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Discourse of Deception: Narratives on Ponzi Schemes from Literature and Participants

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Abstract

Ponzi schemes have proliferated in Nigeria in recent decades, blending promises of quick financial gain with elaborate social recruitment strategies. This study examines the BOK Ponzi scheme, which operated in 2024 under the guise of an online reading and reward platform, using Labov's Narrative Analysis to examine how participants construct and interpret their experiences. Data were obtained from semi-structured interviews with two individuals directly involved in the scheme—one as, an intermediary and one as an investor—supplemented by secondary literature on Ponzi operations and discourse. The analysis condenses participants' accounts into Labov's six narrative components—Abstract, Orientation, Complication, Evaluation, Resolution, and Coda—revealing how stories were structured to convey legitimacy, rationalise participation, and explain the eventual collapse. Findings show that economic hardship, trust in personal networks, and persuasive branding (including claims of global corporate partnerships) were central to recruitment and sustained engagement. The scheme's integration of daily reading tasks and "K-level" reward systems blurred the line between fraudulent investment and legitimate gig work, increasing its appeal. When withdrawals were delayed due to purported "system upgrades," participants reassured others, reinforcing a collective sense of security until a final top-up request preceded the sudden collapse in December 2024. The crash left participants with significant financial losses, emotional distress, and, in some cases, debt burdens. This research contributes to African discourse studies by illustrating how narrative structures shape the public understanding of financial fraud, and to fraud prevention by highlighting the role of social trust and digital technology in sustaining Ponzi operations. It recommends that financial literacy and anti-fraud interventions address not only economic, risk factors but also the cultural and narrative frames that normalise high-risk schemes.

Keywords: Ponzi Scheme, Labov, Investment Fraud, Narrative Analysis

Introduction

Ponzi schemes, named after the infamous Italian swindler Charles Ponzi, have persisted for more than a century, evolving in form but retaining their deceptive core: the promise of unusually high financial returns with little or no risk, sustained by funds from new investors rather than actual profit-generating ventures (Sander, 2009; Watkins, 2005). While they have appeared in various guises across different cultures and economies, their fundamental mechanics remain the same. Early investors are paid returns from the capital of newer investors, fostering an illusion of legitimacy until the scheme inevitably collapses when recruitment slows. The result is often devastating—substantial financial losses, erosion of trust in financial systems, and in some cases, severe socio-economic unrest (Jarvis, 1999). In Nigeria, Ponzi schemes are far from a marginal phenomenon. They have become a recurring feature of the financial landscape, driven by a combination of factors: widespread unemployment, high poverty rates, income inequality, poor financial literacy, and weak regulatory enforcement. The earliest Nigerian iterations date back to the 1970s and 1990s, when schemes like Imana Umana and Planwell attracted large followings in parts of Cross River and Edo States. In the early 2000s, Lagos saw the rise of Nopecsto, followed in subsequent years by high-profile operations such as the Mavrodi Mondial Movement (MMM), Ultimate Cycler, and Twinkas. These schemes, often couched in the language of community empowerment or skill acquisition, tapped into both the desperation and the aspirations of ordinary Nigerians.

The persistence and popularity of Ponzi schemes in Nigeria are particularly, troubling because they tend to resurface in times of economic hardship. For instance, during the 2016 economic recession, millions of Nigerians turned to MMM and similar schemes as alternative income sources (Asogwa et al., 2017). When MMM suddenly suspended operations in December 2016, it left over three million participants without their initial investments, reportedly wiping out more than $570 million (Fatunde, 2017). This pattern mirrors international cases—such as the 2008 Bernard Madoff scandal in, the United States—where economic downturns create fertile ground for fraudulent investment models. The latest in this sequence of schemes, the BOK Ponzi scheme, emerged in Nigeria in 2024. Distinct from traditional money-doubling scams, BOK incorporated an element of digital labour—participants were paid for completing online "reading tasks," a facade that blended elements of the gig economy with the mechanics of a pyramid structure. Participants could earn from their daily tasks, but the real financial incentives came from recruiting others into the scheme, a design feature that encouraged rapid network expansion. The promise of returns, combined with the semblance of legitimate activity, allowed BOK to attract a wide demographic: students, civil servants, lecturers, and small business owners. However, as with its predecessors, the model was unsustainable, and by December 2024 the scheme had collapsed, leaving its investors in financial ruin.

