**Episode 4: Keep Your Friends Close**

CHAPTER 1: THE PSYCHOLOGY OF VALUE

Imagine you’re in your house, and the whole place is on fire. You’ve only got seconds to get out, and you can only grab one thing to save from the flames. Let’s assume all your loved ones and pets are safe, so you’re free to bring an object with you to safety.

What did you save?

What did you value enough to choose above all others?

Was it a photo album, or a piece of jewellery? My bet is that the thing you saved carries with it some kind of special meaning to you, or stirs up an emotion.

Now imagine that you’re in that same house, except now you have a massive garage sale - Let’s say you’re moving to some exciting new destination and you can only take one bag, and you can’t store anything. How easy would it be to put a numerical value on everything you own? What would you need to take into account? Would the fact that your grandma made you that blanket make it cost more? Maybe it's priceless?

There’s a relatively new area in psychology called price psychology, which looks at how people come to decide what to price things - and yes, there are people whose job it is to decide what things will cost. It’s a delicate balance because it must consider both maximising profit, and also the way prices are received. If something is priced in a way that feels too high, it will be seen as a rip-off. That much feels obvious. On the other hand, however, if something is priced too low, there is a very real danger of it being perceived as not having value.

So that’s two things so far about the way our minds understand value. The first is that value is emotional, and the second is that value is relative. At your imaginary garage sale, you probably have a good idea that your flat-screen TV is worth more than your Alanis Morissette CD, but how much should each of them actually cost? That’s much harder to gauge. Humans understand price in a similar way to how we understand temperature, which is poorly. If I leave my house in the winter, I can tell it’s much colder outside than inside. But how much colder? What are the exact temperatures? It’s anyone’s guess. Now, there are factors I can consider. Can I see my breath? Is water solid everywhere I look? How much force do I need to use to scrape the ice off my car? It’s the same with gathering information around price. Is this thing extremely useful? Is it one of a kind? Does it have some kind of emotional value, that’s unrelated to the actual utility of the thing?

That last question is possibly the most important question in marketing. Besides buying a thing, you’re also buying a feeling that’s tied to the thing.

Another Oppenheimer, this time Ernest’s grandson Nicky, who was the De Beers's chairman from 1998 to 2012, admits that "diamonds are intrinsically worthless, except for the deep psychological need they fill ''.

He upset a lot of people with this quote, but he’s hit the nail on the head. There is no intrinsic value to gem diamonds, except that they look nice. And you can get the exact same look with other, way cheaper stones, like zirconia and moissanite. The psychological need, though, is a big one.

Listen to this copy from a print ad campaign for De Beers that ran in 1947. In the ad, a woman in a white sundress stands kind of stiff looking beside a flowering tree. One of the flowers is a diamond.

Ad: In the springtime of love the flowers smile more sweetly, lend their magic to your dreams. And from Earth to your engagement diamond joins them a lovely miracle to tell your newfound joys, lit for eternity this talisman will recount your love's continuing story. The hopes fulfilled, the strivings and rewards of later years for you and your children's children until time ends. A diamond is forever.

Z: I have in front of me the Private investigator report that Sally commissioned on Tiffany Wong. It’s not very long, only 9 pages total, and the pages are pretty sparsely populated with information.

I can see that they tried to locate Tiffany’s address but the closest they could get was the address of her parents, probably indicating that she didn’t have a place of her own and was living with them. The investigator interviewed the security guard at her parent’s address, who confirmed that she did see Tiffany coming and going. The way the building looks is a very familiar and unremarkable kind of building in Hong Kong - a large apartment block in a complex of other, similar buildings, it’s in Yuen Long which is in the western New Territories of Hong Kong, very close to the border of China.

Her birth date is the 15th September 1979, which would make her 41 today. There is a list of court appearances and summons, including a high court bankruptcy hearing from 2004, when she was only 25 years old.

