Gambling - The Great Obsession

by Francis A. Soper

This week I stopped by our town's gas station on Main Street to fill up our Chevrolet and the gas cans for our two lawn mowers. As I waited at the counter to pay, I noticed a tall, gangly fellow talking to the clerk, hesitantly going over a short list of numbers in the process of buying some lottery tickets. "This is the last one I have," he remarked, as reluctantly he handed over a $20 bill to the clerk, "but I hope I win big this time, since I need it to buy bread for the kids and gas for my farm tractor."

A report on various state lotteries conducted for the National Bureau of Economic Research shows that the poor bet a much larger share of their income and that the less education a person has, the more likely he is to play the lottery. A study in Connecticut reveals that those with annual incomes below $5,000 spent 14 times as much on the lottery as those with incomes above $25,000. In Massachusetts the figure is 15 times higher, and in Maryland it is 21 times higher.1

Lottery outlets are frequently concentrated in poorer neighborhoods. A Delaware survey found no outlets in upper-income areas with a population of 17,600. There was one outlet for every 17,774 people in upper-middle-income neighborhoods, but one lottery outlet for every 5,032 people in lower-middle income communities, and one for every 1,981 people in the poorest neighborhoods.2

It is easy to see why poorer people play more at the lottery and at other forms of gambling. "They would like to get rich quick. As one official put it, 'A lottery is the sale of an illusion to poor people who view it as the only possibility of breaking out of the cycle of poverty they live in.'"2

Money used for betting means less money for everyday needs. The food markets, clothing stores, and gas stations will sell less. Gambling brings no new wealth into the community's economy. Occasionally a player will win, but for every million-dollar winner publicized in the press and on television, losing players shell out over $2 million, with no benefit to themselves and hardly any to their local community. Gambling produces no product and offers no positive service. It is indeed an economic parasite, a leech on the community's resources.3

At least three quarters of Americans gamble, and the number is growing rapidly. Yet a person is 15 times more likely to be hit by a falling object than he is to win the state lottery. Anyone is considerably more likely to die in a car crash (6,000 to 1), in an airline crash (500,000 to 1), or to die of syphilis (1,000,000 to 1).4

Gambling is becoming easier these days. Forty-seven states and the District of Columbia countenance legalized gambling. Thirty-five states operate state lotteries, by far the most popular form of legalized gambling. An estimated 8 to 10 million people are now compulsive gamblers. On the average one of ten persons who gamble regularly will become a compulsive gambler, and this will affect from four to ten other persons.5

In one recent year Americans wagered $127 billion, twice as much as was spent on education and 15 times as much as was donated to all churches. In that year this total was more than that spent on medical care, and half the total spent on food. Today the estimated annual legal gambling figure has grown to $278 billion.6

Illegal betting far exceeds that which is more or less controlled by legal bounds. The estimated
total amounts of money changing hands in this form of gambling exceeds the national debt, currently over the $2 trillion mark.

At times public officials support the idea of gambling. "I think it is terrific. There are no losers in the Illinois lottery," said Governor Jim Thompson as he purchased tickets for his state’s jackpot. Georgia’s Governor Zell Miller campaigned hard for his state to institute a lottery. Four million tickets were sold the first day. With such encouragement from government leaders, it’s little wonder that more and more people are taking up gambling, many of them becoming addicts.

In 1985 the total from state-sponsored lotteries had reached $8 billion, with the states clearing $3 billion. By 1992 the total had reached $21 billion, with state treasuries receiving some $8 billion. In state lotteries less than half the money wagered will ever be paid out to the winners. Part of the rest will finance the lottery, and what’s left will feed state coffers. Thus, every lottery player knows in advance that winners will get the smaller end of the lottery profits.

Fourteen states and the District of Columbia joined in a mutual lottery in 1993, with the powerball prize reaching the unbelievable total of $100 million. Millions of gamblers across the country went into a frenzy to buy tickets, some traveling hundreds of miles to ticket outlets. Many players used their life savings, or even cashed in their life insurance policies. The odds against winning were 54.9 million to 1.

Another form of gambling is in casinos. This used to be primarily a tale of two cities Las Vegas and Atlantic City. This form of gambling generates billions in revenue each year, and is mushrooming rapidly. Time reports, "The business has exploded in just over a decade, with casino revenues going from $2 billion a year in 1978 to nearly $10 billion today. In 1990 there were just three states with casinos, not counting those in Indian reservations; now there are 16." David Johnson, author of Temples of Chance, is quoted as saying, "Few people realize Minnesota has more casinos than Atlantic City." All of which seems to be only the beginning. By the turn of the century, half or more of the states will have casinos.

Gambling used to be largely a man’s vice, but now one third of compulsive gamblers are women. Most of them are in this way trying to escape their problems or wanting to demonstrate their equality with men by adopting their vices. It is estimated that half of women gamblers have a dependency on alcohol or other drugs. Some 40 percent come from households in which one or more of their parents were addicts, either to alcohol or gambling. One of four persons being treated by Gamblers Anonymous is a woman.