The BOK case offers a unique opportunity for scholarly inquiry, not merely into the financial mechanisms of the scheme, but into the narratives constructed by its participants. Understanding these narratives is crucial because Ponzi schemes do not operate in an economic vacuum—they are sustained through persuasion, trust, and the social construction of legitimacy. Investors' stories reveal not only their motivations and expectations, but also the rhetorical strategies by which they make sense of their losses. This is where Labov's Narrative Analysis (1972) becomes a valuable tool. Developed in the context of sociolinguistics, Labov's model identifies six core components of personal narratives—Abstract, Orientation, Complication, Evaluation, Resolution, and Coda—which together capture how individuals organise and communicate their experiences. While the framework has been applied in diverse fields such as healthcare communication, education, and forensic linguistics, it remains underutilised in studies of financial fraud, particularly within African contexts.

In Nigerian scholarship, research on Ponzi schemes has largely clustered around three themes: Economic impact – Studies such as Asogwa et al. (2017) examine how schemes like MMM influence household income patterns and macroeconomic stability. Discursive strategies – Scholars like Onanuga and Taiwo (2020) analyse the, linguistic techniques used by scheme promoters to create credibility and encourage participation. Regulatory frameworks – Others (e.g., Dorn, 2009; Aluko & Olawuni, 2021) focus on the structural weaknesses in Nigeria's financial governance that allow such schemes to proliferate. What is missing is a close examination of victim narratives—how participants themselves recount and interpret their experiences, and how these accounts reflect broader socio-economic realities. By applying Labov's model to the BOK case, this study addresses that gap, revealing not just what happened, but how it is told, rationalised, and embedded in personal and collective memory.

Beyond filling this gap, the study makes three specific contributions: Methodological innovation – It adapts a sociolinguistic framework to the analysis of economic fraud narratives, demonstrating the flexibility of narrative analysis in applied contexts. Cultural insight – It situates Ponzi scheme participation within Nigerian socio-economic conditions, exploring how factors such as communal trust networks and aspirational values shape vulnerability to fraud. Practical relevance – It highlights narrative indicators that policymakers, educators, and financial regulators could use in preventive campaigns. The choice of the BOK scheme as a case study is particularly significant because it represents a hybrid form of fraud, merging elements of online task-based income generation with classic pyramid recruitment models. This hybridisation complicates the detection of fraud and challenges conventional regulatory responses. It also speaks to broader transformations in African economies, where digital platforms are increasingly used for both legitimate and illegitimate economic activity. In methodological terms, the study draws on qualitative interviews with two participants: an intermediary who recruited others into the scheme, and a direct investor. Though small in number, these cases offer rich, detailed accounts that illustrate how individuals internalise and articulate their engagement with such schemes. The focus is not on statistical generalisation, but on narrative depth and interpretive nuance.

The implications of such analysis are substantial. By understanding the linguistic and structural features of participant narratives, we gain insight into the cognitive and social processes that normalise risk-taking in fraudulent contexts. These findings have potential applications in financial education, public awareness campaigns, and fraud prevention strategies. They also contribute to the growing body of work in African discourse studies, expanding its scope to include financial deception as a site of narrative production and identity negotiation. In sum, this study situates the BOK Ponzi scheme within the broader historical and socio-economic context of fraud in Nigeria, identifies a clear research gap in the analysis of victim narratives, and applies a robust theoretical framework to address it. By doing so, it not only documents a specific case of economic deception, but also advances scholarly understanding of how such deceptions are experienced, narrated, and remembered. The sections that follow could review relevant literature, outline the theoretical underpinnings of Labov's model, detail the methodological approach, present findings from the narrative analysis, and discuss their implications for both theory and practice.

Literature Review and Theoretical Framework

Ponzi schemes, characterised by the payment of returns to earlier investors from the contributions of newer participants rather than legitimate profit generation, have been documented in multiple socio-economic contexts (Watkins, 2005; Grossman, 2017). While the scheme's namesake, Charles Ponzi, gained notoriety in the early 20th century, its origins can be traced back to earlier frauds such as those orchestrated by William Miller in 1899 (Grossman, 2017). Globally, these schemes flourish during economic booms and busts alike, exploiting both the optimism and desperation of investors. In developed economies, regulatory systems such as the U.S. Securities and Exchange Commission (SEC) and European Union financial oversight bodies aim to prevent and prosecute such frauds. Yet, notorious cases like Bernard Madoff's $50 billion scheme (Carbone, 2017) illustrate that even sophisticated markets remain vulnerable. The allure of guaranteed returns, coupled with social proof generated by prominent investors, often overcomes due diligence checks.

