

GAMBLING AWARENESS

THE NFL SEASON OPENER IS ALSO THE KICKOFF FOR THE BIGGEST GAMBLING SEASON EVER



How America became a nation of gamblers — and what might happen next.

We chose to print the following article in full as it fully states the current situation in America as it relates to gambling addiction and sports betting.

Americans can now gamble on anything, anytime, anywhere.

Most of us carry a mini-casino around in our pocket. Want to bet on tonight's NFL game? There's an app for that. You don't need a casino to play poker, but if you want the feel of felt and plastic chips on your fingers, one is likely nearby. If you'd rather put your money on a presidential election, the proliferation of online prediction markets means you can. Surveys indicate upward of 70 percent of US residents participated in some kind of gambling — whether the lottery or a raffle or blackjack or a sports wager — within the past year.

Issue #34 September 2023

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Gambling is sanctioned by the government — especially state and local governments, which are guaranteed to make money as gambling expands. It's endorsed by cultural institutions like the NFL. It's becoming an inextricable part of sports fandom: ESPN, the flagship sports television network, licensed its own brand to a sportsbook last month.

A few decades ago, all this would have been unthinkable. The first state to establish a lottery was New Hampshire in 1964. Until the 1980s, there were really only two places in the country where you could walk into a physical, legal casino and place bets: Nevada and Atlantic City, New Jersey. Gambling was not permitted in professional sports, still haunted by the specter of the Black Sox scandal of 1919 and the Pete Rose scandal 70 years later. Professional sports leagues would not even put a team in Las Vegas, fearing mere proximity to the nation's gambling capital.

The US now has roughly 1,000 casinos across the country, at least one in almost every state. And after the Supreme Court gave its blessing to sports betting in a 2018 decision, more than 30 states have approved plans to establish a legal sports gambling sector. The kickoff to the NFL season is also the kickoff to what will likely be the biggest sports gambling season ever: 2022 set a new record for commercial gaming with \$60 billion in revenue, beating the previous high from the year before. This year will likely exceed it.

One of the teams starting their season is the Las Vegas Raiders. The NHL's Golden Knights play just over a mile away. Speculation is growing that Las Vegas could be the next target for NBA expansion. The stigma is gone. Gambling — once a vice relegated to black and gray markets — has gone completely legitimate.

But the country may not be prepared for the consequences. It's hard to measure how many casual gamblers will go on to gamble too much, but researchers in Massachusetts concluded in a report last year to the state's gaming commission that there was some evidence locally and nationally of a recent uptick in gambling harms.

Other countries that have had widespread legal gambling for much longer than the US, such as the United Kingdom, have seen some of those fears realized: As many as 36,000 British children are estimated to be problem gamblers and 8 percent of suicides have been attributed at least in part to gambling problems, according to Bloomberg.

“We are seeking a balance between individual civil liberties and societal responsibilities and institutional duties of care,” Marc Potenza, a psychiatrist at the Yale School of Medicine, stated, “A lot has transpired without there being an understanding of the potential impacts.”

Public investments in treating problem gambling, meanwhile, are paltry even in comparison to treatment for alcohol and drug abuse. The US spends about \$1 per capita on treatment for problem gambling for every \$320 it spends on substance abuse treatment, Keith Whyte, executive director of the National Council on Problem Gambling, stated. And few would dispute that substance abuse treatment is woefully underfunded. Some states have in effect no public funding for gambling treatment services, and federal spending on research and treatment is negligible.

But what motive do states have to try to help people stop gambling? For them, the growing legitimacy of gambling has been lucrative. For public lotteries, they are the house. When they approve sports gambling and casinos, they get a piece of the action. The more people bet, the more the states and federal government stand to gain. As one gambling historian put it to me, what incentive do they have to raise awareness of the risks of gambling or invest in a treatment system that might lead people to gamble less?

“It’s not just ignorance or indifference. It’s deliberate cynicism,” Whyte said. “Legislators don’t want to accept responsibility for the increase in problems.”

Governments have an obligation to balance the right of individuals to do what they please with their money with the responsibility to mitigate the associated harms. The US has embraced the former but neglected the latter, and there is little financial incentive to change.

In gambling parlance, the country has become overleveraged on legal gambling — and needs a better hedge.

Atlantic City joined Nevada in legalizing casinos in the late 1970s, as it sought to revitalize a struggling economy. They maintained their monopoly on casinos for about a decade until the Supreme Court ruled in the late 1980s that American Indian reservations should be permitted to open casinos if they wished given their sovereignty, opening another much-needed line of revenue for a jurisdiction in desperate need of it. (All tribal gaming revenue totaled \$39 billion in 2021, yet another gambling revenue record.)

States began to follow suit, authorizing the construction of legal casinos either through legislation or ballot referenda. Today, more than 40 states have a physical casino within their borders. States raked in about \$35 billion combined in gambling-related revenue in 2021, a new high, most of it from their cut of public lotteries and casino income, according to the Urban Institute. (For now, sports betting, despite its explosion in popularity, does not make a lot of money for states, just \$1.5 billion in 2022.)

