

# Gambling and the Public Good

## A Statement of The American Lutheran Church (1984)

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*Adopted Oct. 20, 1984, by the Twelfth General Convention of The American Lutheran Church (GC84.20.28) as a statement of comment and counsel addressed to the members of congregations of The ALC. Ballot vote tally: Yes 880 (96.3%), No 33 (3.6%), Abstain 1 (0.1%).*

1. "Gambling" is a designation which describes a wide variety of activities from state-run lotteries and pari-mutuel betting\* to private poker parties and wagering on sporting events. Gambling has been described as involving three elements: **(a)** a *valuable consideration*, mutually risked in the hope of **(b)** winning a *significant prize*, which is awarded **(c)** not primarily for skill or ability but largely by the *caprice of chance*.

\* Pari-mutuel betting is a system of betting on races whereby the winners divide the total amount bet, after deducting management expenses, in proportion to the sums they have wagered individually.

2. Thus understood, gambling is very different from the normal risk-taking, prudent investments, and ordinary choices which every human must make in life. Those who oppose gambling point out that the gambler neither renders a constructive service to obtain the thing desired, nor offers a fair price or value in exchange, nor does he or she receive it as a voluntary gift from a generous benefactor.

3. Some form of gambling is presently legal in 47 of the 50 states. Only Indiana, Utah, and Hawaii ban all types of gambling. Fifteen states run lotteries; twenty-nine permit betting on horse or dog racing. As states struggle to find revenues to support their programs, the temptation to utilize gambling as a revenue resource increases. States have been able to raise a significant amount of money from gambling activities. For example, net revenue for the State from the Illinois Lottery was \$88.6 million in fiscal year 1981. During the same year, New York sold \$410 million in lottery tickets. In a number of states, gambling revenues are used to support a wide variety of charitable or community organizations and causes.

4. Serious questions and concerns have been raised, however, with respect to legalizing gambling as a revenue resource. Among those cited are the following:

a) Legalized gambling tends to extract revenues from those who may be least able to resist the temptation to gamble rather than from those who ought to be paying to support state programs. Studies have indicated the disposition of low-income families to spend a greater fraction of income on gambling, as on other items such as food or alcohol, than higher-income families. This means that receipts from gambling become another regressive tax when used as a source of

revenue. The wisdom of such regressive taxation as sound public policy deserves further public discussion.

**b)** Legalized gambling may also encourage more illegal gambling, since a greater total volume of gambling may provide a more favorable environment for illegal operators. Illegal gambling can offer higher odds than legal games, since it does not have to pay a portion in tax revenues. By encouraging illegal gambling, legalized gambling may indirectly add to already overburdened state budgets by increasing law-enforcement costs.

**5.** Other concerns about various forms of gambling have been expressed at a more personal level. Legalized gambling can be regarded as detrimental to persons and communities when it:

**a)** increases the number or further degrades those maladjusted persons who take refuge from the problems of life by indulging compulsively in gambling;

**b)** diverts personal and family incomes from basic business, professional and civic services essential to community well-being;

**c)** contributes to an increase in broken homes or undermines the moral fiber, character, and integrity of people and community by giving public sanction to covetous desires to get rich quickly, at the expense of neighbors, without providing any skills or services which enrich the life of the community.

**6.** There are no biblical or theological grounds for any absolute prohibition of gambling. Biblical references to casting lots do not pertain to gambling as here defined. While the commandments against stealing and coveting are sometimes cited against gambling, their direct applicability to all forms of gambling would be difficult to maintain. As both the stake and the prize in gambling are willingly offered, it is not clear that a prohibition against stealing would apply to gambling. While it is certainly true that in many instances covetousness may lie at the heart of a person's interest in gambling, it is not a necessary precondition for engaging in gambling activities.

**7.** Nevertheless, the absence of direct biblical prohibition does not resolve moral and ethical questions related to gambling. All of the factors pertaining to the well-being of individuals and the community should be carefully weighed in making responsible decisions. The following considerations should also be weighed:

**a)** All citizens should be willing to pay taxes in the amount necessary for the state responsibility to fund the needed functions of government. Only in this way will the temptation of the states to look to gambling for necessary revenues be lessened.

**b)** Congregations and charitable organizations should strive to keep their fund-raising practices free from appeals to unhealthy motivations such as greed or materialism. Appealing to peoples greed in order to increase their charity is not a desirable style of fund-raising.

**c)** All people involved in gambling should carefully examine their own motivation for engaging in such activities and judge the quality of their stewardship as it applies to their use of their resources in gambling. Questions such as the following should be asked: Can I afford to spend my time and money in order to be entertained in this way? Is gambling a positive or a negative experience in my life? Is my motivation to engage in gambling primarily selfish or covetous?

**8.** The apostle Paul has reminded us that while "all things are lawful, not all things are helpful." Christians and others will need to consider the wide range of issues noted above in making

decisions about lending their support to legalized gambling or participating in gambling where it is legal. In the light of their values they will need not only to ask "Why not gamble?," but also "Why gamble?"