

Gambling Economics: Summary Facts

Professor Earl L. Grinols, 3 November 2009

- **Independent research. Not funded by gambling or anti-gambling organizations.**
- **Gambling is a public concern because it creates economic costs for society and taxpayers, including non-users. Most costs derive from problem & pathological gamblers (two groups).**

	Per Path. Gambler	Totals/ Adult Capita
➤ <u>Crime</u> : E.g. Aggr. asslt, rape, rob., larcy., burg., auto theft, embezzlement, fraud.	\$4215	\$62
➤ <u>Business and Employment Costs</u> : Lost productivity, lost work time, unemployment-related employer costs.	\$2767	\$69
➤ <u>Bankruptcy</u>	\$294	\$3
➤ <u>Suicide</u>		
➤ <u>Illness</u> : E.g. Stress-related, cardiovascular, anxiety, depression, cognitive.	\$907	\$10
➤ <u>Social Service Costs</u> : Treatment, unemployment & other social services.	\$487	\$23
➤ <u>Direct Regulatory Costs</u>		\$16
➤ <u>Family Costs</u> : Divorce, separation, child abuse & neglect, domestic violence.	\$73	\$1
➤ <u>Abused dollars</u>	\$3381	\$70
➤ TOTALS (Right column includes problem gambler costs.)	\$12,125	\$254
- **Gambling fails a cost-benefit test: Conservatively estimated, costs to benefits exceed \$3:\$1.**
 - Costs of introducing gambling depends on starting base, but typically > \$166 per adult. Benefits < \$54.
 - On a per pathological gambler basis, studies in different parts of the nation conservatively estimate costs to be \$12,125 per year, \$13,110 including publicly borne taxes.
- **Economic Development; Failure of Impact Studies**
 - IMPACT STUDIES ARE NOT COST-BENEFIT STUDIES. More people working next door to you may not improve the well being of citizens in your area. Well being may actually decline.
 - An additional job has been estimated to be worth as little as zero to the community, or between \$0-\$1,500.ⁱ In a county of 100,000 adults the introduction of class III gambling would create additional social costs of \$16.6 m annually and social benefits of \$5.4 m. Using \$750 as mid-range value of a job to the rest of the county means that gambling would have to increase the total number of jobs in the county of this size by more than 14,933 to improve well being of residents, an unlikely outcome.
- **Crime: Review of Economics and Statistics Study**
 - Approximately 9% of total crime (FBI Index I) due to gambling in counties with Class III gambling.
 - 8.6% of property crime; 12.6% of violent crime.
 - E.g. For an average county with 100,000 population this implies 615 more larcenies, 325 more burglaries, 272 more auto thefts, 10 more rapes, 65 more robberies, and 100 more aggravated assaults.
 - Additional research indicates that national park visitors do not cause crime, in contrast to casino-induced visitors.
- **How can we conclude that gambling increase crime?**
 - Gambling has largely expanded since 1991, a period when crime has decreased substantially.
 - Crime rates drop much more in non-gambling-counties than gambling-counties.
 - In many areas, casino-county crime rates as a fraction of non-gambling-county rates have increased from 2-25% less before casinos entered to much higher after.
 - Indian reservations: Counties that obtained compacts had higher crime rates than noncompact-counties, but the difference was stable until the early 1990s, when the crime rates in compact-counties increased by even more. By 1996 compact-counties have significantly higher crime rates than non-compact counties.
- **Gambling Taxes are Worse than a Conventional Tax Collecting Identical Revenue**
 - A conventional tax implies social costs per extra dollar collected of \$1.17-\$1.59.
 - Taxes on gambling revenues conservatively cost \$1.90 per dollar of tax collected if the tax rate is 30%.
- **When gambling merely transfers dollars from one pocket to another without creating a tangible product we are made poorer.**
 - Some gamble for recreation (such gamblers are presumably provided recreation value for their lost dollars), but many gamble to acquire money. Instead of creating a product or offering a service to earn money, this second group of gamblers doesn't accomplish anything and yet expects to acquire money.
 - The more people there are who gamble to acquire money, the poorer society is.
 - If everyone gambled to acquire his money, we would all starve.

ⁱ Rappaport, Jordan and Chad Wilkerson, 2001, What are the Benefits of Hosting a Major League Sports Franchise?, *Economic Review*, Federal Reserve Bank of Kansas City, 86, 1, 55-86.

A 64-year-old mother of seven pleaded guilty Tuesday to **embezzling \$298,000 from her employer**—driving it out of business—to feed her slot machine habit. Laura A Iserloth, who lives in Sheboygan County...(Wisconsin)... embezzled the money from the Kettle Moraine Employees Credit Union over a 10-year period. (Milwaukee Journal Sentinel, 9 August 2000)

“An insidious new kind of **crime is taking hold, radiating out across southern New England** from the two Indian casinos in eastern Connecticut. It is embezzlement committed by desperate gamblers, usually compulsive gamblers, who work in positions of trust ...(Hartford Courant, 23 August 2000)

“A **South Bend (Ind.) man convicted of murdering a man for his casino winnings was sentenced to 65 years in prison....**The prosecution charged that (Abdullah) Alkhalidi was having financial problems and killed Claude Purdum Jr., 29, for the approximately \$2,000 he won while the two were together early May 3 at the Blue Chip Casino in Michigan City.” (*Las Vegas Sun*, 3/14/00)

“A woman who lost more than \$30,000 at Joliet (Ill.) casinos was sentenced to 21 years in prison Wednesday after a judge determined she **suffocated her 7-week old child to collect insurance money** to continue her gambling habit.” (Copley News Service, 10/23/99)

“Two former employees at a Westport (Missouri) bank facility pleaded guilty Thursday to a decade-long **embezzlement of about \$1.58 million** that, among other things, financed gambling sprees and vacations in exotic locales.” (*Kansas City Star*, 3/16/00)

“Prison sentences have been ordered for two men, including a former loan officer who admitted having a gambling addiction, for **defrauding a Morgan City (La.) bank of \$250,000 through false loans**. (Associated Press, 11/4/99)

“The abuse of gambling has led to many ‘social evils’ and any government that encouraged gambling has a lot to answer for, [Australian] Prime Minister John Howard said today. **Mr. Howard was commenting after a Melbourne woman was charged with manslaughter yesterday over the**

death of her 19-month-old baby after leaving it in extreme heat inside a car as she gambled at a hotel.” (AAP Newsfeed, 2/24/00)

“A 61-year-old East Petersburg (Penn.) man was placed on **probation for 25 years** Tuesday after pleading guilty to **stealing from his former employer**. James R. Smith ... was also ordered by Acting President Judge Michael Georgelis to pay back the \$43,900 he stole while working as a used car buyer for Landis Enterprises ... in 1997 and 1998. (*Intelligencer Journal* [Lancaster, Penn.], 11/3/99)

“Florida officials say the Halloran saga shows how the tribe’s largely unregulated casinos are a powerful lure for organized crime.... **‘Tribes across the country consistently say there’s no proof of any organized crime infiltration,’** said (assistant Florida attorney general John) **Glogau. ‘But law enforcement people say that’s nonsense.’**” (*St. Petersburg Times*, 2/19/99)

“**After 16 months of study, the Governor’s Task Force on Illegal Gambling says the problem has increased as Texas has embraced legal gambling....**

“**“The proponents of gambling have largely succeeded in persuading the broader culture to accept gambling as a legitimate form of entertainment rather than a vice,’ the task force concluded. ‘The impact, from a fiscal perspective, has been enormous.’**

“Without quantifying it, the task force said the downside also has a large bottom line, especially at the state’s multibillion-dollar lottery. ‘It’s substantial social costs, however, while actual and acknowledged, have yet to be accurately measured,’ the report says about the lottery.” ([Austin] *American-Statesman*, 1/27/99)

“A 56-year-old (Southern California) compulsive gambler pleaded guilty Tuesday to **several bank robberies and the attempted murder of a police officer...** (Terry Drake) Ball has been battling a severe gambling addiction since at least 1971, when he received the first of his four state and federal robbery convictions, [his attorney] said. His struggle was highlighted in the past year when he won \$250,000 from a casino bet on horse races ... and lost the entire amount within three weeks, [his attorney] said.” (*Los Angeles Daily News*, 10/27/99)

“A worker at Harveys casino (Omaha, Nebr.) ran out of luck after **stealing money from his employer to gamble at Ameristar (casino)**. Andrew Beam, 34, of 1910 Jones St., who earlier pleaded guilty to stealing more than \$10,000 while a slot machine technician at Harveys, has been granted a deferred judgment and ordered to repay the loss.” (*Omaha World-Herald*, 10/26/99)

“(Mississippi) Gulf Coast banking officials are looking for the best combination of security measures to deal with **an increase in bank robberies that has accompanied the growth in casinos and other businesses since 1992**.