The African context presents a unique landscape. Krige (2012) documents South Africa's dual experience with Ponzi finance and multi-level marketing, highlighting socio-economic conditions as catalysts. In Nigeria, schemes have evolved from informal community savings frauds in the 1970s and 1990s to digitally mediated operations such as MMM, Ultimate Cycler, and Twinkas (The Business Post, 2017). The BOK Ponzi scheme represents this latest phase, merging online gig-style tasks with traditional recruitment incentives. This hybridisation complicates detection, as it blends elements of genuine micro-work platforms with deceptive payout models. Research by Opue et al. (2018) and Asogwa et al. (2017) situates Ponzi participation within Nigeria's economic instability, rising unemployment, and inflationary pressures. In such environments, Ponzi schemes appear not merely as illicit activities but as accessible alternatives to conventional finance, especially for populations excluded from formal credit systems.

A recurring theme in the literature is the intersection of economic vulnerability, cultural norms, and the psychology of risk-taking. Jacobs and Schain (2017) note that developing countries, particularly those with pronounced poverty and inequality, exhibit heightened susceptibility to Ponzi recruitment. In Nigeria, the World Bank (2020) estimates that over 40% of the population lives below the poverty line, a condition that fosters openness to "get-rich-quick" propositions. Onoh and Eze (2018) argue that two key motivators—fear of poverty and greed—shape engagement with Ponzi schemes. Fear compels individuals to seek financial security outside traditional avenues, while greed intensifies couldingness to overlook warning signs. This is reinforced by Kranacher et al. (2011), who observe that both perpetrators and victims often share an opportunistic mind-set, albeit with different levels of moral rationalisation.

Cultural factors also play a decisive role. Nigerian communalism, which fosters trust within social and familial networks, can inadvertently facilitate Ponzi expansion. Personal referrals from trusted contacts carry significant persuasive weight, as seen in the BOK case where recruitment often began among family and friends. This mirrors findings by Wilkins et al. (2012), who describe how social proof in tight-knit communities accelerates investment uptake. Additionally, technological integration—mobile banking, instant messaging platforms, and social media—has transformed the reach of such schemes. Onanuga and Taiwo (2020) document how Ponzi promoters employ linguistic strategies tailored to digital contexts, blending persuasive rhetoric with culturally resonant appeals. The BOK scheme's promotional narratives about literacy improvement and global corporate partnerships illustrate this tactic.

Narratives are central to the recruitment, maintenance, and post-collapse interpretation of Ponzi schemes. Bruner (1990, 1996) and Riessman (1993) emphasise that narratives are not mere recountings of events; they actively construct meaning and identity. In fraud contexts, these narratives can legitimise risky decisions, rationalise losses, and even recruit others. In the Nigerian Ponzi context, Onanuga and Taiwo (2020) show how online narratives weave together financial promises with emotional and moral appeals, creating what Galasinski (2000) terms a "language of deception." Such narratives often exploit positive self-concepts, portraying participants as savvy investors or community benefactors rather than victims of fraud. The interpretive stage after a scheme's collapse also produces rich narrative material. Connelly and Clandinin (1990) note that post-event storytelling serves as both a coping mechanism and a cautionary tale, framing the experience within larger moral and socio-economic discourses. In the BOK case, participants' accounts oscillate between self-blame, anger at organisers, and moralising about societal greed.

Labov's (1972) framework offers a systematic method for dissecting personal narratives into six core components: Abstract, Orientation, Complication, Evaluation, Resolution, and Coda. This segmentation enables the researcher to trace both the chronological unfolding, of events and the embedded evaluative commentary that shapes their meaning. The Abstract summarises the story's essence, often signalling its relevance or intrigue. The Orientation situates the narrative in time, space, and participant context. The Complication introduces and develops the central tension or turning points, while the Evaluation reveals the narrator's attitudes, moral positioning, or interpretive frames. The Resolution closes the action, and the Coda bridges past events with the present context of storytelling. Labov's method has been applied across diverse fields—from oral histories (Berman, 1998) to clinical psychology (Labov & Fanshel, 1977)—but its use in fraud discourse remains underexplored. Sathya and Barathi (2022) demonstrate its value in literary analysis, while Alenizi (2020) applies it to Arabic oral narratives, confirming its cross-cultural adaptability. In this study, Labov's framework serves not only to organise participant accounts but also to highlight how narrative elements reinforce or challenge the perceived legitimacy of fraudulent schemes.

