

HIGHLIGHTS

Basis of Findings

The National Opinion Research Center at the University of Chicago, in collaboration with Gemini Research, The Lewin Group, and Christiansen/Cummings Associates, collected or assembled and analyzed five new data sets on gambling behavior, problems, and attitudes. Three data sets were national surveys (2,417 adults at home via telephone, 530 adults intercepted in gaming facilities, and 534 adolescents (16 and 17 years of age) at home via telephone), and the other two were a 100-community statistical data base and ten community case studies on the effects of casino openings.

Changes in Gambling Participation Over Time

- The last national survey of gambling behavior was published in 1976, conducted in 1975, and covered participants' lifetime and past-year behavior, with "past year" defined as calendar year 1974.
- Since the 1975 survey, the ratio of adults who have never gambled has dropped from roughly one out of three to one out of seven, and gambling expenditures have increased from 0.30 percent of personal income to 0.74 percent of personal income.
- Patterns of adult gambling have changed substantially since 1975:
 - Lotteries and casinos are now the most common forms of gambling. The proportion of adults who played the lottery in the past year has doubled to about one adult in two, and the proportion who gambled in a casino in the past year has more than doubled, to 29 percent of adults.
 - Past-year bingo and horserace betting have declined by two-thirds and about one-half, respectively.
 - Gambling patterns among women have grown more like gambling patterns among men.
 - Proportionately fewer people aged 18 to 44 years are gambling, and proportionately more people 45 and older are gambling, with the most dramatic increase among adults 65 and older; however, it is still the case that the proportion of seniors who gamble is smaller than the proportion of gamblers in younger age groups.

Pathological and Problem Gambling

- Based on criteria developed by the American Psychiatric Association, we estimate that about 2½ million adults are pathological gamblers, and another 3 million adults should be considered problem gamblers.
- Extending these criteria more broadly, 15 million adults are at risk for problem gambling, and about 148 million are low-risk gamblers (about 29 million adults have never gambled).

- Although the telephone survey results alone did not detect statistically significant differences between men and women, the combined patron and telephone results indicate that men are more likely to be pathological, problem, and at-risk gamblers than women.
- Pathological, problem, and at-risk gambling are proportionately higher among African Americans than other ethnic groups, although African Americans still comprise a minority of all pathological gamblers.
- Pathological gambling is present in one out of five of the 1 percent of adults who consider themselves professional gamblers.
- Pathological gambling is found proportionately less often among people who are over 65, college graduates, and in households with incomes over \$100,000 a year; however, college graduates are more likely to be at-risk gamblers than those at other education levels.
- The availability of a casino within 50 miles (versus 50 to 250 miles) is associated with about double the prevalence of problem and pathological gamblers, according to the combined patron and telephone survey results. This finding is similar to the difference in the overall level of past-year casino gambling (40 percent of adults living close to casinos versus 23 percent of adults living 50 to 250 miles away); however, these prevalence rates were not different in the telephone survey alone.
- Pathological and problem gamblers are more likely than other gamblers or nongamblers to have been on welfare, declared bankruptcy, and to have been arrested or incarcerated.
- Pathological and problems gamblers are much more likely than low-risk gamblers to gamble for the excitement, to have been troubled by mental or emotional problems including manic symptoms and depressive episodes, and to have received mental health care in the past year.
- Pathological and problem gamblers, who comprise about 2.5 percent of adults, probably account for 15 percent of casino, lottery, and pari-mutuel receipts from the gamblers who are represented in the surveys.
- Pathological and problem gamblers in the United States cost society approximately \$5 billion per year and an additional \$40 billion in lifetime costs for productivity reductions, social services, and creditor losses. However, these calculations are inadequate to capture the intrafamilial costs of divorce and family disruption associated with problem and pathological gambling.

Youth Gambling

- Youths 16 and 17 years old gamble less than adults and differently from adults, primarily betting on private and unlicensed games—especially betting on card games and sports and buying instant lottery tickets.
- Youthful gamblers tend to bet much smaller amounts of money than adults.

- Adjusting for the smaller amounts of money at stake, the rates of pathological and problem gambling among 16 and 17 year olds are similar to those for adults, and the rate of at-risk gambling is about double the adult rate.

Community Impact of Casinos

- In communities proximate to newly opened casinos, per capita rates of bankruptcy, health indicators, and violent crimes are not significantly changed (changes in nonviolent and minor crime rates could not be analyzed statistically).
- Unemployment rates, welfare outlays, and unemployment insurance in such communities decline by about one-seventh.
- Construction, hospitality, transportation, recreation, and amusement earnings rise, but bar, restaurant, and general merchandise earnings fall, and race tracks are vulnerable to casino competition.
- Per capita income stays the same, indicating the communities reap more jobs, but not necessarily better jobs. There appears to be more of a shift in the types and locations of work than a net improvement in the local standard of living.
- There is wide perception among community leaders that indebtedness tends to increase as does youth crime, forgery and credit card theft, domestic violence, child neglect, problem gambling, and alcohol/drug offenses.