“Harrison, Hancock, Jackson and Stone counties reported only two bank robberies in each of 1990 and 1991. Robberies have climbed from that time, reaching a high of 30 holdups in 1997.” (Associated Press, 10/11/99)

“Anthony Czamara, who is serving a jail term for **stealing from a Hamburg (N.Y.) bistro**, Friday was ordered to serve a prison term of 2½ to 5 years for embezzling more than \$77,000 from a Buffalo restaurant.... The judge said Czamara’s ‘troublesome’ history of criminal ‘shortcomings’ seemed linked to both his admitted alcoholism and his addiction to gambling.” (*Buffalo News*, 10/10/99)

“Compulsive gambling within the Southeast Asian community in the Twin Cities has increased so much that some **families have been left homeless**, said Diane Dovenberg, who works with Southeast Asians....

“‘I’m hearing more and more about gambling with Southeast Asian refugees,’ she said. ‘They have experienced horrendous trauma from war, escaping their own countries, spending years in refugee camps in Thailand and then experiencing the trauma of coming to this country and having it be so different from the lives they were leading over there. The hopelessness is relieved at the casinos.’” (*Minneapolis Star Tribune*, 10/12/99)

“**Before casino gambling, (Atlantic City) was home to numerous thriving churches of various denominations. But in recent years, churches and synagogues have begun to close....** The Rev. Patrick J. Hunt, pastor at (the Church of the Ascension), said the casino industry is helping society gradually erode. ‘We want anybody to come to church,’ Hunt said. ‘But gambling is a vice and the casinos do their darndest to

make sure we don’t exist and that every other church doesn’t exist.’” (*Atlantic City Press*, 10/11/99)

“**Of the 42 armed robberies investigated by the York County Sheriff’s Office this year, 23 have been video poker related.... Additionally, there have been at least 17 property crimes directly connected with video gambling machines, including burglaries, larcenies and fraud....** “But Cauthen, Fortson, York County Sheriff Bruce Bryant and other law enforcement officials throughout the region say those numbers don’t begin to paint the whole picture. **Many domestic cases that officers respond to involve arguments that stemmed from one spouse’s gambling habit.** Deputies are responsible for serving civil court papers, such as divorce decrees, and Bryant said a growing number of those appear to be tied to gambling. Police also say they spend more and more time responding to false reports filled by gamblers who don’t want a spouse to learn they lost money to the video machines.” (*Charlotte Observer*, 10/3/99)

“A Denham Springs (La.) man was sentenced Monday to 37 months in prison and ordered to repay **\$933, 845 to victims of his investment scam**. U.S. District Judge Frank Polozola told Mike D. Nolan he was responsible for ‘a very big case of fraud’ that hurt lots of people, including a widow who lost her nest egg and couples whose marriages fell apart because of failed investment schemes....

“The judge said Nolan’s gambling problem fueled the fraud scheme.” ([Baton Rouge, La.] *Advocate*, 9/28/99)

There is a trail of broken homes, bankruptcies, crime and suicides, say those who work with problem gamblers in that state. ‘We’ve treated some people who have lost their life savings on the lottery,’ said Jack Gronewald, chief operating officer of Ridgeview Institute, a mental health treatment center near Atlanta....

“**[T]here were four groups of Gamblers Anonymous meeting in Georgia when the lottery was instituted there in 1992, but today there are 10 or more groups,** indicating that the number of problem gamblers increased, and some play only the lottery.” (*Birmingham News*, 9/24/99)

“A (Las Vegas) woman who **embezzled more than \$1 million** during her 18-year career as a paralegal with the U.S. attorney’s office was sentenced to 30 months in prison Friday. Elizabeth ‘Becki’ Simmons, who has admitted having a gambling problem, pleaded guilty in March to

embezzlement, making false statements and filing a false income tax return.” (*Las Vegas Review-Journal*, 9/18/99)

“A Hancock County (Miss.) woman says she killed her mother and husband last year as part of a suicide pact made in despair over large gambling debts the trio had run up at Gulf Coast casinos.

“Julie Winborn pleaded guilty in the death of her husband, Grady Winborn, 57, and her mother, Inez Bouis, 66. She was sentenced Thursday to two life sentences. She had testified that the three lost \$50,000 at casinos and decided to end their lives because they could not repay bank and credit union loans.” (Associated Press, 9/10/99)

“Former (Miss.) state worker Deidre Marshall has been sentenced to five years of probation for **embezzling \$100,000 from a state program** for the disabled.... Marshall said she stole the money to pay for her compulsive gambling habit.” ([Baton Rouge, La.] *Advocate*, 9/12/99)

“It is a hard-edged reality that happens—at casinos, at racetracks, at church bingos, at state lottery outlets. **The Mississippi Coast has seen a 26-fold increase in the number of Gamblers Anonymous meeting—to 13 a week—since the first casino opened in 1992.**” (*Lexington* [Ky.] *Herald-Leader*, 9/12/99)

“A three-month investigation by the Pittsburgh Tribune-Review found Pennsylvania Lottery sales come disproportionately from the poor and working class. In Allegheny County, the most recent lottery records available show stores in neighborhoods with per capita incomes lower than \$20,000 sold more than twice as many tickets per resident as those in neighborhoods where average incomes exceeded \$30,000....

“The lottery’s 1997 study found 39 percent of ‘heavy’ players—those who bet at least once a week—report household incomes below \$25,000 a year.” (*Pittsburgh Tribune-Review*, 8/22/99)

“A German tourist jumped to his death off a 10-story casino-parking garage Wednesday in the third such suicide in Atlantic City in eight days.... On Aug. 17, a gambler who had lost \$87,000 jumped to his death off a Trump Plaza roof. On Monday, a dealer at Caesar’s Atlantic City Hotel Casino committed suicide by leaping off the casino’s parking garage. (Associated Press, 8/25/99)

“An Edgefield County (S.C.) man was killed in a shootout at a casino he apparently was attempting to rob. Dexter Wooden, 25, went to Bryant’s Discount Beverage Center Wednesday night and tried to hold up four customers who were gambling.” (Associated Press, 8/26/99)

“-Tourism. City officials insist the Milwaukee casino draws few tourists and say most gamblers are lower income residents of the city and Milwaukee County....

“-Crime. Prosecutors have not broken cases directly related to casinos, but the district attorney reports his staff has seen more burglaries, larcenies and crimes of opportunity related to gambling. The most celebrated local case involved a woman who stole nearly \$100,000 from her grandmother to gamble in Milwaukee and other Wisconsin casinos.” ([Milwaukee] *Journal Sentinel*, 12/27/98)

“Debts of more than \$100,000 prompted a woman’s botched **bank robbery** attempt that led to an eight-hour hostage situation on New Year’s Eve (in Olathe, Kansas), her attorney said.... [The suspect’s attorney] told (U.S. Magistrate David) Waxse that (Pheng) Siriboury was ‘addicted to gambling’ and had run up debts—‘maybe as high as \$150,000.’” (*St. Louis Post-Dispatch*, 1/6/00)

“Bankruptcies citing gambling debts as a contributing factor have jumped since the riverboats entered the Kansas City market in mid-1994.... The first Kansas City area riverboat casino opened in mid-1994. In that year, only 13 of the 3,501 bankruptcy filings in Kansas City—0.37%—listed gambling losses....

“By 1998, 194 of the 5,618 persons who filed—3.5%—said gambling was a contributing factor in their bankruptcies. They listed unsecured debts of more than \$7.5 million, much of it to credit card companies.... Bankruptcy lawyers and gambling counselors say actual figures might be higher because people are reluctant to admit they have a gambling problem.” (Kansas City Star, 1/9/00)

“The battle against domestic violence is gaining ground, and work by University of Nebraska Medical Center researcher Dr. Robert Muelleman is helping... **‘It looks as if problem gambling in the partner is going to be as much a risk factor as problem alcohol, and that’s really new information,’** he said.” (Daily Nebraskan, 1/13/00)

“A former (New Bedford, Mass.) elementary school principal has admitted stealing \$20,000 in student funds she used to support a gambling habit, prosecutors said.” (Associated Press, 1/13/00)

“Terry Twist, a former supervisor at a Naperville (Ill.) bank whose cooperation helped lead to federal charges against two bank supervisors, pleaded guilty Thursday to his role in the **theft of nearly \$90,000** from the bank vault in a staged holdup.... Twist, 26, had sizable gambling debts.” (*Chicago Tribune*, 1/14/00)

“A gambler losing big dollars in the high-roller area of the MotorCity Casino in Detroit pulled out a gun Wednesday, **shot himself in the head and died**, police said. Terrified gamblers fled from the blackjack table where off-duty Oak Park Police Sgt. Solomon Bell had been consistently losing large bets, witnesses said....” (*Detroit Free Press*, 1/27/00)

