
From Back Room to Living Room

Changing attitudes toward gambling

By Rachel A. Volberg, Marianna T. Toce, and Dean R. Gerstein

Longstanding ambivalence characterizes the history of gambling in the United States, as successive waves of leniency alternate with severe repression.¹ In the early 19th century, the risky and transient society of river towns and steamboats along the lower Mississippi River fostered the emergence of professional gamblers and new games characterized by speed and portability. In the mid-19th century, as newly settled areas sought to emulate more established and respectable communities in the East, professional gamblers became the focus of violent popular justice throughout the Southwest. In the same period, casino gambling flourished on the mining frontier in California and the newly popular games were introduced by syndicates to cities in the East.² It was not until the end of the 19th century, with the ascendancy of Victorian respectability and the spectacular collapse of the Louisiana Lottery, that casino games and lotteries were outlawed throughout the US. In the wake of federal legislation intended to eliminate fraudulent games, legal gambling opportunities were heavily restricted throughout the US and remained so for most of the 20th century.³

In 1976, when the Commission on the Review of the National Policy Toward Gambling issued its report, only 13 states had lotteries, two states (Nevada and New York) had approved off-track wagering, and there were no casinos outside of Nevada.⁴ The gambling industry has grown tenfold since this Commission sponsored the first comprehensive national survey on American gambling behavior (carried out

Rachael A. Volberg is president, Gemini Research; Marianna T. Toce is senior research analyst and Dean R. Gerstein is senior research vice president, the National Opinion Research Center.



by the University of Michigan's Survey Research Center) in 1975. Today, a person can make a legal wager of some sort in every state except Utah, Tennessee, and Hawaii; 37 states have lotteries, 28 states have casinos and 22 states have off-track betting.⁵ Key markets targeted by the gambling industries include the middle class, young adults, women, and seniors.

Just as telling as the expansion of gambling into new jurisdictions is the growth of the gambling industries. Between 1975 and 1997, revenues from legal wagering in the US grew by nearly 1,600%, from \$3 billion to \$51 billion, while gambling expenditures more than doubled as a percentage of personal income, from 0.30% in 1974 to 0.74% in 1997.⁶

There are numerous ways that legal gambling now reaches into American society. The operation and oversight of gambling activities have become part of the routine processes of government. Gambling commissions have been established, gambling revenues distributed, and constituencies of customers, workers, and suppliers have emerged. Governments have become dependent on revenues from legal gambling to fund essential services. So too, to varying degrees, have churches, voluntary organizations, the mass media and, more recently, researchers and gambling treatment providers—sectors that traditionally served as critics and the conscience of society. Many non-gambling occupations and businesses have also become dependent on legal gambling. Lawyers, accountants, architects, public relations and advertising, security services, and financial services have expanded their activities to provide for the gambling industry. Convenience stores, retail operators, restaurants, hotels, and social clubs now depend on revenues from legal gambling to continue operating profitably. Casino staff and political action committees have become key funding sources for political parties, elections, and ballot initiatives.

Public opinion and the political landscape have changed tremendously in 25 years. Lawmakers around the country have dramatically eased existing gambling restrictions, and states now aggressively market their own games of chance, as well as marketing themselves to the casino industry. These changes have brought not only the opportunity to gamble, but an *awareness* of the opportunity to gamble, into the everyday lives of consumers around the country. With the rapid expansion of legal gambling in America, traditional assumptions about gambling are losing their salience. While the notion of gambling as a vice and of gamblers as weak individuals who must be protected from exploitative operators holds sway in United States law, this idea is at odds with the new view of gambling as entertainment and with the new role of governments as promoters as well as regulators of gambling.⁷

Gambling participation in general, as well as participation in particular types of gambling, is linked to the communities in which these behaviors occur and to the norms and values of members of those communities. Differences have been found in the types of gambling preferred by middle-class and blue-collar gamblers, by men and women, and by white and black Americans.⁸ Age is the demographic characteristic most

strongly linked to gambling participation. Numerous studies show that older Americans are less likely than younger Americans to gamble and, when they do gamble, to be involved in only a few activities. However, older Americans who do gamble on any given activity do so as frequently as, if not more frequently than, their younger counterparts.⁹

While gambling had substantial social acceptance even before most Americans had access to legal gambling opportunities,

“In 1976, only 13 states had lotteries, two states had approved off-track wagering, and there were no casinos outside of Nevada.”

