collected evidence and data related to HIPO investments for further

study with the help of informants and other supporting data such as articles, official press releases from the government, and other supporting evidence.

So that it will form a truth regarding the system used by HIPO in developing and raising its investment which later this HIPO will become the object of this research with the main key being members of HIPO themselves as informants who are willing to share their experiences while being a member of HIPO. When the data has been collected, the next step the researcher takes is to analyze the data by reducing the information to a statement or quote and inserting the statement into the research theme. The researcher develops a textural description of the informant's experience, then develops a structural description of the informant's experience regarding the situation, condition and combines textural and structural descriptions to convey the dark side of the Ponzi scheme through the money game implemented by investment organizers.

Based on the results of observations, documentation and interviews obtained from the field, the researcher then mapped the findings into several sub-chapters such as perceptions, facilities, member motives, requirements, member categories, member achievements, legality, symptoms, and the meaning of informants as members of HIPO. These findings are packaged to provide an overview of the dark side of the Ponzi scheme through the money game run by HIPO through explanations given from the experiences of informants or members of HIPO.

Members' perception of HIPO. Five informants described HIPO in the interview excerpts as MLM, fraudulent investments, gambling, and organizations that provide benefits. This member's perception gives birth to several meanings that refer to the dark side of the ponzi scheme. The practice of the dark side of Ponzi schemes is known as providing profit (Tennant, 2011), no products are sold (Wilkins et al., 2012), using financial instruments as a tool to convince members, profits paid to members come from new members, in the form of affinity (organization/group) (Blois & Ryan, 2013), and has no legality (Brand et al., 2014). So it can be concluded that HIPO as an association that commits fraud with the lure of providing benefits and welfare to the community through capital investment to MSMEs is packaged in the form of an application. This model is not much different from one of the applications that has been blocked from public circulation, namely the Tiktok cash application (Kharisma, 2021). The termination of tiktok cash was due to making investment offers to the public with such high profits and not having official permission from the government (Investasi, 2021). The perception of HIPO members is not much different from the testimony of informants submitted in research conducted (Fei et al., 2020; Hidajat, 2018) which stated that to attract new members, a trick is needed that guarantees to provide high profits and is risk-free without having to work hard.

Facilities and benefits of HIPO. Providing facilities and benefits to HIPO members is a mandatory thing that must be done by HIPO to convince members that HIPO is not a fake investment, this was conveyed by the three informants namely DK, BS, and ZK who said that

“HIPO facilitates members to do digital commerce such as credit and credit. electricity tokens. While the benefits are in the form of points that can be earned every day as long as a member of HIPO and can be converted into money.”

Meanwhile, MR and BS said that

“HIPO facilitates members by having an application that can be downloaded on the Playstore and the benefits that come from joining HIPO, members can have careers according to the positions that HIPO has provided, including primary 1 and 2, intermediate and major”.

While SH stated that HIPO provides different facilities in each district, this SH is an informant from district A. SH admitted

“that there is a gathering for cheap vehicles, namely a motorbike with a price offered to members of 15 million rupiah.”

The dark side of the ponzi scheme run by HIPO can be found by providing information to the public that there is an easy and fast way to get rich, this is in accordance with the concept of the founders of the ponzi scheme to trick the public by means of facilities to create investor funds. This practice has been carried out since the first ponzi scheme appeared in 1920 created by Charles Ponzi ([Skalak et al., 2015](#)).

Motives of members joining HIPO. Researchers reveal further the motives of members to join HIPO. The third informant, namely BS, MR, and ZK, added that he joined

“because he was tempted by the bonus and the big results”.

DK joined because of

“encouragement from his own superiors”.

And SH has another motive,

“which is to find out what kind of scheme is being implemented”.

The practice of the dark side of ponzi schemes can be seen from the answers of informants who claim to be tempted by big bonuses ([Fei et al., 2020](#)), this is a trick to commit fraud at the end of the scheme when several signs of the ponzi scheme will collapse, one of which is difficult to get members ([Hidajat, 2018](#)), then another dark side, namely because there was an incentive for the informant to feel bad not to try and see for himself what his superiors had to offer ([Hidajat et al., 2020](#)), and the last informant was very curious whether HIPO adopted a ponzi scheme in running its business or not ([Kamal & Gustiningsih, 2019](#)).

Terms and how to register. Terms and How to Register Requirements for registration are always required at all institutions or investment providers, including HIPO requires data to be entered in the HIPO application which will later be used as a user and password by the HIPO admin, five informants said that the conditions were required.