“A 37-year Detroit Fire Department veteran threatened to kill himself while gambling at the MGM Grand Detroit Casino on Thursday, police said.... ‘I guess he lost all the money he had, and he made a statement to the dealer saying he was going to do the same thing as the gentlemen yesterday did,’ [a police spokesman] said.” (Associated Press, 1/27/00)

“Two multinational lottery operators spent more than \$135,000 in 1999 in their efforts to win access to South Carolina lawmakers and put a lottery on the ballot.” (*Augusta [Ga.] Chronicle*, 1/22/00)

“A man known as the ‘Groucho Marx’ bandit was sentenced Friday to more than four years in prison for a pair of **bank robberies** in Southcentral Alaska.... Federal public defender Richard Curtner said (Scott) Morgan was deep in debt because of gambling and alcohol addictions.” (Associated Press, 1/22/00)

“A former (Memphis) Service Merchandise store manager who admitted **stealing more than \$150,000 in deposits** and gambling much of it away in Tunica casinos was sentenced to six years in prison Tuesday.” ([Memphis] *Commercial Appeal*, 2/2/00)

“The gambling industry is poised to become the predominant lobbying influence in the (Louisiana) Legislature, supplanting traditional

heavyweights such as labor and business as political forces, a vocal gambling critic said Monday. C.B. Forgotston, a New Orleans lawyer and opponent of the land casino on Canal Street, told the Baton Rouge Press Club that gambling interests can call the shots with lawmakers now that many of the industry’s legislative critics have retired or been bumped from committees that deal with gambling issues....

“‘Organized gambling will push for more and more control over the Legislature,’ Forgotston said. ‘Gambling is going to supersede business, trial lawyers, the unions and teachers as the lobbying force in the Louisiana Legislature for the foreseeable future.... They will be the 800-pound gorilla.’” (*New Orleans Times-Picayune*, 1/25/00)

“Rosemont (Ill.) Mayor Donald E. Stephens is getting a hefty reward for his role in convincing state lawmakers to approve sweeping gambling law changes last year. Campaign finance records obtained Wednesday show **Stephens received \$96,000 in contributions from gambling interests** in the six months after Gov. George Ryan signed legislation that opened Cook County to a casino, created lucrative subsidies for the horse racing industry and allowed casinos to stay dockside rather than cruise.” (*Chicago Daily Herald*, 2/3/00)

“Sixteen employees or owners of ‘cash for gold’ shops that line Atlantic City’s casino strip were accused Thursday of preying on the desperate by **charging up to 500% interest on hocked jewelry.**” (Associated Press, 2/10/00)

“An admitted thief and pathological gambler has six months to pay almost \$155,000 back to the Pierre (S.D.) Area Chamber of Commerce or face time in the women’s prison. Former chamber financial manager Linda K. Thomsen, 55, was sentenced Tuesday afternoon.” (*Pierre [S.D.] Capital Journal*, 2/16/00)

“The death of a (Frederick, Md.) debt-ridden accountant who badgered a colleague into shooting her was a **homicide**, not a suicide, so her life insurance company must pay out \$1.5 million, a judge ruled. Circuit Judge Mary Ann Stepler ruled last week against Allstate Life Insurance Co. in a dispute over the 1996 death of Mary Gaye Fister. Fister, a 45-year-old high-rolling gambler, died on a country road where she had gone with fellow accountant Lawrence H. Goldman. He said they planned to make

the death look like a mob hit so that Fister's creditors could collect in insurance money the \$800,000 she owed....

"Investigators said Fister persuaded friends and clients to lend her money to support a lifestyle that included driving her turbocharged red sports car to Atlantic City casinos, where she sometimes lost as much as \$30,000 per trip." (*Las Vegas Sun*, 2/14/00)

"State officials are admitting a small **core of heavy gamblers, many of them poor, are the mainstay of the California Lottery**. The voter-approved lottery that benefits public education has maintained for 15 years that lottery players simply reflect the population of California. After an ANG Newspapers report in December and subsequent grilling by legislators, **the Lottery began compiling figures that show a fifth of its players account for 90% of the multibillion-dollar sales....**

"Of the 2 million heavy gamblers, more than half are from households earning less than \$35,000 a year. **People from households earning less than \$25,000 annually make up 41% of the lottery's heavy gamblers while they are less than a third of California's adult population.** The heavy, poor gamblers spend an average of more than \$830 a year on the games." (*Las Vegas Sun*, 2/24/00)

"A former casino consultant fought back tears as he told a federal jury Thursday that he **funneled hundreds of thousands of dollars in payoffs to former [Louisiana] Gov. Edwin Edwards and his son Stephen**—before and after Edwards left office in 1996. Ricky Shetler's testimony was backed by Shetler's own ledgers and conversations secretly recorded by the FBI.

"It was the most damaging to date in the six-week-old trial, and, perhaps, in the 40-year public life of the often scandal-plagued four-term governor who was acquitted of **federal racketeering** charges in 1986. Federal prosecutors say Edwin and Stephen Edwards and five other men took part in a years-long series of schemes to manipulate the licensing of riverboat casinos." (Associated Press, 2/24/00)

"California tribes have been flooding the airwaves with TV and radio commercials as spending in the battle over Indian gambling topped \$20.7 million just weeks before voters will decide the issue. **The tribes had spent a total of \$20.7 million by Feb. 19, the close of the last reporting period, while the opposition campaign spent \$3,783 by the same date.**" (*Las Vegas Review-Journal*, 2/28/00)

"An Illinois House committee, whose members have **accepted more than \$73,000 in gambling-industry campaign contributions**, overwhelmingly defeated a measure Wednesday that would have forced automatic teller machines off casinos." (*St. Louis Post-Dispatch*, 3/1/00)

"A notorious **Chinatown gang** has expanded its **loansharking** operation to legal card clubs in the Bay Area, particularly the Lucky Chances Casino in Colma, according to an FBI affidavit made public yesterday." (*San Francisco Chronicle*, 3/4/00)

"By the time former Placerville (Calif.) police officer Jerry Olson was arrested for bank **robbery** last month, he had hit 'rock bottom,' his father said. Battling drug addiction and crushed under gambling debt, the 39-year-old already had lost his job. FBI agents say he may have robbed 10 banks in Northern California and Nevada." (Associated Press, 3/8/00)

"Casino Rama, one of Canada's most lucrative gambling palaces, was supposed to be a financial saviour to Ontario's impoverished First Nations. For two members of the Rama Chippewa band that hosts the casino, it's meant something quite different: personal downfall, criminal records and a humiliating admission of guilt before their tight-knit community. The pair were quietly **convicted recently of stealing more than \$100,000 from the Mnjikaning band to fuel out-of-control gambling habits.**" (*Ottawa Citizen*, 11/15/99)

"The number of **gambling-related suicides** in Quebec has more than doubled this year from last. According to reports provided by the Quebec coroner's office, 15 people, all men, have killed themselves so far this year because of their gambling problems. That's up from six in all of 1998, and two in 1994, when the provincial government first legalized casinos and video lottery terminals." ([Montreal] *Gazette*, 11/25/99)

"**Gambling debts led former Hillsdale (Ill.) Fire Chief Bill Phillips to siphon more than \$150,000 out of the department's bank account**, investigators have concluded. Phillips, 56, was found dead in his truck at a rural Hillsdale cemetery May 19, the victim of carbon monoxide poisoning." (Associated Press, 11/24/99)

“A former top Indiana Gaming Commission official has gone to work for a gambling company that won approval this week to buy the Empress Casinos in Hammond and Joliet, Ill. Floyd Hannon, who ran the commission’s investigations division until June, is now a senior vice president for governmental relations and regulatory compliance for Horseshoe Gaming Inc.’s Mississippi and Louisiana properties....

“Anti-gambling activists suggested last week that Hannon’s hiring indicated dirty dealing between gaming regulators and Horseshoe.” (Associated Press, 12/2/99)

“Nearly five months have passed since the MGM Grand Detroit Casino opened its doors near the Salvation Army’s Bagley Center, and since then, the stream of penniless gamblers looking for a helping hand has been steady....

“As casinos, lotteries and other recreational gambling spread throughout Michigan, workers at social service agencies say the number of people reaching out for help is growing. Five years ago, metro Detroit had about six Gamblers Anonymous groups; today there are about 20, said Warren Biller, director of the Michigan Council on Problem Gambling.” (*Detroit Free Press*, 12/7/99)

“The sentencing of a (Greensboro, N.C.) life insurance agent who cheated his clients out of at least \$1.6 million was postponed on Wednesday for the third time.... (Paul) Blackburn said he **embezzled** the money to feed a gambling addiction. He fantasized about gambling, fell asleep to dreams of gambling and could spend 26 hours playing craps in a casino without rest.” ([Greensboro, N.C.] *News & Record*, 12/16/99)

“Households earning less than \$25,000 accounted for 35% of the California Lottery’s ticket sales last year, its newly released review shows....**“The 32% of Californians with incomes below \$25,000 account for less than one in every five dollars earned by state residents,** [David Rogosa, a statistician and associate professor at Stanford] said in a telephone interview. Based on that, their 35% share of lottery purchases ‘is far, far greater than their proportion of (the) income,’ Rogosa said.” (*Sacramento Bee*, 12/15/99)

“Clay County (Mo.) judge Larry Harman on Monday sentenced an Overland Park (Kan.) woman to **15 years in prison for killing her husband** in a Northland church parking lot.

