

Summary

Hedge fund manager can hidden their investment strategy. Recent research show hedge fund strategy is very tricky and not so superior one. (Ackermann,MacEnally,and Ravenscraft(1999),Agarwal,V.,N.Daniel,and N.Naik(2004),Kat and Palaro(2005),Foster and Young(2009)) In this paper,I show some tricky strategy that induce investor to invest. I add recent research some different problem. To achieve his project,he must persuade them not to withdraw their money. He use "Ponzie Scheme" strategy to trick them. Ponzie scheme,named after trickster Ponzie,is investment operation, that pay return to investor from subsequent investor's investment. National pensipon is very like ponzie scheme. Pension for old is supplied by young.If birthrate is large enough, this scheme is sustainable. It is well known fact that Ponzie scheme can improve the distribution in infinte generation. (Recent reseach,for example, Aloisio ,Pascoa and Martinez(2002)) But if subsequent player is finite, Ponzie scheme is not sustainable. Because last generation player dosen't have incentive for sustain the scheme.

In this paper I show that ponzie scheme is sustainable for finite player in some setting.

The model is under incomplete information,investor cannot know the project. I show a offer that make investors participate scheme. Trickster can cheat them by this offer in this setting. This setting is similer to Austen-Smith,D(1994),Hyun son shin(2006). That information announcement operation make investor to value an asset better.

The main feature in this model is information set. Like absent-minded driver game(absent-minded driver(Auman,Hart,and Perry (1997),Piccione and Rubinstein(1997)),plyers(investor) cannot know what time they are in. The ignorance of time is very important roll in Ponzie scheme. If player cannot know when ponzie scheme start,they can be first generation or the last generation in pyramid. In some setting,they have incentive for participating the scheme.