The reviewed literature reveals three notable gaps that this study addresses:, Limited integration of narrative theory with economic fraud research in African contexts. Most Nigerian Ponzi studies focus on either economic impact (Asogwa et al., 2017) or linguistic features (Onanuga & Taiwo, 2020) without combining both perspectives. Underrepresentation of participant-driven accounts in scholarly work. Many studies rely on media reports or secondary data, whereas this research foregrounds direct victim testimony. Neglect of hybrid Ponzi models that incorporate legitimate-looking gig economy tasks. BOK's reading-task model represents a novel iteration of fraud worthy of focused analysis. By applying Labov's Narrative Analysis to first-hand accounts of the BOK Ponzi scheme, this study contributes to the understanding of how fraudulent economic activities are experienced, rationalised, and narrated within Nigerian socio-economic realities. It also demonstrates the analytical power of narrative structure in exposing, the mechanisms by which deception gains and retains credibility in community networks.

Methodology

This study employed a qualitative narrative research design to explore how participants in the BOK Ponzi scheme constructed and interpreted their experiences. The narrative approach was chosen because it allows for in-depth examination of lived experiences, particularly where the aim is to uncover the social and discursive dimensions of economic fraud (Riessman, 1993). Two individuals were selected through purposive sampling:

I. "Caleb" – an intermediary who recruited others into the scheme.
II. "Victoria" – an investor introduced to the scheme by Caleb.

These participants were chosen because of their direct involvement at multiple stages of the BOK scheme, from initiation to collapse, and because they could provide both personal accounts and second-hand observations from others in their recruitment networks.

Semi-structured interviews were conducted in a conducive and private setting to encourage openness. Each session lasted approximately 30 minutes and was audio-recorded with consent. Interview questions were designed to elicit:

i. Initial perceptions of the scheme.
ii. Motivations for participation.
iii. Experiences during operation.
iv. Reactions to the withdrawal delays and collapse.
v. Reflections on lessons learned.

Follow-up prompts encouraged thick description of events, allowing for rich narrative data rather than short factual responses.

Ethical clearance was ensured by:

i. Obtaining informed consent from both participants.
ii. Using pseudonyms to protect identity.
iii. Ensuring that no identifying organisational or personal details were disclosed.
iv. Informing participants of their right to withdraw at any stage without consequence.

The transcribed interviews were coded according to Labov's (1972) six narrative components: i. Abstract – summary of the narrative's central theme; ii. Orientation – contextual details of time, place, characters, and situation; iii. Complication – the main events and turning points; iv. Evaluation – the narrator's interpretation and significance of events; v. Resolution – how events concluded; vi. Coda – linking past events to present implications; vii. Narratives were segmented into these elements to identify how participants structured their accounts and how these structures reflected perceptions of legitimacy, risk, and deception. While the small sample size limits statistical generalisation, the aim was to capture depth over breadth. These narratives provide illustrative cases of how Ponzi schemes are rationalised and legitimised in everyday discourse, making them valuable for qualitative analysis. Future research could expand the sample to compare patterns across different socio-economic groups or regions.

Findings: Labov's Narrative Analysis of BOK Ponzi Scheme Narratives

The analysis applies Labov's six-part narrative model to the testimonies of two participants in the BOK Ponzi scheme—"Caleb," an intermediary who recruited others, and "Victoria," an investor who suffered significant loss. These testimonies are supplemented by literature on Ponzi discourse to situate the narratives within broader socio-economic and linguistic frameworks. Labov defines the abstract as the summary of the core narrative, providing a preview for the listener or reader (Labov, 1972). In Caleb's case, his account opens with a sense of legitimacy and ease:

> *It seemed so legitimate and easy. Reading and making money. It kept coming in without stress until later the perpetrators started putting stop gaps in between payments before the scheme finally crumbled. I invited my close friends and relations to join; some even borrowed money… how will they get their money back?*

This succinctly captures the appeal, initial trust, and eventual disillusionment. The language mirrors the common trajectory in fraud narratives—optimism followed by abrupt loss (Wilkins et al., 2012). Importantly, the abstract signals not just financial damage but also emotional consequences, framing the rest of the story through the lens of regret and betrayal.