Bonnie Knapp, 50, spoke barely above a whisper Monday when she admitted stabbing 85-year-old Joseph Knapp in the parking lot of Avondale Baptist Church in Kansas City, North, on Aug. 22, 1997....

“Knapp was accused of **stabbing her husband more than 75 times** because he would not give her more gambling money. Prosecutors said the crime occurred after the couple and a friend left Harrah’s North Kansas City Casino & Hotel about midnight.” (*Kansas City Star*, 12/21/99)

“Authorities say they have linked a woman arrested in Bradenton (Fla.) to what might be the largest and most profitable **burglary ring** in the country. Barbara Dolinska is a member of a roving group of bandits who travel the country committing burglaries, Baton Rouge, La., police Detective Jonny Dunham said Wednesday... “Dolinska and her cohorts like to gamble, authorities said. They committed many of the crimes in areas that either had riverboat gambling operations or other kinds of gaming, Dunham said.” (*Sarasota* [Fla.] *Herald-Tribune*, 12/23/99)

“A Florida man who lost about \$50,000 while gambling [in Atlantic City] during the past two days died Tuesday after he **jumped seven floors from a Trump Plaza Hotel and Casino roof** onto Columbia Place, officials said.” (Atlantic City Press, 8/18/99)

“A former Brown County (Wis.) deputy treasurer convicted of **embezzling** \$197,000 was sentenced Friday to 12 years in prison. Prosecutors contend Barbara Berger, 47, stole the money over three years to support a gambling habit.” (Associated Press, 8/20/99)

“An addiction to riverboat gambling led Boone County’s (Ky.) property valuation administrator to **plead guilty to a theft charge** Friday. David Turner admitted to authorities he used as much as \$45,000 in office funds to feed his habit.” (*Cincinnati Enquirer*, 8/14/99)

“Four days after (Illinois) Gov. (George) Ryan signed gambling legislation, the **Empress River Casino deposited \$10,000 into the governor’s campaign fund. On the same day of the Empress contribution, Hollywood Casino gave \$10,000 to a Senate Republican campaign fund controlled by Senate President James ‘Pate’ Philip (R-Wood Dale), who favored last spring’s gambling deal.** In fact, more than 40% of the \$272,405 that gambling interests gave last spring to Ryan and members of the General Assembly came during May and June, a critical

period when the measure passed the Legislature and the governor signed it.” (*Chicago Sun-Times*, 8/11/99)

“Tribal leaders declared victory in July when the House defeated a measure that would have forced tribes opening casinos to continue to hammer out agreements with state governments first. Before the vote, 50 of the American Indian leaders met with top House Republicans—a landmark day that reflected the growing political clout of tribes bolstered by a newly vigorous self-determination movement and financial gains from casino gambling... **Since the 1991-92 campaign cycle, Indian tribes have shelled out more than \$3.3 million in soft-money contributions to the Republican and Democratic national committees.**” (*Detroit News*, 8/11/99)

“The number of Wisconsin communities holding Gamblers Anonymous meetings has mushroomed from six to 29 since 1992, the year Indian tribes began agreements with the state to open casinos, and half of today’s meetings are within 30 miles of a casino, an Associated Press review found. During a typical week, nearly 250 people attend Gamblers Anonymous meetings statewide seeking help with gambling problems, compared with about 100 in 1992 ...

“Eleven people who contacted the group in 1997 committed suicide because of gambling,” John W. said.” (*Chicago Tribune*, 8/2/99)

“In the first six months of 1999, Attorney General Bill Lockyer **received at least \$32,500 in campaign contributions from California card clubs he licenses** and regulates, according to campaign reports filed yesterday with the state.” (*San Francisco Chronicle*, 8/3/99)

“The gaming industry increased its financial contributions to federal candidates and political parties by about 400% from 1992 through 1998 ... The General Accounting Office, the investigative arm of Congress, found that total gaming donations rose from \$1.1 million in 1992 to \$5.7 million in 1998.” (*Las Vegas Review-Journal*, 7/28/99)

Tuesday in Ridgeland, a woman whose 10-day-old baby died in a sweltering car while she played video poker was given a **suspended sentence and five years’ probation.**...“York County (S.C.) Sheriff Bruce Bryant...said many of the social problems brought on by video poker are not recorded in police reports. **‘Arguing over video poker is the reason**

for many domestic abuse cases,’ Bryant said. ‘We’ve had murders in York County because of video poker.’” (*The State* [Columbia, S.C.], 7/23/99)

“The conviction of [a Louisiana] ex-legislator imprisoned for a **bribery scheme to protect video poker was upheld Thursday by a federal appeals court.** Former state Sen. Larry Bankston was found guilty in June 1997 of taking \$1,500 from one-time video poker operator Fred Goodson.” (Associated Press, 7/22/99)

“Gambling problems led a former Columbus (Ohio) **police officer to steal** about \$20,000 in diamonds from a Northland Mall jewelry store where he was providing security.” (*Columbus Dispatch*, 7/17/99)

“A military judge ordered a compulsive gambler locked up for 60 days after she admitted she **wrote about \$14,000 in bad checks** to feed slot machines at Air Force clubs.... Testimony at her court-martial yesterday at Davis-Monthan Air Force Base showed that (Tech. Sgt. Gloria) Calhoun, a 17-year-veteran with a previously exemplary record, got hooked on slot machines last year at Osan Air Base in South Korea. (*Arizona Daily Star*, 7/15/99)

“Reno (Nev.) ministers said they have seen too many people who’ve lost rent money and more at slot machines, craps and blackjack tables. ‘My appointment schedule is full with **marriages that have been destroyed by gambling,**’ said the Rev. Joe Taylor of the South Reno Baptist Church in southwest Reno near Meadowood Mall. He said his church receives 10 to 20 calls a day from gamblers asking for bus tickets....

“The Rev. Carey Anderson, pastor of the Bethel AME Church in Sparks,.....said he hears from abusive gamblers each week. ‘They’re calling us wanting money because they blew their rent on gambling,’ he said. ‘They can’t feed their children, and they can’t pay their rent. And they need food, and they can’t pay their power bills....The pastor said **his phone log for Tuesday was typical: It showed 13 gambling-related calls by 3 p.m.**” (*Reno Gazette-Journal*, 6/30/99)

“Some of Illinois’ prosecutors are lending credence to a nationwide study that concludes gambling increases crime.... **Prosecutors in Tazewell and Peoria counties, near one of the state’s oldest riverboats, have seen a definite rise in gambling-related crime....**

“Kevin W. Lyons, Peoria County state’s attorney, rattles off a list of cases where problem gamblers got in trouble. Just the other day, he said, his office won a conviction against a teacher who stole money to support a gambling habit. ‘I’ve convicted some lawyers and taken away their law licenses for stealing client money’ for gambling ...

“Stewart Umholtz, state’s attorney for Tazewell County, has been embezzlement, theft and burglary cases arising from problem gamblers. In fact, he asked state Rep. Michael K. Smith of Canton to sponsor a bill that would have provided state aid to prosecutors to help pay for increased caseloads resulting from gambling.” (Copley News Service, 6/28/99)

“Proponents of riverboat gambling and horse racing **pumped \$1 million during the last two years into the campaign funds of (Illinois) legislators** who voted for the sweeping legislative package that squeaked through the General Assembly last month, a new study shows. The money is more than 10 times the \$83,460 that pro-gambling interests gave to lawmakers who later voted against the gambling package.” (*Chicago Tribune*, 6/14/99)

“A man arrested in the **armed robbery** of a (New Orleans) bar told deputies of his motive for the hold up: he wanted to recover the several hundred dollars he lost playing the lounge’s video poker machines.” (*Las Vegas Sun*, 6/14/99)

“New Jersey casino regulators have agreed to look further into payments totaling \$240,000 that a gaming company made to former Florida House Speaker Bo Johnson at a time when Florida was considering legalization of casinos.” (*Las Vegas Sun*, 6/9/99)

“For Dune Lop Moy, an inveterate gambler, 10,000 was an unlucky number. That’s how many dollars the 27-year-old restaurant worker from Allston owed a Chinatown bookie nicknamed ‘Stinky Mouth.’ Moy had gotten into his hole, and tried to dig out, by betting on football games through local bookies, playing blackjack at Foxwoods.