the results of polls over several decades in the US indicate that this acceptance has grown rapidly with increased access. For example, in 1950, a Gallup poll estimated that 57% of the American population had ever gambled; in 1975, the Michigan/Commission survey showed that 68% of adults had ever gambled; a NORC survey in 1998 found that 86% of adults had ever

gambled (see data, page 19). In 1975, 61% of Americans had gambled in the previous year; a 1999 Gallup poll found that 69% had gambled “legally” in the past 12 months. (However, individual definitions of gambling in the 1999 Gallup survey varied widely; 52% of the respondents defined stock market investment as a form of gambling, 22% did not consider buying state-sponsored lottery tickets to be gambling, and 33% did not consider poker games among friends to be gambling.) In 1998,

“Today, a person can make a legal wager of some sort in every state except Utah, Tennessee, and Hawaii; 37 states have lotteries, 28 states have casinos and 22 states have off-track betting.”

giving all respondents a standard definition of gambling that included casinos, lotteries, track and sports betting, bingo, private card games, and the like (but not stock trading), the NORC survey for the National Gambling Impact Study Commission found that 63% of adults had gambled in the past year.¹⁰

Although gambling participation has increased, attitudes toward gambling have not changed dramatically. According to the 1999 Gallup survey,

29% of adults said gambling is immoral, compared with 27% in 1996 and 32% in 1992. In 1995, in a survey by the casino company, Harrah’s Entertainment, 61% agreed that “[g]ambling is harmless fun and the government should make it legal so it can be regulated and taxed,” up from 53% in 1992.¹¹ Also according to the Harrah’s survey, 55% of the respondents agreed that they “would favor the introduction of casino gaming into my local community because of its benefits to the local economy,” up from 41% in 1992.¹² However, the 1999 Gallup survey found that only 22% of adults favored further expansion of legal gambling, while 47% favored the status quo and 29% wanted legal gambling opportunities reduced or banned outright. The evident reason for this general disincli-

Why People Gamble

Opinion surveys on gambling characteristically ask how much people gamble and what they think about various policy options and consequences. However, a key underlying question for better understanding gambling issues is why people gamble in the first place, and whether these motives are malleable or robust.

In 1975, the national commission survey asked respondents *why* they played each game they had participated in during the past year, allowing them to choose up to three reasons from a list of 11. NORC's 1998 survey asked all respondents who had ever gambled why they generally gambled, with respondents rating whether each of four reasons was "very important," "important," "not so important," or "not at all important." To make responses as comparable as possible, we compared the 1975 "casino" patrons, where casinos had been defined to include a wide variety of establishments, with 1998 respondents whose venues of gambling in the past year most closely fit "casino" as defined in the 1975 research.

From 1975 to 1998, the percentage of people who gambled to win money increased by one-half, from 44% to 66%; however, the percentage who said they gamble for excitement or challenge declined by almost one-third, from 70% to 49% (see Figure 1). The 1998 numbers tell a similar story to the one told by a 1993 Roper Starch survey, which found three-quarters of casino patrons saying the primary reason they visit casinos is to win "a really large amount of money," while only 57% said that entertainment and recreation were important reasons for visiting casinos. Americans in the 1990s appear to be gambling less for the entertainment value and more as though gambling were a nonsalaried second job, like day-trading or selling real estate.

Using the 1998 data set, we explored further the relationship between reasons for gambling and demographic characteristics. As shown in Table 1, education and income provide a limited explanation as to why people gamble. No income

nation for the expansion of gambling was that, while two-thirds (67%) of adults said casinos generally help a community's economy, 56% believed casinos damage everyday family and community life (see data, page 16).

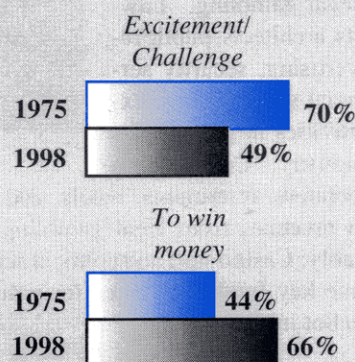
Other Gallup results (from 1996) indicate that the majority of Americans (67%) believe legalized gambling encourages the people who can least afford it to squander their money, and

Figure 1

Why They Play

Question: Please tell us... whether each of the following reasons was very important, important, not so important, or not at all important to you as a reason for gambling.... the excitement or challenge of gambling... to win money.

Those responding important or very important



Note: Asked of those who had gambled at a casino in the past year.