Orientation sets the scene by describing time, place, characters, and initial circumstances. Caleb's entry into BOK began in August 2024, when he learned about it from "Ben," a direct agent of the scheme. The recruitment was framed as a culturally positive, skill-enhancing activity: reading novels online while earning money. BOK's structure was hierarchical. Participants could upgrade to higher "K-levels" by paying registration fees, unlocking greater daily tasks and rewards. Caleb began at K3, earning ₦4,800 daily from reading 20 tasks, with withdrawals made once balances reached specific thresholds. The recruitment process exploited personal trust networks—Caleb invited his sisters Victoria and Comfort, who in turn recruited others, creating a pyramid-shaped structure essential for scheme growth. The orientation also sets a tone of normalcy and community endorsement. As Onanuga and Taiwo (2020) note, Ponzi schemes in Nigeria often rely on peer recruitment as a legitimising device, blending financial and social capital to expand reach. By situating the scheme in familiar environments—family homes, WhatsApp groups, university campuses—the narrative makes the eventual fraud more jarring.

The complication—Labov's "what happened next?"—drives the plot and introduces instability. In October 2024, BOK abruptly slowed withdrawals, citing a "system upgrade." Caleb recalls:

> *When the withdrawals were stopped… the people I invited became uneasy. They began to question the integrity of the scheme, but I assured them that it was genuine. After two days, withdrawals were restored. The confidence of the investors was regained. More people joined the scheme, this time with higher monetary investment.*

This temporary disruption followed by restoration is a classic Ponzi tactic (Maglich, 2017), reinforcing perceived stability and encouraging reinvestment. BOK then introduced two "premium" investment products—*JP Morgan Chase* (60 days) and *BlackRock* (90 days)—promising nearly 30% profit with repeat cycles. Victoria recounts pooling ₦2 million with others for a promised ₦600,000 return plus a smartphone:

> *The anticipated profit was enticing… but they ran away with our money. I can never forgive those people.*

The scheme's structure shifted again just before collapse: participants were told to top up accounts to qualify for full withdrawal. This final injection of funds, often from loans, maximised losses. Four days before the collapse on 15 December 2024, BOK sent reassuring messages, reinforcing investor trust. This aligns with Watkins' (2005) observation that last-minute confidence-building is a hallmark of end-stage Ponzi operations.

Evaluation reveals the narrator's stance and the significance they attribute to events. Both Caleb and Victoria emphasised how BOK's legitimacy was constructed through multiple strategies: Branding and Narrative Framing: BOK claimed to be a U.S.-registered company promoting global reading culture. Its mission statements, full of "creativity," "innovation," and "cultural development," disguised its fraudulent core. Referral Bonuses and Task Rewards: Participants received earnings not just from reading tasks but from recruiting others, creating a competitive yet communal incentive structure. Association with Global Brands: BOK's communication claimed partnerships with Coca-Cola, LVMH, Friesland Campina, and others, signalling commercial credibility.

Victoria's reflection shows the interplay of desire and trust:

> *We wanted to use the money for a clothing business and to change my phone. It all seemed so possible.*

This links to Kranacher et al. (2011), who argue that victims often rationalise risky investments when framed as pathways to legitimate goals. The evaluation here underscores the depth of deception—not only financial but aspirational.

The resolution in both narratives is abrupt and irreversible: the collapse left participants with debts, damaged relationships, and lost opportunities. Caleb describes "shock and despondency," while Victoria focuses on betrayal and anger. This suddenness mirrors Labov's observation that resolutions in real-life narratives often appear as sharp breaks rather than gradual transitions, especially in fraud cases where there is no opportunity for recovery. The narratives also reveal how the loss extended beyond money—trust within personal networks eroded, and reputational harm occurred for those who had recruited others.

The coda connects past events to the present, drawing lessons or morals. Both narrators framed their experiences as warnings: be sceptical of quick returns, research claims thoroughly, and distrust opportunities that rely heavily on recruiting others. However, there is also a sense of inevitability—Caleb notes that "in times like these, people will keep trying these things," reflecting the persistence of Ponzi culture in contexts of economic hardship. This aligns with Onoh and Eze's (2018) findings that fear of poverty and greed remain constant drivers of such schemes, even after high-profile collapses.

