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# Poor people spend 9% of income on lottery tickets; here's why

**[Geoff Williams](#)**

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*The Consumerist* [recently had an interesting post](#) about a study that shows that poor households, with annual take-home incomes under \$13,000, on average, spend \$645 a year on lottery tickets, which comes to about 9% of their yearly income.

[While the study is about two years old](#), I doubt things have changed much since then, and it got me to thinking about how I grew up. My parents never played the lottery, but I have a grandmother who did -- and probably still does -- and I had a lot of uncles and aunts who also played. One might think that would have influenced me to play, but if anything, it probably did the opposite. After all, even when I was eight years old, I could see that my uncles and aunts, despite playing the lottery every day, weren't exactly rich. And my relatives always made it clear that they knew they were on a fool's errand.

How foolish? Well, [according to Powerball's website](#), the odds of winning the grand prize are 1 in 195,249,054.

So why do people without a lot of money play the lottery, especially if they know that the odds are against them? I have some theories, ranging from the obvious to, hopefully, the insightful.

**The hype is hard to ignore.** As I'm writing this, the winnings for the next Powerball -- arguably the best known lottery, though obviously there are a lot of different lotteries out there -- [is at \\$220 million](#). Now, I hadn't read about this \$220 million figure until I started researching this post, so I'm guessing it's not that big of news. But if nobody wins the next drawing, or the next, and that jackpot gets bigger, the media will start covering it more. ([Wikipedia states that the highest Powerball jackpot was in 2006 for \\$365 million.](#)) And the more people who start buying into a lottery, the harder it can be to resist -- even if your logical side tells you that the odds of winning are virtually impossible and that your money would be better served staying in your wallet. Still, it's easy to understand why someone with almost no cash would want to buy into the possibility of having more income than they know what to do with.

**Playing the lottery can feel like you're being a responsible person.** This one's just a guess. I've been very cash poor in my time -- no secret there -- but I've probably only played the lottery twice in my life. Still, I can see how when you're looking at a bank account with very limited resources, and your dreams, hopes and goals are unlimited, you feel a real sense of helplessness when you don't have the means to make anything significant happen. So even though the odds might be a gazillion to one, the act of *doing something* that could make all that financial pain go

away probably feels like a responsible financial move.

**It can become a ritual.** Growing up throughout the 1970s and 1980s, I'd watch my relatives, every evening, gather around the TV to see the numbers pop up on the lottery machine.

I'm sure a folklorist would have had a field day with some of my relatives. Some of them, who I would probably classify as the working poor, wrote down their numbers on a pad of paper, tracked how close they came on each day for the week and then would discuss their reasons for picking their combination in the same way scientists might reveal why they came to a conclusion for a certain theory they're advancing. One of my uncles would buy tickets for several of his brothers and sisters in the morning, then they'd pay him back at some point during the day or week, and in the evening, they'd watch the TV and call each other to discuss how they did or didn't do.

In other words, this wasn't just about picking some numbers -- they were using the lottery to fuel each other's daydreams and aspirations, and to discuss it in a way that people today might dissect the *Lost* or *American Idol* finale on Facebook. They were losing money every day, except for those rare occasions when someone would actually win something, but they were getting something from their money, too. You could look at it as if they were paying daily dues to belong to a lottery club.

But having a reason for playing the lottery doesn't translate into having a *good* reason. I almost felt physically ill when I read that some of the nation's poorest people are spending 9% of their annual income playing the lottery. They, of course, are playing it because they're desperate, and in the long run, it's arguably the lottery fueling this desperation. That most lotteries are run by the state governments for a willing public isn't just sad, but a national financial tragedy.

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