“But like other struggling workers in the Chinese community who had become addicted to gambling, Moy was tapped out. Two months ago, **authorities found his beaten body folded and stuffed into a large green suitcase** that had been tossed in the weeds in Weymouth.

“Now, as the investigation continues, sources familiar with the Chinatown underworld believe that Moy was marked for murder by Asian organized crime figures, or their mob associates, intent on sending a chilling message to their customers: Pay your debts or die...

“In Chinatown, some community leaders say Moy’s fate coincides with a surge in gambling excesses, one they link to ethnic targeting from the Connecticut casinos on top of the traditional action at neighborhood underground gaming parlors. (*Boston Globe*, 6/3/99)

“A former employee for the Chicago Transit Authority was sentenced to 12 months in prison Wednesday in federal court for **embezzling** more than \$187,000 from the agency in less than 1 ½ years. Sheila Short, 36, of Richton Park, admitted she blew the money gambling on the state lottery and riverboats.” (*Chicago Tribune*, 5/20/99)

“A veteran employee of the Lehigh and Northampton (Penn.) Transportation Authority who said compulsive gambling led her to **steal \$17,765 has been put on three years’ probation**. Margaret Hansen, who will be 65 next month, was fined \$2,000 and ordered to make restitution to the authority....“Authority lawyer Kent Herman and Executive Director Armand Greco said the restitution agreement was appropriate because Hansen was an exemplary employee for many years who fell victim to a gambling addiction in the latter part of her career.” ([Allentown, Penn.] *The Morning Call*, 5/20/99)

“A 37-year-old Little Silver (N.J.) man who a judge said compulsively fleeced people was sentenced yesterday to seven years in state prison for **stealing** more than \$150,000 from several banks through a check-kiting scheme. Joshua Roslin ... told Superior Court Judge John A. Ricciardi that he suffers from a gambling problem.” ([Neptune, NJ] *Asbury Park Press*, 5/15/99)

“**The families of two politically connected lawyers** who helped bring the Showboat Mardi Gras riverboat casino to East Chicago **made more than \$20 million selling their interest in the riverboat** after putting up essentially no money for the shares, a newspaper reports.” (Associated Press, 5/11/99)

“Former DeSoto County Supervisor James D. ‘Jake’ Person pleaded guilty Friday to **embezzling** \$50,000 from the DeSoto Shrine Club and gambling

the money away in casinos in Tunica County.” ([Memphis] *Commercial Appeal*, 5/8/99)

“Before taking his life last November, Central Falls (R.I.) Police Chief Thomas Moffatt had **misappropriated departmental funds** and borrowed heavily from his officers to pay gambling debts, a state police investigation has concluded. Moffatt owed more than \$60,000 to his officers and possibly thousands more to several accounts within the department that were under his control, Col. Edmond Culhane, state police superintendent, said yesterday....“Culhane declined to answer a question about a ... report that Moffatt owed \$40,000 to the Foxwoods and Mohegan Sun Casinos. ‘The message from the whole thing is the dangers of gambling, quite frankly,’ said Culhane. ‘Tom Moffatt was a truly honorable guy. He had a superb career as a state trooper. He was a great family man and a terrific policeman. This was his one weakness and it took him down.’” (*Providence Journal*, 5/2/99)

“Fueled by profitable casinos at a handful of reservations, **native-American leaders are planning to spend \$1 million to \$5 million** in the 2000 election to try to defeat Republican Sen. Slade Gorton, whom they regard as their primary political enemy in the United States.” (*Seattle Times*, 4/5/99)

“Problem gambler Scott A. Correia gave a lesson Thursday in how not to commit a **bank robbery**. Police say the 33-year-old Dartmouth (Mass.) man, who lives at 10 Sol-E-Mar Road, made several mistakes when he robbed \$1,300 from the Fall River Five Cents Savings Bank.

“He used his parents’ car and parked near the bank, didn’t switch license plates, dropped his baseball cap outside and abandoned the vehicle a short distance from the bank, according to police. Correia took the cash with him to the Foxwoods Resort and Casino, Ledyard, Conn., police said.” ([Fall River, Mass.] *Herald News*, 4/3/99)

“Though casinos can now be found throughout the country, the gambling industry continues to lavish campaign contributions on its original allies, lawmakers from New Jersey and Nevada.

“New Jersey’s two senators and the representative whose district includes Atlantic City are among the biggest beneficiaries of campaign

cash from the industry, according to a report by the Center for Responsive Politics.

“From 1993 through 1998, Sen. Robert Torricelli, a **Democrat, received \$86,600 from political action committees and individuals in the gambling business.** That put him third among senators, behind only Nevada Sens. Harry Reid and Richard Bryan, also Democrats....

“Among House members, New Jersey Rep. Frank LoBiondo, R-Vineland, received \$64,750 from gambling interests in 1997 and 1998, ranking him third nationally behind Nevada Reps. Shelley Berkley, a Democrat, and Jim Gibbons, a Republican. LoBiondo’s district includes Atlantic City.

“With Congress taking more of an interest in issues related to gambling, the \$50 billion-a-year gambling industry has increased its giving to lawmakers. The center reported that **the gambling industry donated more than \$6.2 million to federal candidates and parties in the 1997-98 election cycle, twice what it gave during the last midterm elections.**” (Associated Press, 4/6/99)

“After cleaning out her bank account, selling her possessions and **stealing from her employer** to support her video poker habit, Jann knew she had hit bottom. ‘I had used up all of my resources and abused the trust of everybody around me,’ she said. ‘You get very suicidal.’ (Associated Press, 3/29/99)

“Citing severe losses from a gambling addiction, a prominent Plaquemines Parish (La.) developer admits he **forged documents and tried to sell residential lots he no longer had clear title to**, his attorney said....but gambling losses to casinos in Louisiana and Mississippi pressured him to raise cash, (his attorney) said. Sercovich mortgaged as many as 46 Pleasant Ridge lots to raise money. Lots in the subdivision range from \$70,000 to \$127,000 ...

“George Ruppenicker, an attorney for Southern Title Inc., which conducted the title search on the lots, said its insurance carrier has paid out more than \$1 million in claims related to Pleasant Ridge and Sercovich.” ([New Orleans] *Times-Picayune*, 3/31/99)

“**[Michael Belletire, administrator of the Illinois Gaming Board] is resigning effective April 15 and will become chief operating officer of Specialty Events, an affiliate of Sportsman’s Park horse racing track in Cicero.** Charles Bidwill III, the president of Sportsman’s, is a part-owner of the Casino Queen riverboat in East St. Louis. Ed Duffy, the

president of Specialty Events, is a consultant for Sportsman's and the Casino Queen.

"Belletire and Gaming Board Chairman J. Thomas Johnson said the new job does not conflict with the board's code of conduct, which **prohibits members or employees from working for or representing a riverboat licensee** or applicant within a year of leaving the board." (Associated Press, 4/1/99)

"This is a tale of two counties. One is Hancock County, Ga., a rural spot northeast of Macon where most residents are black, half the adults never graduated from high school and more than a third of the children are poor. The other is Fayette County, a thriving Atlanta suburb where most residents are white, a fourth of adults have college degrees and less than 1% of families receive welfare.

"Hancock doesn't outdo Fayette on much. But it does beat its well-heeled neighbor in state lottery sales. Hancock's lottery sales in 1997 translated to \$554 for every county resident from age 18 to 64. The same figure in Fayette came to \$139...."

"A Birmingham News review of lottery sales in Georgia counties showed some trends. Generally, the lottery has weak sales in rich counties and strong sales in poor counties." (*Birmingham News*, 3/23/99)

"A former federal paralegal [in Las Vegas] with a reported gambling habit **embezzled as much as \$1.5 million over 10 years** by betraying the trust of her colleagues, U.S. Attorney Kathryn Landreth said Tuesday." (*Las Vegas Sun*, 3/17/99)

"Gambling interests gave more to (West Virginia) legislative candidates in 1998 than ever before, according to the latest figures from the People's Election Reform Coalition.... 'Gambling donations to members of the Legislature totaled \$63,125 in the 1996 elections,' (according to the coalition). 'Although the 1998 data is still being audited, PERC has already documented \$164,500 in gambling donations – an increase of more than 2.5 times.'" (*West Virginia Gazette*, 3/10/99)

"If Minnesotans have a reputation for generosity, this may be the reason: 50 of the state's 87 counties are above the national average in their disposition toward charitable giving, according to a recent study. Only 16 counties are ranked below average.