“identity (KTP), Account Number, Name of Heirs, Mobile Number, and money according to the selected package, to register it can be through the leader or upline or directly contact the HIPO admin number in the application”

Giving identity to investment organizers whose legal issues are not clear will form a new pattern of fraud, namely the theft and sale of HIPO member data ([Kamal & Gustiningsih, 2019](#); [Kharisma, 2021](#)). In addition, the dark side of HIPO is shown in the selection of investment packages, which are the characteristics of ponzi schemes that play with financial instruments, the way this is done is finance to keep members from managing investments run by HIPO ([Hidajat, 2018](#); [Hidajat et al., 2020](#); [Stefanescu & Dumitriu, 2018](#)).

Passive or active member. Category HIPO does not require members to recruit new members or find new investors, if members want to get additional bonuses, HIPO will provide them through the recruitment. This is stated in excerpts from interviews with BS and MR informants who stated that

“they had succeeded in recruiting new members by adding an account or by recruiting other people to get additional bonuses beyond the daily bonus promised by HIPO.”

Meanwhile, other informants did not recruit because they “did not have talent in recruiting members and did not want to be a risk in the future if the recruited members did not feel the benefits of HIPO.”

The answers of MR and BS informants reminded the practice of Charles Ponzi to provide additional bonuses beyond the fixed profits promised by the promoter (Skalak et al., 2015). The dark side of the practice of this ponzi scheme is very clear with the recruitment of members who will later form a pyramid scheme with a left and right foot model under the guise of a money game (Arum, 2012; Bartoletti et al., 2020b; Fei et al., 2020; Harizan, 2012; Hidajat, 2018).

Achievements during being a HIPO. Member In every effort there will be results, such as the following interview excerpts from DK and SH informants who claimed to have succeeded in getting one N MAX motorcycle through an arisan program run by the leader or his own upline and additional credit sales and withdrawals of converted funds. into money in the HIPO application. Meanwhile, another informant admitted that he had lost in the following interview excerpt: the capital we had invested in HIPO did not return, in fact all the capital we had invested was lost without any responsibility from the upline or the founder of HIPO. As a result, members feel disappointed and berate each other for the loss of responsibility from the upline or founder of HIPO. The dark side of HIPO is clearly described regarding the absence of accountability, responsibility and transparency from the founders or uplines of HIPO (Beek, 2020; Kasim et al., 2020; Wang et al., 2021).

Regarding the legality of HIPO “it only bears a decree from KEMENKUNHAM and a Kadin membership card, this is in accordance with the seminars held by HIPO that HIPO is an organization not a business operator, besides that there is also a statement from OJK that HIPO is legal.” Two other informants “admitted that they did not know about the legality of HIPO” based on excerpts from interviews from informants. To test the authenticity of the legality of HIPO, the researcher tried to conduct a search on the statements of the informants, so that the results of the search answered that the official legality of HIPO did not exist or could be said to be a fraudulent investment (Harizan, 2017; Safwan, 2019).

Symptoms of HIPO bankrupt. Every wheel will definitely turn, every beginning there will be an end including HIPO which promises sweet promises after two years of survival now HIPO has disappeared, before it disappeared HIPO has shown a warning to members but members do not really understand the signs. all informants stated that before

“HIPO went bankrupt, HIPO often made system and policy changes under the pretext of system renewal.”

Based on the following excerpts from all interviews: that the sign of the end of HIPO is a change in the system and policies of the founders and management of HIPO. It is very clear that the end of the Ponzi scheme is to take the money of investors or members away this is the dark side of the Ponzi scheme (A. Rahman et al., 2021; Fei et al., 2020; Harizan, 2017; Hidajat, 2018; Hidajat et al., 2020; Kasim et al., 2020).

The meaning of being a HIPO member. Several informants conveyed messages to researchers and especially the public who have not yet entered into a business or investment that promises profits such as HIPO. The public must be more careful in choosing and making decisions to invest, besides that the public needs to know the traces and legality of the company or the organizer of the investment based on the interview excerpt from the following MR informant: "investment should be careful because investment is now a new mode of fraud", and the informant SH stated that "in choosing an investment, it should be carefully considered, understood to look for legality, and adjusted to the needs of whether we are in need of investment or not. If not, the money is better saved than invested". The statement is in the form of suggestions and messages to the public that investments based on Ponzi schemes can lead to disappointment, mistakes and even debt everywhere (Fei et al., 2020; Hidajat, 2018).

Based on the results of the study, researchers conducted a mapping to reveal the patterns used and the fraud carried out by HIPO. The pattern of fraud depicted through the experience of informants during their time as members of HIPO can be seen from the beginning of HIPO's establishment, HIPO claims to be an organization that accepts money investment funds and is not a cooperative that accepts deposits or savings or deposits. HIPO only accepts annual membership fees, member donations (loyalty program), general public donations, government contributions, grants from within and outside the country. HIPO also stated that it is not a company that accepts investment funds or a cooperative that accepts deposits or savings (Ismanto, 2021).