The list of her court appearances doesn’t give much information. The plaintiff is always listed as HKSAR, which stands for Hong Kong Special Administrative Region. In 2009 she was charged with 12 counts of obtaining property by deception. It seems like she had 2 separate hearings that were put together in 2009 because there were so many charges and they were all the same. Then, in 2017 she was charged, again, with three counts of obtaining property by deception. In another case, she was charged with fraud, and something called using a false instrument. I looked that up and it means she forged documents. In 2018 she went to the court of appeals, I have to assume to appeal her judgement or her sentence. And finally, in October 2019 she was charged with three counts of fraud.

Here's a friend of mine PD, who's a comedian based in North Carolina with his take on diamonds.

PD: Diamonds in hip hop are the ultimate status symbol. It’s practically synonymous with the hip hop culture. More than the cars, clothes and money. It's kind of part of the rapper uniform. If a fireman has a fireman's hat, a police officer has a badge. A king has a crown. A rapper usually has a diamond chain. Marine diamonds, just like in life, show your level of wealth and it sets you apart from the average man. It shows you made it to a level you previously thought was unattainable. But in hip hop, just wearing them with traditional jewelry won't do. The more unique you can be with them, the more attention you get. The more eyes on your product. From the early days of legendary rapper Slick Rick's patented diamond encrusted iPad. to New Orleans based hip hop label Cash Money Records having several of their artists have diamond teeth. In 1999, a label put out a song giving diamonds a new name, bling bling.

The new name will take over the pop culture lexicon. Diamonds were everywhere in the culture when A-raps biggest rapper Jay Z even took up the diamond symbol by just making a diamond with his bare hands. And then turning around making it a part of is Brian to Atlanta rappers the Migos rapping about their BDS diamonds. To artists 50 cent giving fellow rapper Takashi 69 a diamond encrusted inhaler. Way to make healthcare look even cooler. Or even today this popular Philadelphia rapper, Little Uzi Vert, allegedly piercing a 24,000,010 carat Pink Diamond in his forehead. Yes, in his forehead. Remember when I said eyes on your product, right? Well, it escalated now. In some cases, jewelers themselves are as big as the rappers and they even get mentioned in their songs. Such as Jacob the jeweler, Ben Baller, or Johnny Dang.

That’s the light side. People express the dark side of diamond culture. Kanye West, Kanye West put out one of his biggest songs “Diamonds from Sierra Leone”, actually one of my favorite songs. Specifically, the remix with Jay Z is so good. The song was produced by Kanye, Devo Springsteen and Jon Brion. Brion is a film composer who did movies like Punch Drunk Love, and Eternal Sunshine of the Spotless Mind. I love the song because it samples like the James Bond movie Diamonds Are Forever with the song by Shirley Bassey Taught By. In the song, Kanye raps about the civil war in West Africa, in the country of Sierra Leone.

And he had learned about the children being forced to work in the diamond mine. He battles with the idea of buying diamonds without knowing about blood diamonds, even questions this famous fact, he has a Jesus pendant, and he questioned that after he got it, after seeing a African child armless after working in the diamond mine. Even the grading system by selling albums like you can't escape that, like the scale of the Recording Industry Association of America goes – If you sell 500,000 Records, you go gold. If you sell 1 million, you go platinum. If you sell 2 million, you get multi-platinum. But if you sell 10 million, you guessed it, you go diamond.

CHAPTER 2: AND YOUR ENEMIES CLOSER

Z: The private investigator told Sally it’d be a good idea to get the advice of a lawyer, so she gave her a recommendation of one she had worked with in the past.

Sally: George is a lovely Kiwi guy, who I reached out to and told him my story. And he then called the lawyer who had defended Tiffany before she went to prison. And the feedback from him was that she is a very smart woman. She is conniving. She is very good at getting away with these sorts of things. So a good pretender, I guess. And she isn't gonna send her name, so no point suing her. Again, I was like, Oh my God. Oh, and something else. That was that she was a beauty therapist and worked at a salon in Kwun Tong or somewhere random. And I’m like, shit. A beauty therapist can't afford to buy five carat diamonds. She has no intention of paying me. So after speaking with George and learning her story and getting the feedback that she's got no money, it's not worth suing her. If the police arrest her, she'll just go back to jail.