"Generosity generally flourishes ... in counties with average to relatively low pulltab and lottery gambling. Counties with high per-capita gambling include all but three of those labeled least likely to give by the national study." ([Minneapolis] *Star Tribune*, 2/5/99)

"Florida officials say the Halloran saga shows how the tribe's largely unregulated casinos are a powerful lure for organized crime.... **'Tribes across the country consistently say there's no proof of any organized crime infiltration,'** said (assistant Florida attorney general John) **Glogau. 'But law enforcement people say that's nonsense.'"** (*St. Petersburg Times*, 2/19/99)

"[A]n Omaha woman [pled] guilty to charges that she took thousands of dollars from mentally-retarded adults under her care. **Police said the woman took \$21,000 from 14 mentally-retarded adults and used the money to play blackjack 'at nearby casinos.'**" (*Omaha World-Herald*, 2/21/99)

"A former San Jose police officer sentenced yesterday to **14 years in prison for burglaries** will continue to receive \$27,000 a year in disability benefits for his gambling addiction. Johnny Venzon Jr., 48, had been accused of stealing from people on his own beat while in uniform. Venzon, who blamed his actions on a gambling addiction, often burglarized homes and then investigated the crimes." (*San Francisco Chronicle*, 2/25/99)

"The former bookkeeper for a chain of Midas Muffler shops (in Wisconsin) **pleaded guilty Friday to stealing a little more than \$306,000** from the stores to pay off gambling debts incurred first at Potawatomi Bingo Casino and later in Las Vegas." (*Milwaukee Journal Sentinel*, 2/14/99)

"A federal jury convicted a suburban (Chicago) mother Thursday of **insurance fraud** in the death of her infant daughter, rejecting defense claims the baby died of sudden infant death syndrome.... (Dina) Abdelhaq, an admitted gambling addict, had taken out a \$200,000 insurance policy on newborn daughter Tara 15 months after another infant daughter died of unexplained causes....

"Records from one riverboat casino showed the Abdelhaq had gambled there the day after the death of her first daughter, Lena, in 1994.... On public aid and denied credit at a riverboat casino after she

bounced checks, Abdelhaq took out the \$200,000 life insurance policy on Tara.” (*Chicago Tribune*, 2/13/99)

“**A ring of Gaston County residents has stolen more than half a million dollars** from video poker machines across South Carolina over the past year by unlocking the machines with copies of master keys, police said Monday. Police say about two dozen thieves took turns emptying video poker machines while partners distracted clerks and communicated across stores with an elaborate system of hand signals.” (*Charlotte Observer*, 2/16/99)

“A former East Fork (Nev.) Justice Court clerk pleaded guilty to one count of **unlawful use of public funds** in the theft of more than \$17,000 from the court.... A gambling problem led to the embezzlement, according to court records.” (*Las Vegas Sun*, 1/2/99)

“Son Tram never talked about her husband. How the beatings had gotten worse in recent months since her husband began gambling and frequenting bars. But relatives knew. They tried to persuade her to leave. The last plea came from her younger brother, who stayed with her in her Olney rowhouse for the last couple of months. He told her to come and live with him and his family in Florida. She refused. Last Friday, her husband kicked the brother out of the house. Saturday morning, she was dead. Trung Hieu Tram, 32, had **bludgeoned his 35-year-old wife in the back of the head with a hammer**

“Recently, [Vin Thach’s] niece had been struggling to feed the kids, telling Thach she had no money. Trung Hieu had been spending the family money betting on football and going to casinos, and he was going into debt.” (*Philadelphia Daily News*, 2/2/99)

“In a string of murders that shocked the rural (Louisiana) River Parishes, six wealthy, mostly elderly **residents were bludgeoned and stabbed to death** in their homes, their safes stolen and pockets emptied.... After six hours of denials in a stark white room in the courthouse, (Daniel) Blank broke down and wept, then confessed to a killing spree that went from October 1996 to July 1997, tapes and transcripts show....

“In only one brief statement does Blank even hint at his motivation for the brutality, although investigators said it is clear that he was in pursuit of cash to support almost daily trips to video poker halls and casinos. The chronic gambler’s combined take from **seven break-ins was**

about \$101,120, the records show, and he sometimes headed for casinos right after committing the crimes.” ([New Orleans] *Times-Picayune*, 1/28/99)

“As Jim Hodges celebrated his startling victory on election night, a man stepped out of the raucous crowd to slap the Democratic governor-elect on the back and shout, ‘Marvelous, governor!’ The smiling man was Fred Collins, a multimillionaire and the biggest operator in South Carolina’s fast-growing \$2.3 billion-a-year video poker business....**Hodges and his allies spent at least \$6 million to boost his candidacy. About half of that money came from video poker operators.**” (*USA Today*, 1/7/99)

“The Mashantucket Pequots—who have **given more than \$1 million to national political parties**—now have a way to donate directly to candidates’ campaigns. The Pequots, owners of the highly lucrative Foxwoods Resort Casino in Mashantucket, Conn., formed a political action committee, or PAC, last year, according to Federal Election Commission records.” ([Hartford] *Courant*, 1/11/99)

“Nereida ‘Nettie’ Benitez saved for 30 years for her dream home. But now, her dream home is just a weed-filled hole in a lot next to her son-in-law’s parents’ house. **Her life savings are gone, gambled away by the builder, who stole her money**.... Benitez hired (Thomas) James to build her house and gave him her life savings, \$65,000.” (*Kansas City Star*, 1/14/99)

“After a night of drinking at a Kenner (La.) casino Saturday night, a **Ponchatoula man apparently shot himself to death in his car outside the gambling boat**, police said.” ([New Orleans] *Times-Picayune*, 11/8/99)

“**One man was shot to death** and another critically injured following an argument outside the Mohegan Sun casino (Montville, Conn.), police said.” (*Las Vegas Sun*, 11/8/99)

GAMBLING BENEFITS & COSTS

Earl L. Grinols

New Hampshire, 17 November 2009

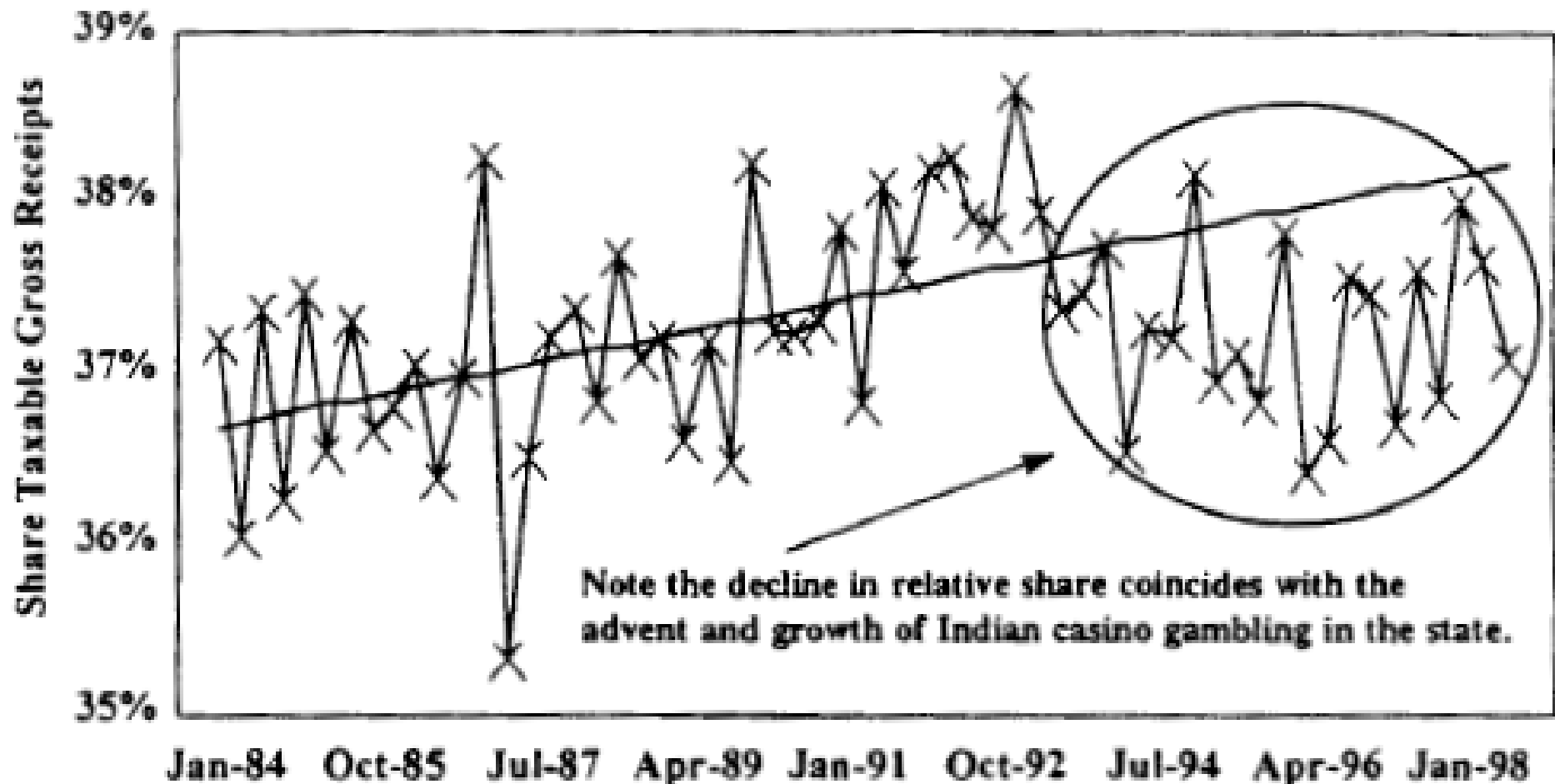
Independent research--not funded by
gambling or anti-gambling organizations.

