

### Part 3: The Politics of Robin Hood

The story of the minors' investment fund is more like a puzzle, even though it uses the same accounting systems as public companies. Some have forgotten, however, that the money invested belongs to the minors and not to PAMA as some claim.

The legislature sensed how serious this matter was and issued a law in 1983 which obliged the adherence to Sharia law and transformed the Authority to an independent body. The Authority launched a new golden era which soon faded with changes in management. The same system of the old era soon regained control but it wore a new suit. For the record, in 1996 the general manager hired me to prepare an investment strategy for the Authority and I willingly accepted. I was a banker, but even I found it difficult to solve the mystery of the collective investment fund through which the minors' money was being managed. Normally  $1+1=2$ , while in this investment fund  $1+1=250$  million. At that date, the owners' equity in the fund was valued at 86 million, but the total value of the fund was 250 million. To whom did the excess belong and where did it come from?! I made an effort to solve this mystery. This fund, which we will talk about more in an upcoming article, did not follow the entry and exit methods which were usually applied for investment funds. Instead they applied a system used by companies when taking reserves and transferring profits. When the minor reached adulthood, he would be given his capital plus an amount of profit which was determined by the board of directors and calculated based on the market value of the investment. However, this did not include his accumulated profits or the reserves deducted from profits, which had brought in extra funds over the years. The general manager asked me to meet with his deputies to explain this problem. Surprisingly, the reply