That was going to be her fate. And he gave me the friendly advice of becoming her friend and getting her to continue to pay you money. So I reached out to Tiffany and I said to her, Tiffany, I know your story. George, the lawyer, had told me that she had subpoenas to appear in court for other crimes. So I told Tiffany that I knew everything. I told her I knew her Hong Kong ID card number. I knew where she lived, I knew what her parents' names were. Basically, I'd have to hire someone to tell me everything about her. And I said to her, Tiffany, you're in a lot of trouble.

And I said to her that if she could continue to pay me I will try and help her. I felt I tried to keep her sympathy for the situation that she was in. And she started responding to me really well saying yes, I'm in big trouble. But remember, also she was continuing to pay me and she really had a fear of going back to jail. She told me that she didn't want to go back to jail. And I told her well, I will try and keep you out of jail as long as you keep on paying me. So I will tell the police. I do have a case against you with the police. I told her that I would tell them to leave you alone as long as you kept on paying me. She said that, yes, she would do everything that she could to continue to pay me.

And there would be sums that would come to me if like a couple of $100,000 in one go. You know, she paid me $200,000 here. She paid me $50,000 there. And she was telling me that she was doing things like selling a house that she had in China. borrowing money from friends like doing legitimate things to try and get the money for me. And I thought okay, I don't know whether to believe you but the money's coming.

Tiffany: The diamonds I sold to mainland,

Sally: Please I don't want to cause you any harm. Can you please tell me the name of the person in the mainland that you gave them to? I know you are in a lot of trouble. Tiffany, I feel so sorry for you. But you have put my business under a lot of financial stress. Who in the mainland did you give them to?

T: If I keep paying you every day, can you stop your friend from taking further action?

S: Why do you have to do it daily? Why can't you do it in one transaction?

T: I just go to mainland then find a shop to sell

S: What's the name of the shop?

T: I just remember they are in Shui Bui.

S: Please help me Tiffany. I really hope that we can resolve each other's problems together.

T: I know but I just go there and sell.

S: Can you give me a better description to find the shop?

T: There are many jewelry shops in their whole center. If I keep paying you every day, can you give me a chance?

S: I'm afraid that you will be arrested before you have a chance to pay, Tiffany. I know you have been in court recently for other charges.

T: Otherwise, I go to jail. No money to give you any more.

S: Please be more descriptive of where in Shenzhen I should go. It is too broad to look at.

T: Yes. So I don't want you make any trouble. So I keep to pay you.

S: Which village?

T: I know it called Shui Bui.

S: Can you pay $400,000 tomorrow?

T: 200,000 I can. I borrow from friends.

S: Okay, please do it in the morning.

T: Okay, thanks. I will keep to pay you. But please, please give me a time to solve it.

S: Okay, thank you. I'm putting my full trust in you, Tiffany. I know you are in trouble. And I hope I can help you.

T: Yes, I am afraid to tell you the fact.

S: I am a good person and I am forgiving. I hope you can help to save me too.

T: You know, I have the other charge. But I still to keep you the money. So I just want to back you and solve the problem. Otherwise, I must not to give you over 1 million. Right? Pay you back.

S: Yes. But Tiffany, I am still two and a half million dollars in debt by you. My company can't stay alive anymore.

T: I know you are all good persons. In my fault. My mistake.

S: People think that because we sell diamonds that we make lots of money. It's not true. My business has been suffering, especially because of the protests in Hong Kong.

T: I will ask my friend to borrow the money to me.

S: I might have to close my business next month. If you don't pay me back the money or we get the diamonds back.

T: Please tell the police and hold it.

S: I have worked so hard for the last 10 years to build my business and support my family. Now I risk losing everything.

T: Wait me 10 days to solve?

S: Okay, I will tell the police tomorrow.

T: If over this period, you can do it any way to do, thank you. So sorry, Sally. I don't want this matter like now.

S: I am sorry too, Tiffany. I know you must be feeling stressed too.

Z: Dr. Scott and Shiloh discuss criminality and why Tiffany might have been trying to pay back what she owed.