Current studies also show the spread of compulsive gambling among youth. "This is no illusion. We’re finding kids in trouble from gambling a very long time," says Dr. Durand Jacobs, clinical psychologist and professor at Loma Linda University and a leading expert on teenage betting. He estimates that 7 million youth participate in some form of gambling and that one million are problem bettors. "Kids are betting anything, everything, . . . be it national, college, even local" sports, he says.

A survey of New Jersey high school students shows that 86 percent gamble at least once a year, and 32 percent at least once a week. Atlantic City turns away more than 200,000 minors a year from its doors. Twenty years ago there were virtually no teenagers in Gamblers Anonymous. Today they comprise 20 percent of those being treated.

Gambling and crime tend to go together as the proverbial horse and carriage. At least half of the nation’s pathological gamblers resort to crime to support their addiction or to pay for their losses. These illegal means may involve bad checks, phony insurance claims, embezzlement, and other forms of larceny and cheating. A third of the inmates of our prisons are compulsive gamblers, and half are there for gambling-related crimes. The American insurance industry says 40 percent of white-collar crime is committed by addicted gamblers.

In his book Gambling a Deadly Game, Larry Braidfoot calls for a study that would identify the amount of money lost through the commission of these crimes, adding, "The amount would stagger the imagination and would serve as an antidote for myopic projections of the 'good' that legalized gambling supposedly does for the economy.”

A number of years ago, Estes Kefauver headed a U.S. Senate commission to study the roots and remedies of big-time crime. He reported: "Gambling profits are the principle support of
racketeering and gangsterism. These profits provide the financial resources whereby ordinary criminals are converted into big-time racketeers, political bosses, pseudo businessmen, and alleged philanthropists.14

Legalizing a lottery whets people's appetites and stimulates more gambling. The organized crime section of the justice department reports that the rate of illegal gambling is three times higher in states with legal gambling than in states with no legal gambling.15

Legalized gambling breeds new gamblers who soon begin to bet on baseball, football, and basketball games, as well as on fights, races, and almost anything that moves. It doesn't take long for legal gamblers to find that illegal gambling has better attractions. For example, illegal bookies offer credit, better odds and payoffs, and obvious tax advantages, since they don't report their customers' winnings. Neither do they report their own earnings, so they can offer a greater return on the money bet with them.

Not only does legal gambling promote illegal gambling, but it also spawns a host of other problems. In the wake of 12 casinos in Atlantic City, the New York Times reported that violent crime increased 250 percent. "Prostitution and drug traffic have also soared."16

One estimate, reported by William J. Peterson, is that for every dollar of revenue received through taxing gambling operations, the state pays back several dollars in the greater cost of their police force, courts, enlarged prisons, and welfare rolls. It's obvious that wherever gambling exists law enforcement is more costly.17

"Cool the growing fever for casino gambling," says USA Today editorially.18 "The USA's gambling fever is rising," it goes on, and points to gambling boats competing with each other on the Mississippi, while other states are licking their chops in contemplating river-boat gambling. Native Americans are rushing to set up gambling operations on their reservation on the basis of a 1988 Federal law and later court decisions upholding Indians' rights to run such operations allowed by the state for other purposes.

"This is part of a parade of activity that has doubled the amount of legal gambling in the last decade to nearly $300 billion. The rush has to do with two things money and jobs," the editorial observes. In some geographic areas, revenues have gone up; unemployment has gone down. "But states and tribes shouldn't bet too heavily on gambling as a salvation. It hasn't been for Atlantic City, where prostitution and crime have risen with the casinos. Or California, where lottery money for schools has decreased. Or Illinois, which has seen river boats cut into parimutual betting. And more betting always creates an ugly jackpot of gambling addicts 8 million, double the number in 1980."

An editorial in USA Today summarizes, "Promises of money. Promises of jobs. But for too many people in too many places legalized gambling has proved to be only a sucker's bet."19

State lotteries are often touted as a benefit to public education, but a new report by the Education Research Service has found that lotteries contribute less than 4 percent of state and local education budgets in the 11 states that earmark some or all lottery revenues for education.

In California, lottery money for schools has decreased. The lottery idea was originally sold on the basis of the school budget, but once it went into effect, legislators shifted non-lottery school funds to unrelated budgets. On one gambling front there is an encouraging holding of the line. By a vote of 88 to 5, the US Senate voted to bar states from expanding sports-gambling. The five states that already have it Nevada, Oregon, North Dakota, Delaware, and Montana would keep it, but no other state could add it. Sports gambling undercuts the integrity of games. If it were legal and available everywhere, the motive for every fumble or bad call would be suspect, often with good reason. Sports should be about the best team winning, not about fans winning or losing money.20

Of course there are some winners in gambling. There are enough millionaires and other big winners to keep hope alive for every gambler, in spite of the formidable odds. But big jackpots can bring big headaches.