- Cannibalization
- Benefits vs Costs
- Relevant Totals
- Crime



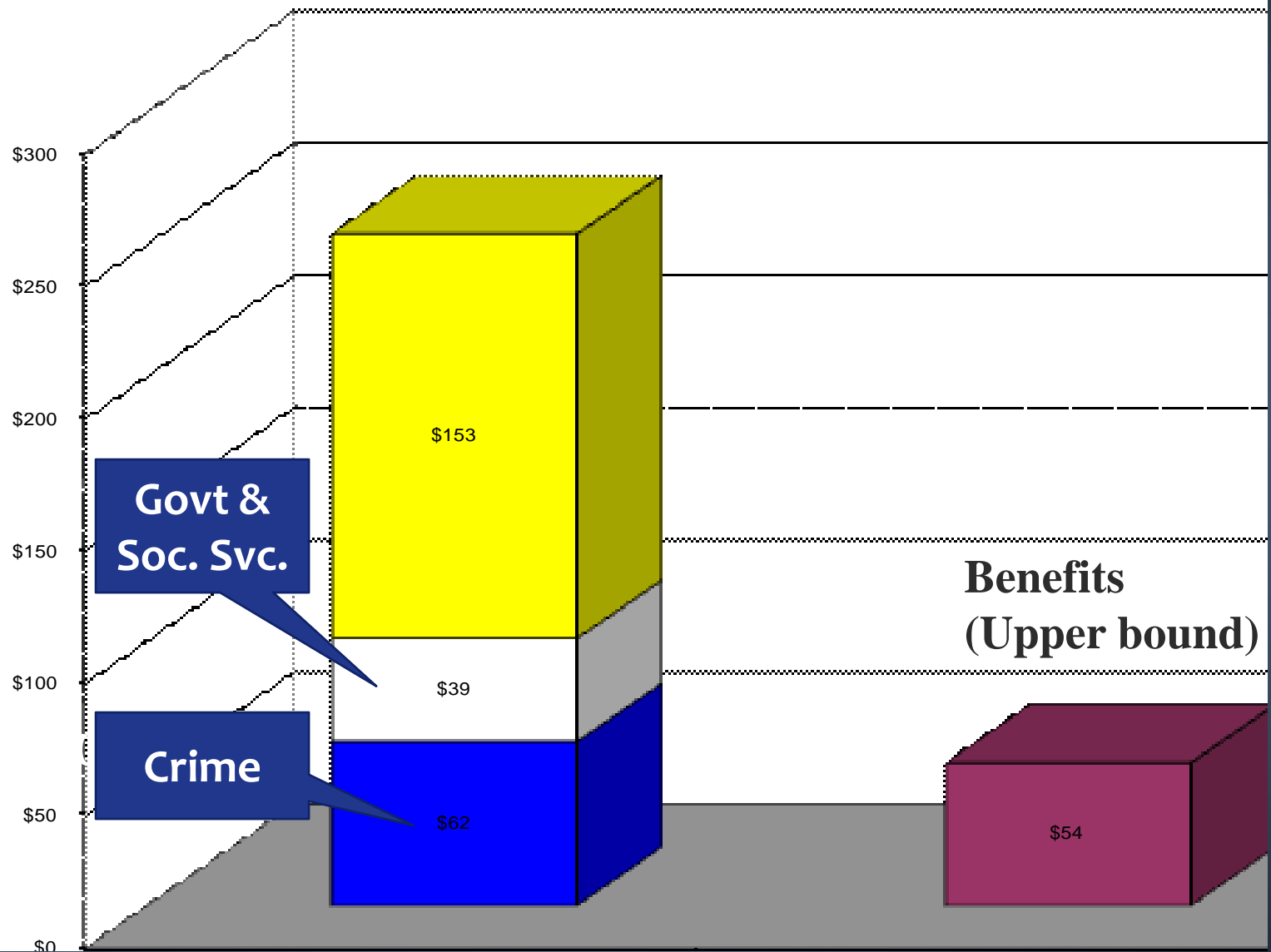
NM Taxation and Revenue Dept.

**Figure 6--Total Retail
Share of Taxable Gross Receipts**



[illegible]

Benefits Versus Costs



Costs Per Capita

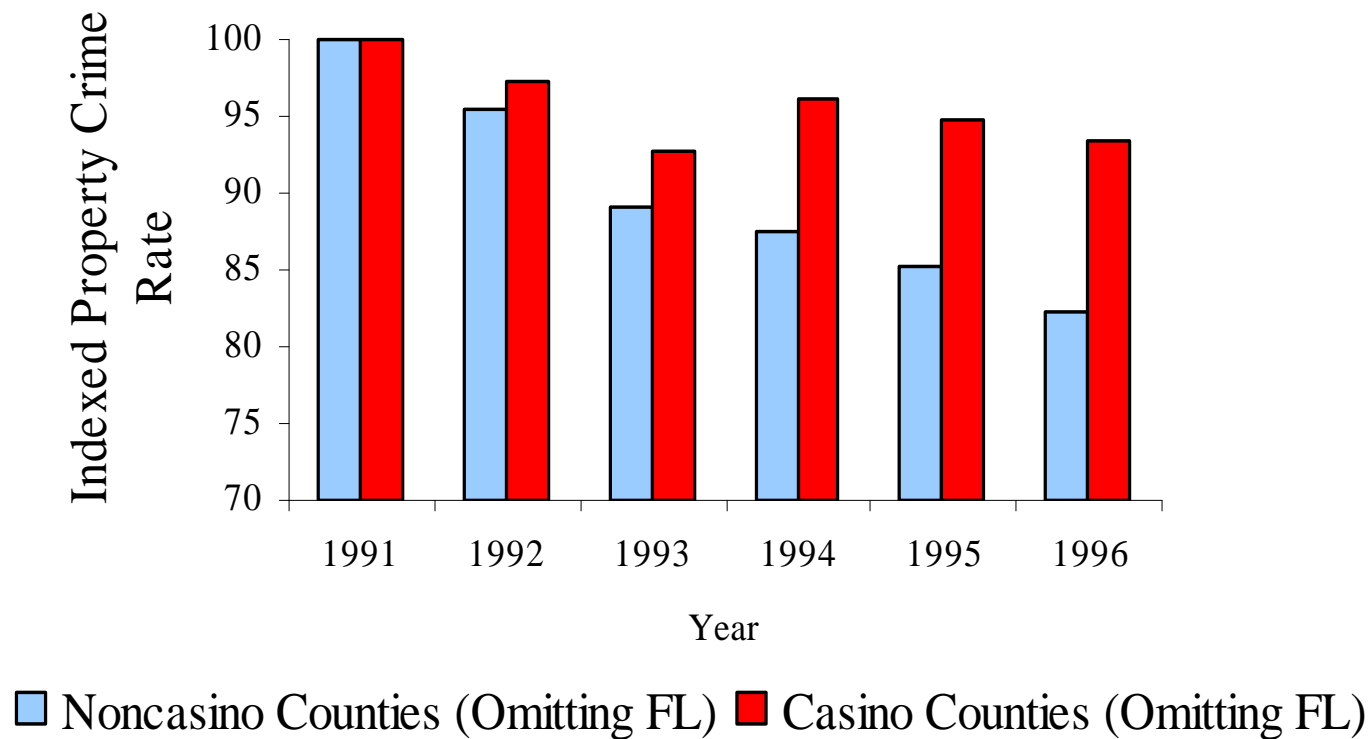
› Crime: Larceny, theft, loan fraud, rape, assault,, embezzlement, murder. (Apprehension, Adjudication, Incarceration, Rehabilitation).	\$62
› Business and Employment Costs	\$69
› Bankruptcy	\$ 3
› Suicide	\$??
› Illness	\$10
› Soc. Svc.: Welfare,unempl.comp.	\$ 23
› Gov't Direct Regulatory Costs	\$ 16
› Family Costs: Divorce, child abuse	\$ 1
› Abused Dollars	<u>\$ 70</u>
› TOTAL	\$254

- › “Our state has become reliant on an industry that rather than a boon has actually been a drain on our resources....
- › The people of this state were sold a bill of goods when the Legislature approved casinos and it’s time we cut our losses and cash out.”
- › *Rep. John Bradley, Illinois 2005*

The Productivity Commission seems to be saying that we were all crazy to ever let these machines into our communities.

