

National campaign aims to topple pyramid schemes

A national campaign against pyramid schemes has been launched to try to prevent the public from falling prey to the die-hard scams that have led to four deaths since the beginning of July.

A notice was issued on Monday by four ministries to crack down on gangs operating pyramid schemes, which lure job seekers under the guise of regular job recruitment.

Once the job seekers are in place, they are kept in dorms and are told, often under duress, to recruit others and to solicit money from friends and family.

The State Administration for Industry and Commerce said in the notice that it will work with the Ministry of Human Resources and Social Security, the Ministry of Education and the Ministry of Public Security to fight such illegal schemes, regulate companies' hiring procedures and offer job-seeking advice for school graduates.

The four ministries' campaign to eliminate pyramid scheme gangs will last from Tuesday to Nov 15. They pledged to severely punish pyramid scammers and promised to establish a long-term way to deal with such scams.

The notice was handed out after recent reports of four deaths in connection with pyramid scams.

Police in Zhongxiang, Hubei province, reported the death of a 20-year-old female student, Lin Huarong, who was said to have been lured from Hunan province to a pyramid scheme gang and was found drowned in a river on Aug 4.

Five people who are suspected of being the gang members were detained on suspicion of being involved in the student's death.

And recently, two deaths in connection with pyramid scams were reported by police in Tianjin and one similar death was reported in Shanxi province.

The three people were all in their 20s and were all offered false positions.

One of the victims, Li Wenxing, 23, a university graduate from Shandong province, believed a fraudulent employment advertisement and was lured to the gang on May 20 hoping to be offered a regular IT job. He paid an enrollment fee and was forced to stay in the organization's dormitory in Tianjin.

Li's body was found on July 14 in a pond.