

# Gambling: A Bad Deal for Illinois

## Illinois State Lawmakers Should Not Exploit Its Own Citizens

### Gambling Does NOT Generate Economic Growth

A U.S. News & World Report computer analysis of 55 counties that got casinos between 1990 and 1992 found that the 4 percent increase in new businesses in these counties matched that for the rest of the nation, leading to the conclusion that gambling does not generate economic expansion in the areas in which it operates. <http://www.pbs.org/wgbb/pages/frontline/shows/gamble/etc/facts.html>

### Costs to Society

Economist Earl Grinols' calculations show that social costs outweigh benefits by a factor of \$190 to \$34, or 5.6 to 1. (Earl L. Grinols, "Cutting the Cards and Craps: Right Thinking About Gambling Economics," Prometheus Books, 2003, p.14.)

### Increased Bankruptcies

A five-year Iowa study found that counties having a casino, racetrack or riverboat had a bankruptcy rate averaging 21% higher than the rest of the state. (John McCormick, "Many Iowans Going for Broke," Des Moines Register, June 15, 1997, p.1. (Note: For the years 1991-1996.)

Nevada, the 35th most populous state, ranks 4th in terms of total bankruptcies. (Data provided by the American Bankruptcy Institute.)

Of California's 58 counties, the two with the highest bankruptcy rates are Riverside and San Bernardino – both are adjacent to Las Vegas. (Data provided by the American Bankruptcy Institute.)

### Loss of Jobs – Damage to the Economy

A leading study from Australia in 2000 concluded that for every 80 video gambling machines, \$2 million was drained from and "damaged the local economy" each year. Furthermore, for every three video gambling machines, two jobs were lost. The average worldwide was one net job lost each year per EGD/slot machine. (Gambling: Executive Summaries & Recommendations, p. 328, U. S. International Gambling Report, 2009.)

### Addictions

There is a 90% increase in the odds of being a pathological or problem gambler if a casino is within a 10 mile radius of home. (Source: John W. Welte, PhD, the principle investigator in a 2005 study by the Research Institute on Addictions at the University of Buffalo.)

### Compulsive Gamblers

In 1980, compulsive gambling was recognized by the American Psychiatric Association as an impulse control disorder.

### Youth

Young people experience at-risk gambling behavior at twice the rate of adults. Gambling among young people is on the increase: 42 percent of 14-year-olds, 49 percent of 15-year-olds, 63 percent of 16-year-olds, 76 percent of 18-year-olds. [http://www.ilcaap.org/addiction\\_information/gambling\\_statistics-2.php](http://www.ilcaap.org/addiction_information/gambling_statistics-2.php)

### Suicide

"Illinois, Wisconsin, and New Jersey surveys (of Gamblers Anonymous members) have found that 79% wanted to die, 67% contemplated suicide, 49% had a definite plan to kill themselves, and 18% had attempted a potentially lethal suicide attempt." (Statement by Dr. Henry R. Lesieur in a presentation to the National Council on Problem Gambling. Chicago, September, 1996.)

Las Vegas “displays the highest levels of suicide in the nation, both for residents of Las Vegas and for visitors...” In Atlantic City, NJ, “abnormally high suicide levels for visitors and residents appeared only after gambling casinos were opened.” (*David P. Phillips, Ward Welty and Marissa Smith, “Elevated Suicide Levels Associated with Legalized Gambling,” Suicide and Life-Threatening Behavior, vol. 27, December 1997, p. 373.*)

In Gulfport, MS, suicides increased by 213% (from 24 to 75) in the first two years after casinos arrived. In neighboring Biloxi, suicide attempts jumped by 1,000% (from 6 to 66) in the first year alone. (*Attorney General J. Joseph Curran, Jr., “The House Never Loses and Maryland Cannot Win: Why Casino Gaming Is a Bad Idea,” Report on the Impact of Casino Gaming on Crime, October 16, 1995, p. 7.*)

### **National Gambling Impact Study Commission 1999**

“...the Commission recommends that states should not authorize any further convenience gambling operations and should cease and roll back existing operations.”

“...jurisdictions considering...significant expansion of existing gambling operations should sponsor comprehensive Gambling Impact statements. Such analyses should be conducted by qualified independent research organizations and should encompass...economic, social and regional effects of the proposed action.”

“The members of the Commission agree that there is a need for a “pause” in the growth of gambling.” “...some policymakers may wish to impose an explicit moratorium on gambling expansion...”

<http://go.info.library.unt.edu/ngisc/reports/ngisc-frr.pdf>

### **Crime**

The crime rate in Minnesota counties with casinos accelerated over 200% faster than counties without casinos. (*Dennis J. McGrath and Chris Ison, “Gambling Spawns a New Breed of Criminal,” [Minneapolis] Star Tribune, December 4, 1995, p. A6.*)

A *U.S. News & World Report* analysis found average national crime rates in casino communities to be 84% higher than communities without casinos. (*Joseph P. Shapiro, “America’s Gambling Fever,” U.S. News & World Report, January 15, 1996, pp. 58, 60.*)

University of Nevada-Las Vegas researchers concluded that the state of Wisconsin experiences an average of 5,300 additional major crimes a year due to the presence of casinos in that state. An additional 17,100 less serious crimes were also attributed to the existence of casinos. (*William M. Thompson, Ricardo Gazel, and Dan Rickman, “Casinos and Crime in Wisconsin: What’s the Connection?,” Wisconsin Policy Research Institute Report, November 1996.*)

**“People will spend a tremendous amount of money at the casinos,  
money they would normally spend on buying a refrigerator or a new car.  
Local businesses will suffer because they will lose customer dollars to the casino.”**

**~Donald Trump**

The bottom line: The government should not be in the business of advancing an industry which is dependant on the exploitation of its own citizenry. A successful gambling industry requires losers—lots of them. ■