Source: Surveys by the Survey Research Center for the Commission on the Review of the National Policy Toward Gambling, 1975; and the National Opinion Research Center (NORC) for the National Gambling Impact Study Commission, September 8-December 15, 1998.

group was more or less likely than any other to gamble to win money or as a way to socialize. However, persons with less than a high school education were the least likely to say that excitement was an important reason for gambling.

Males were more likely than females, and persons 18 to 29 more likely than other age groups, to gamble for excitement. There was a change with age in whether people gambled to win money: Adults less than 30 years of age were about 15

61% say that legalized gambling can make a compulsive gambler out of a person who would never gamble illegally.¹³ According to a Scripps Howard survey in 1996, about one-third of Americans reported knowing someone whose gambling caused him or her financial problems, while the 1999 Gallup survey found that 41% of adults knew someone outside of their family (and 9% knew someone inside their family) for whom gambling has been a source of problems.¹⁴

Table 1

Reasons for Gambling

Question: Please tell us... whether each of the following reasons was very important, important, not so important, or not at all important to you as a reason for gambling.... the excitement or challenge of gambling... to socialize with family and friends... to win money.

Those responding important or very important

	<i>Excitement/ Challenge</i>	<i>To socialize</i>	<i>To win money</i>		<i>Excitement/ Challenge</i>	<i>To socialize</i>	<i>To win money</i>
Total	40%	36%	65%				
<i>Sex</i>				<i>Education</i>			
Male	43	36	66	Less than HS	32	36	63
Female	36	35	64	HS Graduate	41	33	71
				Some College	39	33	65
<i>Race/Ethnicity</i>				College graduate	41	41	60
White	41	36	63				
Black	37	29	78	<i>Income</i>			
Hispanic	34	43	65	Less than \$24K	35	36	64
				\$24K to \$49,999	43	34	69
<i>Age</i>				\$50K to \$99,999	42	37	62
18 to 29	51	43	72	More than \$100K	40	39	65
30 to 39	42	34	66				
40 to 49	35	39	65				
50 to 64	32	32	60				
65 and older	33	33	56				

Source: Survey by NORC for the National Gambling Impact Study Commission, September 8-December 15, 1998.

percentage points more likely than adults 65 and older to say that winning money was an important reason to gamble, with all others falling in between.

Finally, we noted a clear ethnic difference. Hispanics were 14

percentage points more likely to gamble as a social activity than were blacks, while blacks were more likely than whites and Hispanics to gamble to win money.

—Marianna Toce, Dean Gerstein, and Rachel Volberg

The 1975 Michigan/Commission study was the first comprehensive national survey of gambling behavior and attitudes in the US; the second was conducted by NORC (working with Gemini Research and other partners) for the National Gambling Impact Study Commission in 1998.¹⁵ While the 1975 and 1998 surveys used different methodologies on a variety of dimensions, they were sufficiently similar to allow some comparisons to be made between them.

Although men still gamble more than women, the difference between the genders has narrowed to a few percentage points for both lifetime and past-year participation. The percentage of people who report ever having gambled has increased in every age category. This increase was smallest in the 18- to 24-year-old group and greatest in the 65 and older group. However, because of their lower starting point in 1975, Americans 65 and older still have lower past-year participation rates than other age groups.

Age is also the strongest demographic predictor of attitudes toward gambling. On a five-point scale from very good to very bad, only 25% of 18- to 29-year-olds considered the overall effects of legalized gambling on society to be bad or very bad, a percentage that rises steadily by age group, reaching 54% among those 65 and older (see data, page 15). There were no significant differences in this attitude indicator by income or ethnicity, and only slight differences by sex and education, with males and those with less than a high school education tending to be a few percentage points more positive about gambling's social effects.

Does living near a casino tend to improve people's perceptions of legalized gambling? The 1975 survey, conducted when only Nevada had legal casinos, found that Nevada residents (an oversampled group) generally indicated more positive consequences of legalizing casinos—such as “more jobs” and “more money to run the government”—and fewer negative consequences than the national sample.¹⁶

In 1998, the opinions of adults who lived within 50 miles of a major casino were compared with those who lived 50 to 250 miles or more than 250 miles away.¹⁷ There were small differences, notably that persons living closer to a major casino were slightly more likely than those living further away to take a middling position about the effects of legal gambling (“about equally good and bad effects”) than more positive or more negative views.