The Labov analysis highlights three thematic undercurrents: Legitimacy as Performance: BOK constructed a credible public image using corporate branding, global cultural appeals, and pseudo-educational tasks. Trust as Recruitment Capital: Personal networks accelerated recruitment while insulating the scheme from early suspicion. Crisis as Opportunity: Temporary disruptions were used to reinforce loyalty, leading participants to invest more before collapse. By structuring these insights within Labov's model, we see how Ponzi victims are not merely passive targets—they actively interpret, justify, and share these schemes in ways that help sustain them until failure.

Discussion

The findings from this study, grounded in Labov's Narrative Analysis, offer a nuanced understanding of how individuals engage with, interpret, and reconstruct their experiences in fraudulent investment contexts. The narratives of Caleb and Victoria, though representing only two direct participants, illuminate broader patterns of recruitment, persuasion, and disillusionment common to Ponzi schemes in Nigeria. In unpacking these stories, three interconnected dimensions emerge: the mechanics of deception, the socio-economic conditions that make such deception effective, and the cultural frameworks through which victims rationalise both their participation and their losses.

The BOK Ponzi scheme's success rested on a strategic blend of technological sophistication and human trust networks. At a structural level, the scheme employed several hallmarks of classic Ponzi models: high promised returns, minimal upfront effort, and tiered rewards for recruitment. However, BOK added distinctive features designed to mask its fraudulent nature. First, the task-based model—framing earnings as rewards for completing online reading activities—blurred the boundaries between legitimate gig work and financial fraud. Participants were encouraged to believe that they were engaged in a productive, even educational, activity, reinforcing perceptions of legitimacy. This tactic not only deflected suspicion but also appealed to Nigeria's growing digital labour culture, where online earning platforms are increasingly common.

Second, BOK leveraged global branding cues. Claims of partnerships with internationally recognised companies like Coca-Cola and, LVMH served to anchor the scheme in a perceived global economy. Such brand associations, though unverifiable, played a critical role in overcoming initial scepticism, especially for participants already predisposed to trust multinational corporations. This aligns with Onoh and Eze's (2018) observation that Ponzi schemes, in Nigeria often borrow legitimacy from reputable institutions to neutralise doubt. Third, the tiered "K-level" system encouraged participants to invest more over time, creating a psychological commitment to the scheme. The promise of increased earnings for higher levels mirrored legitimate marketing strategies in multi-level marketing (MLM) ventures, further complicating the distinction between legitimate and illegitimate business models. Finally, BOK effectively exploited interpersonal trust. Recruitment primarily occurred through family and friendship networks, with early beneficiaries becoming de facto endorsers. This method transformed victims into unwitting accomplices, sustaining the cycle of recruitment and investment. Similar patterns are documented by Krige (2012) in South African Ponzi contexts, where social capital is repurposed as a mechanism for financial exploitation.

The susceptibility of Caleb and Victoria to BOK's promises cannot, be separated from the broader economic realities of contemporary Nigeria. As Jacobs and Schain (2017) argue, poverty and unemployment create fertile ground for high-risk financial behaviours, especially in contexts where traditional income streams are unstable. Nigeria's persistently high poverty index, compounded by inflation and youth unemployment, fosters a climate where the promise of quick financial returns is particularly alluring. For many, Ponzi schemes present an alternative to formal employment or traditional investment avenues, which are often inaccessible due to capital requirements or institutional mistrust. Caleb's decision to join, and later promote, the scheme to friends and relatives reflects a common survivalist logic: small risks are justified when the potential for transformative financial gain appears within reach. In Victoria's case, her aspiration to use profits for business investment underscores the dual nature of Ponzi scheme participation—not merely as personal enrichment but as perceived entrepreneurship. Moreover, the informal financial culture in Nigeria contributes to the appeal of schemes like BOK. Informal savings groups, rotating credit associations, and peer-to-peer lending are deeply embedded in Nigerian social life. While these systems operate on trust and mutual accountability, their structural similarity to recruitment-based Ponzi models can normalise the latter, making fraudulent schemes appear as just another variation of familiar economic practice.