A very good statement from HIPO to hypnotize the community, under the pretext of an organization that continues to raise funds from the community and distribute profits through investments that are often conveyed to the public (Blois & Ryan, 2013). through the vision and mission of HIPO which states that it wants to prosper its members, this adds to the public's confidence to invest and it is believed that HIPO offices exist and are spread across 34 provinces by forming Regional Management Councils (Dalimunthe, 2020). The next pattern is to deceive the public with the lure of a profit of 21% a month if the community wants to deposit donations in accordance with the loyalty package offered by HIPO (Kamal & Gustiningsih, 2019; Kharisma, 2021). HIPO offers four types of investment packages with different sizes under the name of the prosperous package.

The welfare package is believed to be able to make HIPO members prosperous with the promised benefits and bonuses. To realize and grow new branches, HIPO recruits people who have influence and can be trusted to grow HIPO (Bartoletti et al., 2018; Fei et al., 2020; Wang et al., 2021; Zhu et al., 2017). This method is quite effective and efficient, in forming a very large scheme, patterns like this are followed by the community and informants with the aim of getting rich quick but the methods used by investment organizers deviate from investment ethics (A. Rahman et al., 2021; Hidajat et al., 2020; Kasim et al., 2020). Recruitment carried out by uplines is applied by downlines because

by recruiting the bonus promised by HIPO is quite large than the daily points earned by members.

In addition, members who already believe in the benefits provided by HIPO indirectly provide a large enough capital injection to obtain greater profits. This method is a suicide method. Because in principle, the Ponzi scheme will put pressure on members when they believe and have enjoyed the promised bonuses and benefits. After HIPO managed to get enough members, HIPO slowly changed policies to reduce the expenditure of profits promised by HIPO under the pretext of updating the application or system. This pattern is a sign or a way for the founder to run away from members and investors (Akinladejo et al., 2013; Bartoletti et al., 2018; Hidajat et al., 2020; Janet & Murwadji, 2020; Kasim et al., 2020; Stefanescu & Dumitriu, 2018; Zhu et al., 2017).

The early to late pattern developed by HIPO shows the existence of a gambling element like what was conveyed by the informant. The gambling element in HIPO is shown when people who want to invest with HIPO must be prepared to lose their paid-in capital, basically this concept will not guarantee people's money will come back like sweet promises from the founders or uplines. If you want to successfully join early to enjoy bonuses or money from new member payments, join the programs in the first period. This relates to the right time and decision, as well as reading the conditions of the investment operator (Albrecht et al., 2017; Blois & Ryan, 2013a; Y. Chen et al., 2021; Sadiraj & Schram, 2018; Wang et al., 2021; Wilkins et al., 2012).

More deeply, the researchers found that members who are members of HIPO have low financial literacy and this is in accordance with the literacy index survey conducted by OJK in 2019 with a literacy index of 36.12% which is included in the less literate category (Otoritas Jasa Keuangan, 2019b). Another trigger from the demographic side of the four informants is a bachelor's degree but not an accountant based on information from the informant (Fei et al., 2020; Hidajat, 2018; Wang et al., 2021). (Sadiraj & Schram, 2018) state that investment schemes such as Ponzi are very popular and mushrooming during the economic transition period. This is related after the presidential election of the Republic of Indonesia.

Conclusion

Based on the results and discussion, it can be concluded that HIPO adheres to and implements a Ponzi scheme under the guise of a money game based on the following characteristics: Allows members to find new members to get additional bonuses beyond the income set by HIPO, Gives promises, hopes and certainty to members that HIPO will prosper its members, HIPO launches its actions behind the decision letter attached to the decision of the ministry of law and human rights, Kadin membership cards, public figures such as Edy Ganefo which contains a statement that HIPO is a brilliant key to the success of MSMEs, Using applications as a tool and advice to distance customers from accountability for managed funds and avoiding accountability for managed member funds.

The dark side of the practice of Ponzi schemes implemented at HIPO through money games include: There is no accountability in the management of member funds, there is only profit transparency that has been agreed upon based on the loyalty package

program, There is no responsibility from uplines/leaders or HIPO founders, Loss of the trust of fellow HIPO members, harming members by running away all member funds and leaving quite a lot of debt, creates a greedy effect, when members feel confident in the returns made by HIPO, members will reinvest even more than the initial paid capital, eliminate logic, members who are members of HIPO eliminate logic and common sense when members feel very confident about the success they will receive, Contains elements of gambling, when all members' money has fallen into a trap as well as members have a percentage of 50%: 50% to win or lose in the HIPO scheme.

For further research, researchers suggest to reveal further various models of digital-related Ponzi schemes, such as v-tube, binomo, because the government has banned these applications from circulating in Indonesia under the category of fraud and gambling. Furthermore, the method used can use quantitative methods with the addition of other variables such as digital literacy because Indonesia is currently in the position of the industrial revolution 4.0 and will be heading towards the 5.0 era.

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