Shiloh: When I hear con men and this was something that did not even occur to me even though I know Dr. Scott has a different experience. But I didn't put two and two together that it was speaking specifically about confidence until I started researching this. And not only is the con man trying to gain the confidence of the mark, or the victim in this case, but they are oozing off their own confidence which makes the con work. It's the whole part of the system of the scam.

Scott: I would say that, if we're going to use the word, confidence artist, we're going to definitely put them in the domain of criminality. I mean, we use a term called criminogenic factors. And there's such an overlap with so many other areas of sort of diagnostic psychology that I think are interesting. But once again, I want to loop back around to the idea that someone does not necessarily want something for nothing, because there is a lot of work that goes into a confidence scam. But it's about the payoff. And I think for some people, the payoff can be emotional, as well as supporting their lifestyle. So if someone is sort of diagnostically or characterologically on the narcissistic end of the scale, or somewhere in the antisocial part of the scale, then they are getting a sense of satisfaction, it is feeding them in an emotional way. Dr. Shiloh and I described so much in our work about people who engage in crimes that are crimes of opportunity, they're in the right place at the right time. And their disinhibition to not engage in criminal activities is somehow just turned off. So they're going to take advantage of it. But that's not what we're describing here. In my understanding, Dr. Shah, what do you think?

Shiloh: We're considering some very pervasive personality disorders in especially this niche of con artists. And, as Dr. Scott mentioned, that's going to be long term, that's going to be throughout their life and how they interact with the world and other people and their relationships. So some of those disorders or phenomena might lead for a lack of empathy, where they're, they're getting a lot of gain, they're getting financial gain, emotional gain, and not feeling the consequences that some of us who don't have these disorders might feel and would keep us from engaging in this behavior. So there's really sort of just rewards happening for this person, which we know If you're getting rewarded for your behavior, you're going to continue it.

Scott: Exactly. It's going to be reinforced. I've been successful in the past, therefore I will be successful in the future with this type of activity.

Z: So considering the criminality of the way that Tiffany operates in the world, we asked them what they think was the rationale behind Tiffany trying to pay Sally back?

Scott: Well, we are not going to third party diagnose someone who's not here. But we're going to look at some possibilities. One that pops up for me if I'm going to go strictly into the domain of criminality, is that, yes, that is a large amount of money to pay back. But there may have been a secondary gain for her to continue making payments, continuing making payments, may very well in her mind have mitigated the chance that it will be further related to law enforcement. So it's about stringing it along, the longer you can keep it like it's the way we look at crisis negotiations is time is on your side, like try and draw it out and engage the person so that you have more of an ability to take control of the situation. But we're flipping the script here, where the con artist is the one who's drawing out the time, much like romance scams, like the longer it goes on. And the more excuses that get laid in the way it's the more potential for money to come. I was just thinking, and this is for me looking at this particular situation, I would think that she'd probably be motivated by, let me just keep this relationship active so that I don't get reported to the police while I run some other plan to get me out of this.

Shiloh: Was Tiffany in a bad spot where she needed money, or was she a con artist? We don't know. And so if she wasn't a con artist and did this to multiple people over and over again, she may have absolutely had some empathy and felt bad about victimizing Sally and maybe that was really coming through with the way Sally was being kind to her and you know, asking for support and help. It could have absolutely been genuine that she wanted to be helpful and pay money back even though she had already done something wrong.

Diamond miner: So one of the village caves takes us down to this place. We know all people rate machines. So this guy kept talking about you know, so there's one rock cut machine bag belt conveyor belt to move the rocks. Now let's see these machines. I mean, I've seen other manufacturing machines in India and stuff like that. But this is a whole new ballgame. So, while this guy's talking about being late, I'm thinking Hold up a second, these machines have to get from here to the bagging spot. Sal says how's that going to happen? So the guys all got together late so we had to hire like rascals, a lot of trucks were big using them.