Labov's framework reveals how victims frame their experiences not only as economic misfortunes but as moral lessons. The narratives in this study exhibit a shift from, initial optimism and self-assuredness to retrospective caution and moral condemnation. In Caleb's account, the "system upgrade" episode serves as a turning point, momentarily shaking his confidence before it was restored by resumed withdrawals. This reflects a classic pattern in Ponzi scheme engagement: intermittent reinforcement keeps participants invested despite warning signs. Psychologically, this mirrors gambling behaviour, where small wins sustain participation even in the face of mounting losses (Kranacher et al., 2011). Victoria's narrative carries a more personal moral weight. Her inability to forgive the scheme's operators, combined with a lingering sense of betrayal, reframes the experience as an ethical violation rather than merely a failed financial venture. This aligns with Hutchinson, Mellor, and Whittle's (2002) argument that financial fraud in close-knit communities damages not only economic security but also the moral fabric of trust. Interestingly, both participants position themselves as victims of deception rather than as complicit actors, despite acknowledging that they recruited others. This moral reframing serves a protective function, allowing individuals to maintain their self-image while recognising the harm caused.

BOK's online operational model underscores the transformative role of technology in expanding the reach of fraudulent schemes. As Onanuga (2020) notes, the internet has enabled Ponzi schemes to transcend geographical limitations, offering instant communication, payment processing, and recruitment at unprecedented scale. For BOK, WhatsApp groups and in-app messaging were central to maintaining participant engagement. These platforms were used not only for disseminating instructions but also for broadcasting motivational messages, "success stories," and limited-time offers designed to trigger urgency. The speed and intimacy of these communications created a constant sense of connection between participants and the scheme, reinforcing loyalty. Technology also facilitated the pseudonymity of operators, who could manage the scheme without ever meeting participants face-to-face. This detachment allowed perpetrators to evade accountability while maintaining the appearance of accessibility through scripted customer service interactions.

The role of greed in Ponzi participation is well documented (Onoh & Eze, 2018), but in the Nigerian context, this greed is often interwoven with aspirations for social mobility. Participation in high-return schemes is frequently framed not as reckless speculation but as a calculated risk, particularly among educated but underemployed demographics. In both Caleb and Victoria's cases, their investments were justified through the lens of opportunity—Caleb as a means to supplement income without additional labour, and Victoria as seed capital for business. This suggests that Ponzi scheme engagement is often rationalised as, an entrepreneurial gamble rather than a gamble in the conventional sense. Culturally, narratives of rapid wealth acquisition are reinforced by social media, where conspicuous consumption is valorised, and financial success is often portrayed without transparency regarding its sources. This cultural backdrop normalises high-stakes risk-taking and fosters environments where Ponzi operators can thrive.

The insights gained from narrative analysis have significant implications for prevention strategies. Traditional anti-fraud messaging often focuses on the structural illegality of Ponzi schemes, but the narratives in this study suggest that emotional and social appeals may be more effective. Educational campaigns should directly address the psychological hooks identified here:

- The appearance of legitimacy through global branding
- The appeal of small, skill-based tasks as a façade for investment
- The leveraging of personal networks to bypass due diligence

Moreover, policy responses might need to consider the role of digital regulation. Stricter monitoring of online financial platforms, coupled with public awareness about verifying corporate claims, could disrupt the operational base of schemes like BOK. Finally, addressing the socio-economic roots of vulnerability—particularly unemployment and limited access to legitimate investment opportunities—is essential. As long as economic desperation persists, the risk appetite of vulnerable populations could remain high.

The findings of this study resonate beyond the specific case of the BOK Ponzi scheme, offering insights into broad economic, technological, and sociocultural dynamics in Nigeria and similar African contexts. Ponzi schemes not only drain personal savings but also redirect financial resources away from productive sectors. Funds invested in fraudulent schemes could otherwise be channelled into small businesses, education, or legitimate cooperative societies that contribute to sustainable development. The BOK case underscores how these losses have ripple effects, including:

- Debt escalation: Many participants borrowed heavily, creating cycles of indebtedness that extend beyond the immediate victims to their families and communities.
- Erosion of financial trust: The scheme's collapse fuels scepticism towards legitimate investment opportunities, potentially hampering capital formation in the formal economy.
- Policy strain: Large-scale losses can pressure government agencies to intervene or compensate victims, diverting public resources from other critical needs.