Much of the initiative for gambling legalization in the 1970s and 1980s grew out of the reluctance of state legislatures to raise taxes. Until the 1990s, legal gambling opportunities were created by legislative action, court rulings, and administrative decisions rather than by popular vote. Measures were often taken to earmark funds from legal forms of gambling (such as the \$15 billion or so netted from state lotteries in 1998) for specific purposes, such as education, property tax relief, and services for seniors. In the mid-1990s, grassroots opposition to legal gambling began to emerge, as coalitions of citizens' groups formed to prevent or repeal these increasingly ubiquitous activities. While these groups were initially successful, particularly in their efforts to prevent the expansion of casinos and electronic gambling machines,¹⁸ the results of recent elections suggest that voters are just as likely to approve specific expansions of gambling as to disapprove them.

In the 1998 elections, following an enormously expensive advertising campaign, voters in California approved slot machines in tribal casinos; also, Missouri voters approved dockside gambling (“boats in moats”) for the third time. The only incumbent governors to lose their seats in the 1998 elections opposed the establishment of state lotteries, and two gubernatorial candidates lost after expressing their opposition to expanded gambling in their states. The only anti-gambling

initiatives that passed in the 1998 election were in Arizona and Missouri. These two states voted to outlaw cockfighting.

From an historical perspective, growing public and political concern about the perceived and actual adverse impacts of widely available gambling was easily predicted. However, in contrast to earlier waves of gambling expansion and retraction in the US, it is difficult to forecast the evolution of legal gambling through the first decades of the 21st century. There are several emerging trends that will influence this evolution, including the growing participation of the middle class in gambling, the spread of gambling to non-gambling settings, the looming impacts of the internet on all forms of gambling, and accelerating globalization.¹⁹

Gambling among the upper classes, whether on horses, cards, casino games, real estate or stocks, has long been condoned in most Western societies. Despite the efforts of reformers, similar activities have been broadly tolerated among the working and lower classes. In contrast, until the latter part of the 20th century, gambling among the middle classes was widely discouraged.²⁰ Given the size and influence of the middle class, the growing acceptance of gambling by this socioeconomic group will be a particularly salient factor in the continued widespread availability of gambling.

Another notable historical difference has been the shift in the availability of gambling from gambling-specific venues to a much wider range of social settings. Many forms of gambling are now available in venues such as bars, restaurants, hotels, and social clubs that previously offered a more limited range of activities. Many of these operations have, in effect, become mini-casinos and sometimes are promoted as such. This development has been referred to as the growth of “convenience gambling.” While the consequences of this permeation of gambling throughout society have yet to be adequately examined, convenience gambling was roundly condemned in the final report of the National Gambling Impact Study Commission.²¹

Coming rapidly over the horizon is the prospect of widespread gambling on the internet. Just a few years ago, hardly a single wager was placed online. Today, there are dozens of sites where anyone with a computer, a modem, and access to the internet can wager on blackjack, slot machines, bingo, keno, craps, horse and dog races, sports events, and lotteries. Internet gambling is particularly appealing to a new group of gamblers—youth and young adults who are computer literate and can take advantage of the fact that age restrictions are difficult to enforce in cyberspace.²²

Finally, globalization—including the emergence of international financial markets, transnational corporations, and cultural homogenization—has shifted the terms of the policy debate about gambling from social to economic imperatives

and has led to the emergence of a highly competitive multinational industry.²³ Some likely impacts of globalization on legal gambling include the continuing fusion of gambling with popular culture and entertainment, a major reorganization of the gambling industries, and further blurring of the boundaries between traditionally separate gaming enterprises.²⁴

As the National Gambling Impact Study Commission noted in its final report to Congress, there are more questions than answers right now about the impacts of legal gambling on American society. While gambling has moved from the back room into the living room, most Americans hold complex and ambivalent rather than simple pro or anti attitudes about the effects of gambling on society. History suggests that where commercial gambling operations cater solely to local customers, they are eventually outlawed. As growing numbers of Americans are able to gamble in their homes as well as where they work and where they play, it remains to be seen whether attitudes toward legal gambling will tip back toward the negative. If so, this "third wave" of legalized gambling will suffer the same fate as earlier waves of gambling in America.²⁵

Endnotes

¹I.N. Rose, *Gambling and the Law* (Hollywood, CA: Gambling Times, 1986).

²J.M. Findlay, *People of Chance: Gambling in American Society from Jamestown to Las Vegas* (New York: Oxford University Press, 1986).

³I.N. Rose, *Gambling and the Law*.

⁴Commission on the Review of the National Policy Toward Gambling, *Gambling in America* (Washington, DC: Government Printing Office, 1976).