So mostly get a guy to pick up all the machines and get into a location. So as this guy was telling me about how to use the stuff, my head was somewhere else I was thinking how are we going to get there? I was trying to figure out though, I was like 10 steps ahead, but as they say health is your wealth ain’t it. So actually the lesson to that guy in there took on the safety on board information has given me so the first day we start digging like rocks are getting cut up and every show link daymond right, I was thinking oh my god, they were just coming out saying we just hit the pipe line, I see the first night major the one of the African cases to navigate and he explained he goes he goes oh you must be good luck. He says because you managed to move so fast.

And you've already built something so quick. As soon as you know something. That's because you know this guy has is from India, I showed him the land and apparently this guy that my friend from India sent was a geologist as well so he was good in you were to take so just lucky it was a it was a puzzle just fitting into pieces and the cost I'll be honest with you, between me and him I had about a 2007 after leaving America I had a boat see a new cape currency about 10 grand around that mark so I said write to him I’ll chip in five, I’ll put in five.

You go farms we can do that 10 grand Percy to take the rope to convert the rock chipper to machines plus a conveyor belt plus a guy to move all the machines plus his bag digger thing to move all them four things across to the digging spot everything cost us about two and a half three grand I think it came to no money so we chipped in so that was nothing when the show to do diamond you forget you forget about what you said. You know, you forget your Excel sheet, everything goes out the window here. You're thinking like how do we get work done? What's the next process? So my head thinking like what happens when you think the rock shrinks does thinking you have to get in bullshit and you, while the next process was but finding just these few meant the next part of the plan gets to go ahead.

Chapter 3: Diamond selection

Z: After Sally told Tiffany that she would try to keep her out of prison, as long as she kept paying Sally back, she asked Tiffany what she actually did with the diamonds. Tiffany said that she pawned one of them across the Chinese border in Shenzhen. The second one, she said, she sold to a diamond dealer in Hong Kong, for a million dollars cash. The name she gave was Diamond Collection Limited.

Essentially, Sally has been told that one of the diamonds is basically lost — sold to a pawnbroker in China. This is a little fishy for one big reason, and that reason is that we know that Tiffany was known to law enforcement in Hong Kong. Since she has subpoenas to appear in court, she almost definitely wouldn’t be allowed to leave the country. So there’s every likelihood that that wasn’t the whole truth. Sally and her husband Shane went to China to search for one of the diamonds that Tiffany said she had sold over the border.

Sally: And I said, look at me, I know it's going to take you time to get the money, I don't want you to go back to jail. But you've got to sort out my problem for me first, I said, and when I've got all the money back, I will help you out. And I will coach you and I will help you try and get back on your feet. But my lawyer told me to be very careful not to get too close to her because she's not your friend. And she's stolen from you. And you need to get your money back first. And I thought, Well, once I get my money back then, you know, like, she is a woman that's probably really mentally ill and needs help. And my husband was getting really angry at me, because he's like, you know, just get the money back anyway, you can. Well I was like, this is kind of working, she is getting my money back because I'm offering her help.

So I said to her now, Tiffany, now that you're my friend, and you're helping me out, I need to know what you did with the diamonds. And she told me that she had taken one of the stones to a place in Shenzhen, which is like a big diamond hub. And I'd never heard of this place before. But I went there looking for the diamond. She said that she pawned the diamond to a small diamond company in Shenzhen. So Shane and I went there, and we arrived. And it was like this sea of diamonds, there was diamonds everywhere, like these huge blocks of buildings with 10 stories, 20 stories full of just diamond merchants

I’m like, what is this place? But it was just saying crap, you know, like mass produced, manufactured, same, same everything. I was like, we are never going to find this diamond, it's like going to be looking for a needle in a haystack. And I've got her on video call. And I'm sort of, you know, moving it around this place, saying which direction do I go? Where was it that you pawned this diamond? And she's saying to me oh, oh, I think maybe down that street in front of you. And I'm like, Well, how far down and it was like row after row after row of diamond merchants all selling the same shit. And they all looked the same. I'm like, where do I go?

