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Online gambling is nothing to celebrate

By Jay Evensen , Deseret News

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A sample poker game is played on the in Las Vegas. The social gaming company launched the first legal, real-money poker site in the U.S. The Ultimate Gaming site will be available only to in players in Nevada, but likely represents the shape of things to come for gamblers across the country. (Julie Jacobson, ASSOCIATED PRESS)

If it is true, as people who study such things say, that proximity feeds addiction, then what will happen to the number of gambling addictions when every laptop and mobile device turns into a traveling casino?

And if, as the London research company H2 Gambling Capital has said, Americans could spend \$4.3 billion during the first year alone if online gambling were made legal nationwide, and that this figure would grow to \$9.6 billion by the fifth year, when will the nation stop to consider whether this monumental waste of resources provides any net benefits to society; or whether, like cocaine, heroine or other illegal substances it ruins lives, destroys productivity, leads to other crimes and ought to be strictly outlawed?

You aren't likely to hear these questions seriously debated in the American public square. You are more likely to hear talk of personal liberty, as if the Founding Fathers sacrificed all so that we could play poker in our pajamas.



Ultimate Gaming chairman Tom Breitling, left, and CEO Tobin Prior sit for a photo at their company headquarters, Monday, April 29, 2013, in Las Vegas. (Julie Jacobson, ASSOCIATED PRESS)

Morality, or conduct that is demonstrably right or virtuous, seems to be the thing that gets pushed to the corner in polite company, along with other things we are free to do if we please, so long as we don't impose them on others. Meanwhile, the costs of gambling get pushed on all, willing or not. Liberty, indeed.

In case you were wondering, online gambling still is considered a crime in the United States, at least technically. But this is one area of the law the Obama administration has decided to treat in line with ultra-conservative orthodoxy. States more or less get to choose on their own.

New Jersey Gov. Chris Christie signed a bill last March making Internet gambling legal in his state. So did governors in Delaware and Nevada. And this week in Nevada the subsidiary of a Las Vegas casino became the first to begin a fully legal poker website in the United States. News reports say about 20 other companies are ready to begin their own sites, as well.

Scared to death of even the whiff of engaging in interstate commerce, which might give some future U.S. attorney general an excuse to crack down, the company starting the first site has several redundant mechanisms in place to make sure every customer is physically in the state of Nevada.

But if you think Internet gambling isn't going to try to spread from coast to coast, you don't know the history of the industry. Nor are you familiar with gambling's growth curve in the United States.

In 2007, Americans lost more than \$92 billion gambling, which was about nine times what they lost in 1982. That's according to Sam Skolnik, who wrote the book *High Stakes: The Rising Cost of America's Gambling Addiction*. In just one five-year period, 2000-2005, the number of Americans patronizing casinos or other legal gambling halls increased by 20 million.

Proponents sometimes claim Americans have always gambled, and that legalizing it has only legitimizes what is going on, anyway. Really?

Earl Grinols, an economics professor at Baylor University, has done a cost-benefit analysis of gambling. His conclusion? It isn't even close. At best, he said, costs outweigh benefits by at least 3 to 1.

This isn't just moralizing. Gambling produces no product that can be sold or exported. It does, however, remove billions of hard-earned dollars from people who otherwise might spend or invest in things of value. It also takes money from other forms of recreation.

But we shouldn't ignore the moral aspects, either. Not long ago, most state constitutions prohibited gambling. It was understood to be a vice, an activity that squandered money and destroyed lives. States felt it necessary to outlaw something that produced disturbing social costs and contributed nothing.

Now those arguments get drowned out by self-righteous shouts about personal liberty.

As Leslie Bernal, executive director of Stop Predatory Gambling, told me recently, "We've lost the sense that how we earn money matters."

Perhaps more to the point, we seem unconcerned with how we lose it.

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