⁵National Gambling Impact Study Commission, *Final Report*, 1999 (www.ngisc.gov).

⁶E.M. Christiansen, "The United States 1997 Gross Annual Wager: A New Entitlement," Supplement to *International Gaming & Wagering Business* 1998, Vol. 19, No. 8; M. Kallick, D. Suits, T. Dielman and J. Hybels, *Survey of American Gambling Attitudes and Behavior*, Research Report Series, Survey Research Center, Institute for Social Research (Ann Arbor: University of Michigan Press, 1976).

⁷I.N. Rose, *Gambling and the Law*.

⁸S.C. Drake and H. Cayton, *Black Metropolis* (New York: Harcourt Brace & Co., 1945); J. Henslin, "Craps and Magic," *American Journal of Sociology* 1967, Vol. 73, pp. 316-330; J. Hrabá and G. Lee, "Gender, Gambling and Problem Gambling," *Journal of Gambling Studies* 1996, Vol. 12, No. 1, pp. 83-101; I. Light, "Numbers Gambling Among Blacks: A Financial Institution," *American Sociological Review* 1977, Vol. 42, pp. 892-904; I. K. Zola, "Observations on Gambling in a Lower-Class Setting," in H. S. Becker (ed.), *The Other Side: Perspectives on Deviance* (New York: Free Press, 1964), pp. 247-260.

⁹M. Kallick, et al., *Survey of American Gambling Attitudes and Behavior*; W.P. Mok and J. Hrabá, "Age and Gambling Behavior: A Declining and Shifting Pattern of Participation," in W.R. Eadington and J.A. Cornelius (eds.), *Gambling Behavior and Problem Gambling* (Reno: University of Nevada Press, 1993), pp. 51-74; R. Svendsen, *Gambling Among Older Minnesotans*, paper prepared for the National Research Council, Committee on the Social and Eco-

nomic Impact of Pathological Gambling, 1998.

¹⁰Commission on the Review of the National Policy Toward Gambling, *Gambling in America*, Appendix I; Fact Research, Inc., "Gambling in Perspective," (Washington, DC: Government Printing Office, 1976); M. Kallick et al., *Survey of American Gambling Attitudes and Behavior*; D.R. Gerstein, R.A. Volberg, S. Murphy, M. Toce, et al., *Gambling Impact and Behavior Study: Report to the National Gambling Impact Study Commission* (Chicago: National Opinion Research Center, University of Chicago, 1999).

¹¹Though this compounding of the question is not good survey practice.

¹²The Promus Companies, *The Harrah's Survey of Casino Entertainment* (Memphis, TN: Harrah's Marketing Communications, 1996).

¹³Cited in K. Heubusch, "Taking Chances on Casinos," *American Demographics*, April 1997.

¹⁴Surveys by Scripps Howard News Service and Ohio University, 1996 and the Gallup Organization, April 30-May 23, 1999.

¹⁵D.R. Gerstein, et al., *Gambling Impact and Behavior Study: Report to the National Gambling Impact Study Commission*.

¹⁶M. Kallick et al., *Survey of American Gambling Attitudes and Behavior*.

¹⁷Distance from casino was determined by the zip code for place of residence, as provided by the respondent. A major casino was defined as a facility with at least 500 gambling devices.

¹⁸V. Novak, "They Call It Video Crack," *Time*, June 1, 1998, pp. 58-59.

¹⁹M.W. Abbott and R.A. Volberg, *Gambling and Problem Gambling in the Community: An International Overview and Critique* (Wellington: Department of Internal Affairs, 1999).

²⁰J. Rosecrance, *Gambling Without Guilt: The Legitimation of an American Pastime* (Belmont, CA: Wadsworth, 1988).

²¹National Gambling Impact Study Commission, *Final Report*, 1999 (www.ngisc.gov).

²²M.D. Griffiths, *The Way Ahead: Internet, Technology and Problems—What Can We Expect?*, paper presented at the National GamCare Conference, Adelaide, Australia, 1998.

²³J. McMillen, "The Globalization of Gambling: Implications for Australia," *The National Association for Gambling Studies Journal* 1996, Vol. 8, No. 1, pp. 9-19.

²⁴T. Austrin, "Retailing Leisure: Local and Global Developments in Gambling," in C. C. Perkins and G. Cushman (eds.), *Time Out? Leisure, Recreation and Tourism in New Zealand and Australia*, (Auckland: Longman, 1998), pp. 167-181.

²⁵I.N. Rose, *Gambling and the Law*.