And she said, I think it's down the street. It's on street level. And yet it's maybe down that street. She sent me on a wild goose chase like I was, trying to find a needle in a haystack. And we had zero chance in hell of ever finding this diamond. She's like, I can't remember, they all look the same. Maybe it's down the street, maybe it's down the street. Ah yeah, go down that street. I'm like, this is ridiculous. We are never ever going to find this place. Anyway, it was a lost cause. So we gave up on that idea. And we came back to Hong Kong and I thought that diamond’s gone, we're never going to find that diamond again.

Chapter 4: The diamond shows up

Ep4 Ch4 audio file

Sally: After I had been to the place, met with the private investigator, George the lawyer, had his advice to befriend her and get her to keep on paying me the money. I'd also reported the theft of the diamonds to the GIA – Gemological Institute of America, that serials and gives us certificates for the diamonds. And I told them of the theft just in case the diamonds might turn up with them. Because I thought maybe if she's given the diamonds to someone, maybe they want to cover up the fact that they're a stolen diamond and maybe try and get them recertified or something like that. They might send them to GIA to do that. So I reported the loss and theft to GIA. And a few weeks later I remembered being on a bus in Hong Kong.

And I thought like I wonder if the reports are showing on the GIA website because you can type in the GI number into the website and the report will show and the first time and I typed in the number in the report showed and then the second one I typed in the number and the report didn't show and that's weird. Why would one show and not the other because I thought reporting the both is lost and I thought if they would just withdraw them off the system. I thought both of them would have gone. So I’m like, huh, that's weird. Okay, so I called the GIA in Hong Kong and I said, Look, I reported my diamonds as stolen to you and one of them appeared in the search results. And the other ones not, why? And he said, Oh, you're gonna have to contact New York for that. That's where our Lost and Found kind of department is. I’m like okay, so they gave me the number of this woman named Ivy Cutler from the GIA in New York.

I had a phone number and email address. So I first tried to call her and got her voicemail. And, you know, I’m Hi, Ivy, I'm Sally from Ryder Diamonds in Hong Kong, I've had these diamonds stolen. I've sent you all the report details from the police, etc. Why is one of my diamonds appearing on your search and not the other one? And then I sent her the same content and email. And she didn't return my email. She didn't return my call. So a few days later, I called her again. Hi, Ivy, Sally Ryder from Ryder Diamonds. I'm calling about my stolen diamond. Why is one report showing and the other one not? Can you please get back to me? This is quite urgent. I heard nothing back from her. One day went by, another day went by, I’m like, hell's going on here. And then I started sending some, you know, more urgent requests for information. Please reply to me. No reply.

And like nearly two weeks have gone by and in the end, I'm like, why aren't you people replying to me? Are you complicit in this crime? What is going on? Do you have my diamonds or not? This is really annoying me now. And like two weeks after I'd made contact, she finally emailed me back and said, Hi, Miss Ryder. Thank you for your patience. I'm like, No, I'm not a bloody patient. You've been driving me nuts. She says yes, we have the diamond. I’m like, thank God. Oh, my God. Thank you. Great. And she said, however, we're not the law or the adjudicators. So we're going to connect you to the person that submitted the stone to us and you guys have to fight it out for whoever owns the stone. It gets returned to one of you once both of you sign an agreement. And I'm like, Okay, well, great, because I'm the rightful owner.

The title stays with me because it was stolen from me. So then she connects me to a lady named Lisa, and Lisa. And all I have was Lisa's email address. So I wrote an email to Lisa saying, Lisa Hi, my name is Sally. The diamond belongs to me because it was stolen from me by a lady named Tiffany Yanni Wong who has a record of similar crimes. So the title of the diamond never passed from me. So the diamond should come back to me. Lisa replies within the same day and said, No, what are you talking about? Tiffany stole the diamond from me.

Next time you hear us, we’ll be figuring out the unbelievable path that the diamond took before even coming into Ryder diamonds’ possession. This diamond comes with some serious baggage. And it feels supremely relevant to get into some of the psychology behind why we are just so terrible at telling when someone is lying to us. The next episode is called “The diamond’s mine.” Subscribe if you haven’t already.