Sports gambling took the longest to reach the masses, but grew the fastest. As late as 1992, Congress had passed a law to ban most sports betting. But fantasy sports, particularly the daily games popularized by DraftKings and FanDuel, provided a roundabout form of gambling that had primed millions of Americans for bigger sports betting opportunities.

Then, in 2018, the Supreme Court ruled that, if a local jurisdiction authorizes it, people should be allowed to make bets on money lines, overs-and-unders, and all of the prop bets that a sportsbook staff could imagine. (Will the Kansas City Chiefs and Detroit Lions combine to score more than 54 points in the season opener? Will Chiefs star quarterback Patrick Mahomes clear 300 yards passing?) Today, every time you turn on an NFL game or listen to an NFL podcast, you are bombarded by advertisements for the many opportunities that now exist for you to put your money on the line.

Over the course of a century, America transformed from a country trying to outlaw gambling as much as possible to one invested in its success. Many factors went into the about-face, but most fundamentally, gambling has turned into a political winner. Lawmakers can sell voters on the economic activity it could create and the promise of new revenue to fund public services without having to risk proposing other kinds of tax increases that could be fodder for their electoral opponents. It's all upside politically with little downside.

"It enables them to create another source of revenue," Douglas Walker, an economist at the College of Charleston who has examined the legalization of gambling, told me. "They prefer to do that and sell it as 'we'll create jobs' rather than cut spending or increase other taxes."

How gambling went mainstream in the US

Prohibition didn't work because people like to gamble. They always have: Evidence of dice games has been found in Mesopotamia.

But society has long been bedeviled by gambling's dark side, the compulsive and potentially destructive way it alters a person's brain to seek the high that comes when laying a bet. In the 16th century, an essayist described the same clinical features of problem gambling that are recognized by medical professionals today.

In the United States, the religious movements of the 19th and early 20th centuries succeeded in outlawing most gambling in most places. But gambling persisted, on the frontier, in certain cities (such as New Orleans) and venues (riverboats), and in the black market. And as the American economy reeled from the Great Depression, legislators began considering the economic upside of enabling vices. Nevada, a desert state with little in the way of a natural economy, turned to gambling to raise revenue in 1931 — and birthed the nation's gaming capital.

Nevada was the first state in what would become a pattern: gambling is a terrible get-rich-quick scheme for individuals, but a much better one for states.

The 1950s law that created the modern regime for regulating gaming in the state begins with a declaration that the “gaming industry is vitally important to the economy of the State and the general welfare of the inhabitants.”

“It's not that the welfare of the inhabitants is important and the gaming industry should serve it. The gaming industry is what's important,” said David Schwartz, a UNLV professor and the author of *Roll the Bones*, a book on the history of gambling in the US. “There's nothing in here about consumer protection at all.”

Lotteries had been used to raise funds for colonies in the 17th century. States revived them in the second half of the 20th century as part of the never-ending search for new revenue — meaning the state did not just sanction gambling but owned and operated the game.

“The growth of state lotteries gave the government imprimatur to gambling,” Whyte said. “The way state governments frame it is gambling is good, full stop.”

While gambling was being legalized, America failed to invest in treatment

Not everybody who gambles develops a problem — far from it. Most people can put a little money down for a lottery ticket or a poker game with their friends and never demonstrate the kind of compulsive behavior that typifies problem gambling.

Sports betting in particular has become a pastime for more and more Americans. According to last year's Massachusetts gaming commission report, one of the most extensive recent reviews of gambling prevalence in the country, the percentage of people who placed a bet on sports grew nationally from 20 percent to 26 percent from 2018 to 2021 for traditional sports bets and from 17 percent to 24 percent for fantasy sports gambling (in which bettors typically assemble a group of players and put money down that their "team" will outperform those created by other people).

But a percentage of casual gamblers will begin to display risky or problematic behaviors. Problem gambling exists on a spectrum, but, as a rule, if betting is affecting a person's finances, work, and their relationships or creating legal problems, then they are generally considered to have a gambling problem.

Rachel Volberg, a UMass-Amherst professor, has been studying gambling prevalence and behaviors since the 1980s. A decade ago, she found that 2 percent of the US population could be classified as problem gamblers and another 8 percent would be considered at risk of becoming problem gamblers.

Surveys commissioned by the National Council on Problem Gambling detected an uptick in risky gambling behaviors from 2018 to 2021. The number of people who said they sought financial help due to gambling increased from 2 percent to 6 percent, as did the percentage of people who said they lied to others about their gambling. There was a similar increase in the share of gamblers who felt irritable when they tried to cut back or quit.

Volberg and her team identified particular risk to certain groups: people already in gambling recovery, women, and adolescents. Arthur Flatto, whose work at the nonprofit Kindbridge Behavioral Health focuses on preventing gambling problems in kids, said omnipresent ads and gateway smartphone gaming (such as apps in which players purchase coins to move up a level) are reasons to worry about young people's exposure.

