



EASY MONEY!

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# GAMBLING

## A CONTROLLING SUBSTANCE

by William N. Thompson

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Drugs conquer diseases. Modern society needs drugs. But drugs must be safe. Before any new drug is approved for use by the Food and Drug Administration, impartial tests must be made to assure safety.

The question is simple: Should society endorse drug-like activities without impartial testing?

Gambling is, if not a drug, a drug-like activity. It can be good medicine. Its benefits are touted by a gaming industry and politicians advocating legalization. Their studies show gambling as a source of jobs and tax revenues, and the activity is seen as entertainment for the public.

Unfortunately, gaming-approval decisions are made without benefit of the impartial tests required before other drug-like substances can be openly marketed.

I do not oppose all gambling. I live in a community--Las Vegas--that knows its economic benefits. Gambling provides most of the tax revenues that support our public services. Gambling is responsible for over 60 percent of our jobs. Gambling has given my community the fastest growing economy in the country. It has been a good economic medicine for Las Vegas.

However, I question whether gambling is good for the national economy, and for local economies where--unlike Las Vegas--it cannot possibly attract most of its activity from non-resident tourists. (I do not say this for selfish reasons. The spread of gambling across the United States has not taken business from Las Vegas; it has only

stimulated a greater boom for our region's economy.)

Is the comparison of drugs and gambling unfair? Consider the words of Thomas R. O'Brien, formerly Director of Gaming Enforcement for the state of New Jersey. In 1984 he told a conference on gambling that the success of Atlantic City was tied to how well it sold its "only products."

He then said:

"That product is not entertainment or recreation or leisure. It's really adrenaline: a biological substance capable of producing excitement--highs and generated usually by anticipation or expectation of a future event, especially when the outcome of that event is in doubt."

According to chief regulator of the industry, gambling was not only a drug, but a mind-altering drug.

O'Brien's words cry out for caution. Mind-altering substances must not be administered recklessly. Yet no physicians or pharmacists control the dispensing of this substance. Limits come with prohibition, or through personally imposed controls.

Where governments do not prohibit, the majority can exercise self-control. Seventy-five percent gamble responsibly. They find it an entertaining diversion. But another 20 percent overindulge. They incur debts that impair abilities to support their families, unless they stop. Usually they can.

Four percent cannot stop without intervention of others. Then there are the one-half to one percent (and these are conservative estimates) who fall into destructive behaviors when exposed to gambling. Families are destroyed, friendships broken, employment disrupted. Cycles of deception and crime lead to ruined lives--and in many cases, suicide.

So three-quarters receive the benefits of the

medicine, but one-quarter of the population feel very uncomfortable side effects from this untested drug. Up to one percent become destroyed human beings.

Imagine a drug that would kill one percent of its users. Of course, we have such drugs-- crack cocaine and heroin come to mind. Do we legalize them and permit their unrestricted distribution? No!

I support some legalizations of gambling. I just urge that the benefits and pains be studied as if it were a medical drug. The study benefits must include honest assessments of jobs produced, and the pains examined must include the societal costs of compulsives.

Conservative numbers suggest it costs society \$13,000 per year for each compulsive gambler. The losses include treatment costs, lost productivity, criminal activity and judicial costs. Estimating that widespread gambling across America would create one million compulsive gamblers, the resulting annual economic loss would exceed \$13 billion. Regional feasibility studies should include regional losses.

Studies must indicate sources of the gambled money. The economic success of Las Vegas results from the fact that over 90 percent of the gambled dollars are from visitors. However, if gamblers are local residents, no jobs are produced. Jobs are shifted away from other sectors of the economy. Also, taxes are revenues drawn from local populations-- revenues that might be more efficiently collected in another way.

Gambling taxes are considered acceptable because they are levied on "volunteer sinners." But these taxes are regressive, hurting poor people, who gamble more and rely on public support.

Limited casino gambling can produce desired benefits such as blocking residents from going to other jurisdictions to play.

Gambling can help local charities to raise funds. Gambling can bring benefits to certain jurisdictions that are geographically positioned to draw tourism dollars through the activity. Such is the case with many (not all) Indian Reservation casinos. But gambling must not be recklessly promoted to vulnerable people.

Politicians must recognize that the benefits of gambling are bounded by market structures. Gambling money does not grow on trees. It comes out of the pockets of real people, who otherwise would spend it on something else. Gambling adds to economic value to society. It doesn't create products. As O'Brien says, it is an ethereal substance--"a biological substance"--that produces "highs...generated usually by anticipation."

Gambling can be good or bad medicine. Perhaps we should ask the FDA to approve the activity and require that doctors and pharmacists control its utilization.

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William N. Thompson is a professor of public administration at the University of Nevada, Las Vegas, and a specialist in the study of public policy and gambling.

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