The BOK scheme exemplifies how digital platforms can be weaponised to facilitate fraud. Its task-based interface mimicked legitimate gig-economy models, such as micro-tasking and e-learning, which lent it credibility. This raises several technological challenges:

- Enforcement complexity: Cross-border servers, encrypted communications, and decentralised payment systems make tracking perpetrators difficult.
- Digital literacy gap: While many Nigerians are proficient in basic smartphone use, critical digital literacy—such as verifying platform legitimacy—remains underdeveloped.
- Regulatory lag: Financial technology evolves faster than the legal frameworks designed to govern it, creating exploitable loopholes for fraudsters.

The narratives reveal that participation in BOK was not, solely an economic decision but also a socially mediated one. Recruitment often occurred within trusted networks of friends and family, where endorsement by a known person substituted for formal due diligence. This has important implications:

- Trust as vulnerability: In collectivist cultures where personal recommendations carry high value, fraudsters can leverage social cohesion to accelerate recruitment.
- Moral framing: By associating the scheme with reading promotion and skill development, BOK appropriated positive cultural values to mask fraudulent intent.
- Greed vs. necessity: The dual drivers of economic desperation and aspirational greed illustrate a tension central to many Ponzi narratives, where survival instincts and opportunism intertwine.

From a humanities perspective, the BOK case illuminates how economic fraud becomes embedded in narratives of identity, aspiration, and moral judgement. Victim testimonies are not merely factual recounts; they are interpretive acts that situate personal loss within wider societal failings—government inaction, moral decline, and the perils of modern technology. Studying these narratives enriches our understanding of the cultural semiotics of trust and deception, the role of storytelling in processing and publicising economic trauma, and the intersection of language, persuasion, and socio-economic structures in African societies.

Conclusion

This study set out to examine how victims of the BOK Ponzi scheme in Nigeria construct and communicate their experiences through narrative, applying Labov's six-part framework to capture the structure, meanings, and socio-economic implications embedded in their accounts. By condensing complex events into structured stories, participants not only recounted what happened but also offered implicit moral evaluations, framing their losses as cautionary lessons for their communities. The findings underscore several critical insights. First, Ponzi schemes in Nigeria do not operate solely as financial frauds; they are embedded in social networks and cultural discourses that lend them an appearance of legitimacy. Friends and relatives often become unwitting promoters, creating a cycle where trust amplifies vulnerability. This social dimension helps explain why participants overlooked red flags and committed substantial resources despite knowing, at least in abstract terms, the risks involved.

Second, the narratives highlight the role of structural economic pressures—persistent unemployment, inflation, and income inequality—in fuelling the appeal of high-return schemes. In contexts where traditional employment or legitimate investment opportunities offer limited upward mobility, Ponzi schemes appear as quick, accessible pathways to financial relief. This confirms earlier findings (Jacobs & Schain, 2017; Asogwa et al., 2017) that economic deprivation magnifies susceptibility to fraudulent ventures. Third, the BOK scheme illustrates how digital platforms have modernised Ponzi operations, integrating task-based activities such as online reading to mimic legitimate gig work. This blending of fraud with familiar technological interfaces complicates detection and blurs moral boundaries, especially for participants who believe they are engaging in productive labour rather than mere speculative investment.

From a theoretical standpoint, this research demonstrates the value of Labov's Narrative Analysis in unpacking the layered meanings of economic deception within African contexts. Labov's framework revealed how victims structure their recollections to make sense of both their actions and the scheme's collapse, often balancing self-blame with external attribution to systemic injustice. Such narrative structuring not only aids scholarly understanding but could also inform preventative, public education by showing how fraudulent schemes are rationalised and normalised in everyday talk. For policymakers and regulators, these insights point to the urgent need for financial literacy campaigns that engage directly with the linguistic and cultural frames through which people interpret investment opportunities. Merely issuing technical warnings about risk may not suffice; interventions might need to address, the trust-based recruitment networks and moral narratives that sustain participation in fraudulent schemes. Finally, while this study's small sample limits generalisability, it offers a detailed, contextually grounded illustration of how discourse analysis can illuminate the human side of financial fraud. Future research should broaden participant diversity, incorporate cross-national comparisons, and explore the role of digital culture in reshaping Ponzi narratives. By understanding these stories, scholars and practitioners alike can better anticipate, detect, and disrupt the social mechanisms that allow such schemes to thrive.

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