He also said the isolating experience of the pandemic had contributed to the increase in online gambling activity, a point made by several of the experts I spoke to and one that fits the available evidence. Smartphones have also streamlined stock trading, giving rise to a new class of financial speculators, the crypto and meme stock crowds, whose behavior can sometimes resemble that of a gambler with a problem.

“With gambling, you can hide it. That was something early on that was really stunning to me,” Lia Nower, director of the Center for Gambling Studies at Rutgers University, said. “With online gambling, that’s true one thousand-fold. You can hide it until they come for your house, your car, and you have devastated your family financially.”

The Diagnostic and Statistical Manual of Mental Disorders, the encyclopedia of mental health-related disorders, has separated problem gambling into its own category, related to but distinct from other addictive and compulsive behaviors (such as substance abuse). Research has expanded the view of who is at risk for problem gambling: once believed to primarily affect relatively affluent white men, the disorder also affects women and people of color, and young people.

Diseases need clinical treatment. But it has been an arduous process to develop a treatment infrastructure for problem gambling — and America remains far from what experts believe to be sufficient.

“We still haven’t made that shift yet to understand gambling addiction as an identifiable, treatable public health issue,” Whyte said. “As we’ve massively expanded gambling, the health system which was poor to start with has not expanded concurrently.”

While there are federal agencies devoted to drug and alcohol abuse and related research, there is no federal institute for problem gambling research. Neither the Census nor the CDC ask about gaming in the national surveys that track trends in other mental health issues or drug and alcohol use.

States vary wildly in their approach: Some states spend meaningful state funding on problem gambling and, as in New Jersey, require counselors to have credentialing for working with gamblers who demonstrate compulsive behavior. But other states have effectively no such treatment — and do not seem to recognize the new world in which they inhabit. Only 15 states take some of the revenue they bring in from sports betting and put it toward problem gambling treatment, according to the Massachusetts researchers.

Flatto calls such spending “apology money.” And many experts in the field believe it is insufficient. States are still not spending enough to reduce the out-of-pocket costs people may face. “Folks are not going to come into treatment if they have to shell out money,” said Lori Rugle, who has worked with people in treatment since the 1980s.

Nor are they looking at other aspects of the problem: “We are woefully neglecting the children” of problem gamblers, she said, noting those children tend to have higher rates of depression, suicidal ideation, and trauma. “We can still do much better at addressing the family as a whole.”

There are signs of progress. The GRIT Act, which would take a share of federal gambling revenue and put it toward research and treatment, is expected to be introduced this Congress. A government-funded public service announcement on the risks of problem gambling and the resources available for those who need help is expected to hit the airwaves soon, in the midst of the NFL betting season.

Whyte, whose group’s funders include the NFL, told me he feels optimistic that health care providers, employers, and more see the need to head off problems before they spiral out of hand.

The US needs a better hedge against the risks of legal gambling

Legal gambling is here to stay. And there is an argument in favor of letting people do what they want with their money: As Potenza, the Yale psychiatrist, put it to me, individuals should have the liberty to enjoy gambling for recreation if they so choose. Most people are able to do so without developing a problem.

But currently, given the social and economic risks posed by problem gambling, the country is overextended — and while states and local governments have profited from their cut, the broader economic gains often promised by proponents of legalization have not always been realized.

Based on Walker’s research, legalizing gambling leads to short-term increases in per-capita incomes; other studies have found the same, along with positive effects on employment. But over time, those effects, particularly for income, tend to dissipate, Walker said.

As for the tax revenue created by legalized gambling, there has been little evidence that it results in a pronounced increase in, for example, education funding (often the recipient of state lottery income). Instead, Walker said, lawmakers have either directed dollars previously earmarked for public education elsewhere or cut that money out of the budget entirely.

Still, it is easier to propose legalized gambling than unpopular options like spending cuts or tax increases on private property, income, or retail sales.

The economic benefits, meanwhile, are modest and the most deleterious effects tend to be concentrated among the poorer income groups — even as the US fails to invest in making affordable the treatment programs that could help the people who develop problematic gambling behavior.

Whyte told me the United States has always thought of itself as a nation of risk-takers. But for much of our history, those risks were entrepreneurial: westward expansion and starting businesses.

But after decades of growing income inequality, perhaps we as a people have been conditioned to see Lady Luck as the path to the top.

KEEP GAMBLING SAFE & AFFORDABLE




Set a limit on how much time & money & stick to it.
View gambling as entertainment, not as a way to make money.
Balance gambling with other leisure activities.

If you gamble and spend more time & money than planned, take a break.

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- **Gamble with limits on time, frequency, & duration.**
- **Gamble in a social setting with others, not alone, & with money you can afford to lose.**



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Low Risk Gambling is
 A form of recreation, not to make money nor to make up for previous losses.
 Setting limits on time, frequency, and duration.
 In a social setting with others, not alone.
 With money you can afford to lose.



High Risk Gambling is when
 Coping with grief, loneliness, anger or depression.
 Under financial pressure and stress.
 Recovering from mental health or substance use disorders.
 Using alcohol or other drugs, or is under legal age to gamble.

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