Paul McNabb was Maryland's first $1-million lottery winner 20 years ago. He has now seen his last check, the final $50,000 on his two-decade splurge. He now faces life after lottery. Has the
money changed him for better or worse? The story is told by the *Washington Post*.  

Today McNabb lives in a rented two-bedroom apartment near Lake Mead outside Las Vegas, where he drives taxi on the night shift. He doesn't own a car or any property. The lottery experience has ruined his ability to trust his fellow humanity.

For a year after his award, his story appeared in dozens of papers, on radio and television, including those in Canada, Britain, and Australia. He received thousands of letters from people wanting money. Religious groups, travel agents, investment counselors, budding film producers, literary groups, poor people all wanted a part of McNabb's good fortune.

One letter-writer threatened McNabb's two daughters, whose pictures had appeared in newspapers and on television, unless money was forthcoming. He turned the letters over to the FBI. He feared for himself, his daughters, his wife. His house in the Owings Mills area, near Baltimore, was broken into three times, presumably by people who thought $1 million might be lying around, he said. People came to the door, called on the phone, accosted him everywhere. Rather than to continue enjoying this limelight, he ran for cover, to the shores of Lake Mead, where he joined the military.

"If you had gone through what I went through that first year, you wouldn't have trusted your own mother," he said. "Do you realize I've lost 20 years of social life, of being human? I never got over the point that I always had to be on my guard."

Stories like this, with variations, can be told about many instant millionaires. Many of gambling's big winners have had their lives turned topsy-turvy. They bear the scars for life.

So, is gambling, in whatever form, a good bet or a bad bet? Norman L. Geisler, in his book on Gambling, calls it a bad bet for the following reasons:

**Economically.** By and large it's the poor who play the lotteries, not the rich, and those who play, pay. Lotteries are a regressive tax, which adds only a couple of pennies to the state dollar, accounting for 2 or 3 percent of the budget. Legal gambling returns only a fraction to the gamblers. The state would get more money if the citizens gave only half as much to it directly in taxes. Gambling doesn't make dollars or sense.

**Personally.** In spite of the few temporary "successes," gamblers lose, and many lose big. For every one who wins, millions of other lose. Furthermore, most who do win get the itch to gamble more and invariably lose more than they win. Gambling attacks not only a person's cash, but also his character. It's not just money that is gambled away.

**Domestically.** No person is an island. Gambling has a devastating effect on families. Separation and divorce are common in gambling families. The suicide rate is much higher than in the general population. Children of gamblers suffer.

**Socially.** Legal or illegal, gambling has a corrupting influence on society, attracting the seedier elements of humankind and destroying the moral fiber of a community. George Washington said, "Gambling is the child of avarice, the brother of iniquity, and the father of mischief." The history of gambling is an endless testimony to the greed, crime, and killing that surround it.

**Legally.** Many people cry, "Legalize it, since people are going to do it anyway." We seemingly can't stop it, so legalize it. Should car theft be legalized too? What about murder, rape, assault? Legalizing them won't solve anything. It's false to claim morality can't be legislated. What else is legislated when laws forbid killing, rape, cheating?

**Morally.** Character is built, like muscles, with exercise. No pain, no gain. Money is best earned by working for it, not by falling into it. Character comes with getting money the old-fashioned way earning it.

**Logically.** Odds for winning in gambling are heavily stacked against the gambler. Even if someone does win, for the addicted winning is worse than losing, for it is a spur to more gambling.

**Statistically.** Odds are overwhelming that gamblers will lose. The dice are loaded against them, no matter what game they play.

**Compulsively.** About one of ten gamblers will progress from voluntary to compulsive gambling.
For millions of people, gambling becomes an obsession, an addiction. Like addiction to alcohol and other substances, compulsive gambling is not easy to treat. Odds are that most will never get their lives, and their families, back together.

When it comes to gambling, all you have to do to win is not to play. This is an infallible rule. The best bet is no bet at all. If you don't bet, you have a 100-percent chance of not losing.23

For those who are already addicted to gambling, or are codependents in gambling families, there is help. Contact the following national organizations or their state or local affiliates:

- Gamblers Anonymous
  P.O. Box 17173
  Los Angeles, CA 90017
  213/386-8789

- The National Council on Problem Gambling, Inc.
  445 West 59th Street
  New York, NY 10019
  212/765-3833
  800/522-4700

A self-help book is available, following the general program of AA but adapted to the special needs of gamblers. This is a supportive, informative guide to financial, legal, and emotional freedom, and to reclaiming your life. *Behind the 8-Ball*, is a guide for families of gamblers, Linda Berman, M.S.W., and Mary-Ellen Siegel, M.S.W., Fireside/Parkside, Simon Schuster Building, Rockefeller Center, 1230 Avenue of the Americas, New York, NY 10021.

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**References**

2. Ibid., pp. 24-25.
3. Ibid., p. 27.
4. Ibid., p. 11.
5. Ibid., p. 70.
10. Geisler, ibid., p. 50.
16. Ibid.
17. Ibid.
22. Ibid.