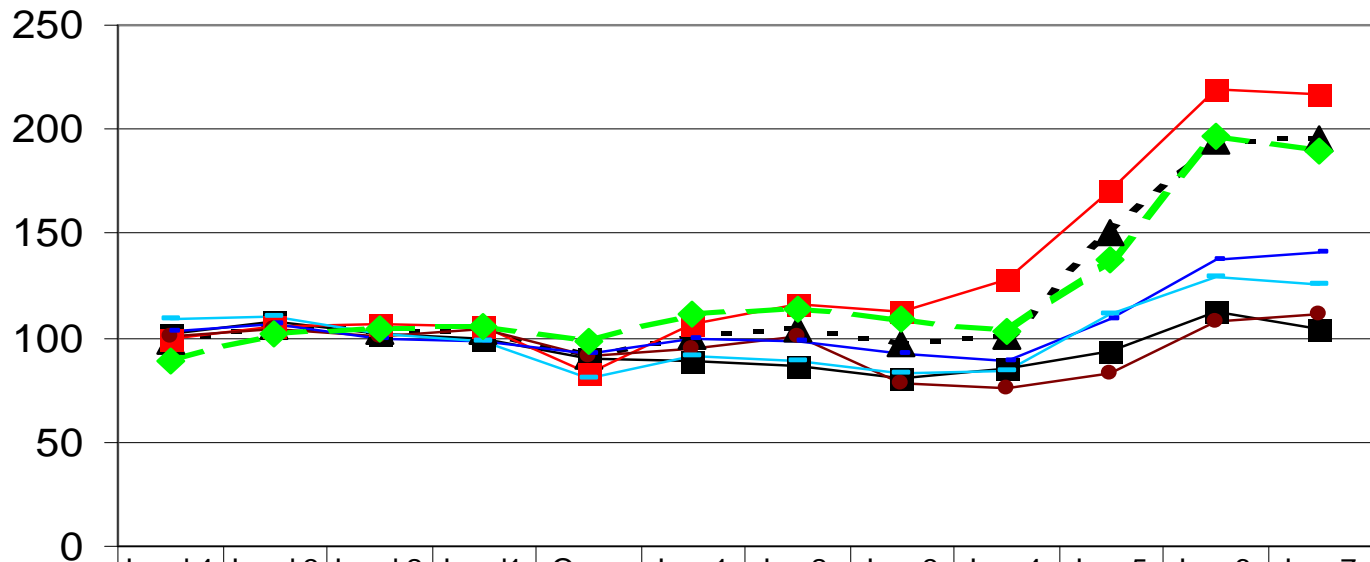
Nick Xenophon, Senator, South Australia
22 October 2009

Indexed Property Crimes: Casino vs. Non-Casino Counties



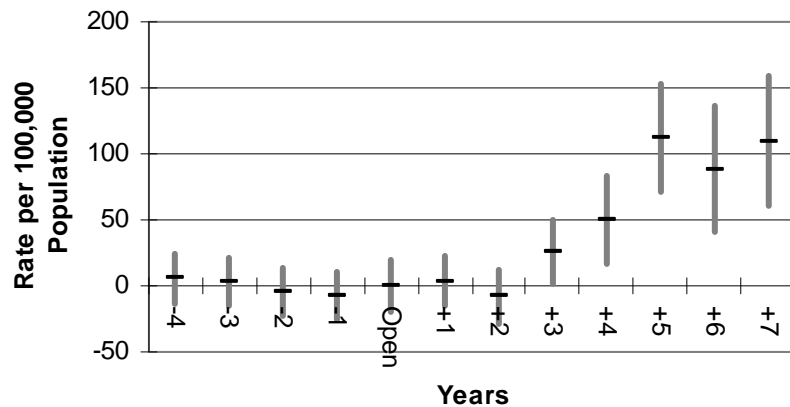
Crime Rates Before and After Casino Opening

All Casino Counties
(Omitting FL 1988, 1996)

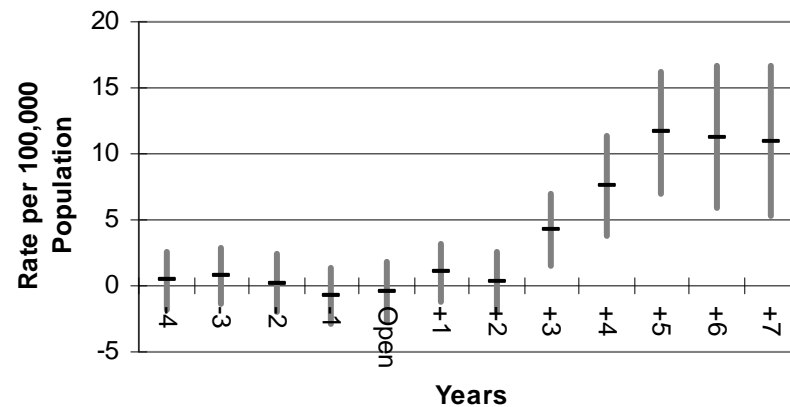


- -▲- - Aggravated Assault	98.087	105.56	102.97	102.69	90.695	100.51	103.82	97.398	101.28	149.88	194.03	195.02
—■— Rape	101.42	107.51	102.37	99.034	89.658	88.64	86.184	81.092	85.617	93.071	112.37	103.7
—■— Robbery	99.404	105.5	106.1	105.8	83.191	107.04	115.56	112.2	127.65	170.5	219.31	217.06
—●— Murder	100.17	104.5	100.33	104.31	90.688	94.616	100.86	78.444	75.43	82.67	107.91	111.17
—■— Larceny	103.6	106.2	99.201	98.558	92.444	98.944	98.071	92.041	88.465	108.86	137.69	140.92
—■— Burglary	108.97	109.73	102.16	98.148	80.994	91.212	88.759	82.938	84.322	111.35	128.84	125
—◆— Auto Theft	89.442	101.63	104.48	105.68	98.779	110.89	113.54	109.43	102.59	137.51	196.23	189.6

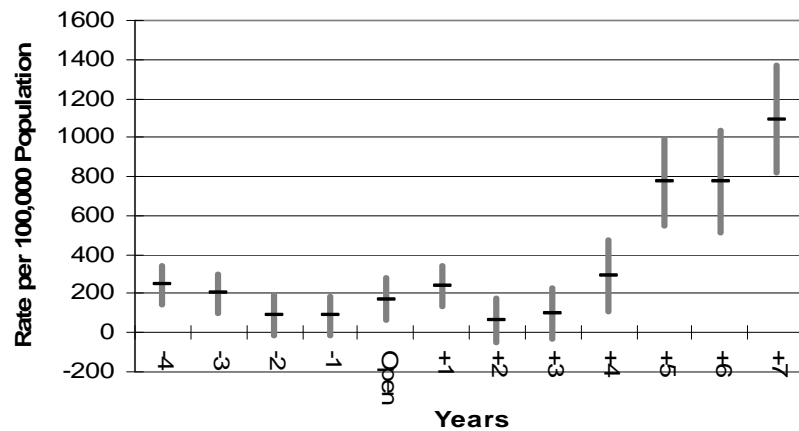
1: Aggravated Assault



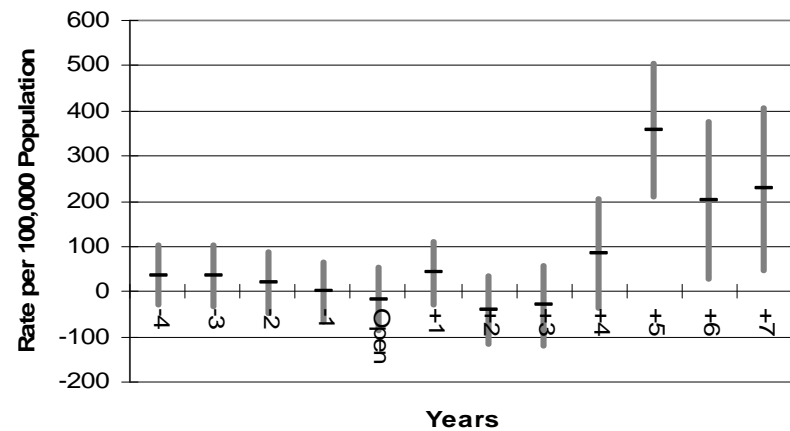
2: Rape



1: Larceny



2: Burglary



Recent Research: Gambling Visitors vs National Park Visitors

- › “After controlling for many other factors that influence crime, our county-level regressions consistently indicate that national park visitors have no effect on either property or violent crime. These results are true for a variety of different measures of park visitors, for different empirical specifications, and for different regression formats.”
- › *Grinols and Mustard, “How Do Visitors Affect Crime?” Baylor University, University of Georgia, October 2009.*