

 PDF version of: [This Article \(58 KB\)](#) | [This Issue \(1 MB\)](#)

# JOURNAL OF GAMBLING ISSUES

contents

intro

research

brief report

clinical  
corner

opinion

reviews

letter

letters to  
the editor

submissions

links

archive

subscribe

## review

### book review

### Gambling: Who Wins? Who Loses?

By Gerda Reith. (2003). New York: Prometheus Books, ISBN 1-59102-073-5 (paperback). Price (approx.): \$21.00 USD or \$26.33 CND

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*Gambling: Who Wins? Who Loses?* is an interesting collection of essays by a variety of experts in the gambling field. The essays cover diverse topics including the economics, psychology, sociology, morality, and spirituality of gambling. Each chapter analyses the complex issues that have emerged as a result of the global legalisation and expansion of commercial gambling. However, the question of "who wins and who loses" is never really addressed.

The book begins with a fascinating introduction by Gerda Reith that discusses the history of gambling. The remaining chapters are divided into seven sections, each with several chapters: (1) current trends in commercial gaming; (2) social and economic benefits and costs; (3) law, crime, and commercial regulation; (4) the "addiction" debate; (5) social trends, problem gambling, and the challenge to public policy; (6) psychological and environmental factors; and (7) ethical and philosophical issues.

Gerda Reith's introductory chapter is a fascinating exploration of the history of shifting attitudes towards gambling over time. However, she often fails to pinpoint the dates of events, which makes it hard to follow the chronology of various social movements. In addition, her discussion appears to jump around in time, and yet fails to capture the dramatic ebb and flow of gambling over the past 200 years (e.g., anti-gambling riots of the 1830s, wide open gambling in America after the Civil War, the prohibition of gambling from 1902 to 1931). At one point she claims that "...as

the perception of gambling as a vice began to take hold in the public mind, lotteries began to be associated with political corruption, dishonesty" (p. 16). This seems backwards to me. I think it would make more sense to argue that the exposure of political corruption around lotteries and the rampant cheating by professional gamblers (Asbury, 1938) lead to a renewed perception of gambling as a vice in the public mind (see also Rose, 1986).

The first two sections of the book deal with the impact of gambling on society. In chapter 1, Eadington lists conditions under which expanded gambling has been beneficial and not so beneficial to the economy. He argues that resort casinos and rural casinos designed to attract tourists are generally beneficial economically to their communities. In contrast he notes that convenience gambling (gambling machines in bars) produce fewer benefits and more social costs. In chapter 2, McMillen focuses on how the globalisation of gambling is a problem for national sovereignty, culture, regulation, and prevention.

The second section specifically deals with costs and benefits. Both Goodman (chapter 4) and Grinols (chapter 3) come to negative conclusions about gambling. In chapter 5, Stitt, Nichols, and Giacomassi report the results of a survey of communities where casinos have opened and found mixed results ranging from very happy to unhappy.

In chapter 3, Grinols discusses the economics of gambling. He begins by challenging assumptions about the economic value of jobs and tax revenue. Grinols derives an economic equation to argue that jobs are not a benefit, but this discussion is rather hard to follow. He claims that the net business revenue and tax revenue from gambling are zero because the revenue is a transfer from other businesses. He argues that the only real economic benefit of gambling is the consumer "surplus" that non-problem gamblers gain by having a greater opportunity to gamble. In contrast Eadington in Chapter 1 argues that convenience gambling, which has the highest consumer "surplus" (increased ease of gambling), is the least beneficial and most problematic form of gambling. Grinols then produces a table that shows the costs and benefits of gambling, concluding that the net result is that gambling is bad for the economy. McKay & Lesieur (2005) have noted that Grinols's use of crime and other cost estimates from Gamblers Anonymous (GA) members may have resulted in an exaggerated estimate of the costs when applied to the general population of problem gamblers. He also does not take into account crime related to illegal gambling. In addition, I was also left wondering if we looked at some other randomly selected industry or other economic project (e.g., a new car factory, a sports stadium, a mega mall) and did not count the jobs and tax revenue as a benefit, would the net result also be negative? A contrasting example would have added

substantially to the paper and would perhaps help financially desperate communities to think outside the gambling box. All things considered, however, Grinols's chapter is well worth reading.

In Section 3, which focuses on the law and crime, chapter 6 by Rose looks to the past to find clues to the future. He also provides an interesting summary of the reasons why legal gambling spread in America in the past 20 years. Chapter 7 by Hammond examines various American gambling laws to assess if on-line gambling is currently against the law, and concludes that the law has no clear-cut answer.

In chapter 8, Albanese argues that although the number of reported crimes might increase with greater gambling opportunities, per capita crime rates actually decrease when a casino is opened. His statement is based on the assumption that casino visitors should be included in the formula for calculating crime rates. There are two problems with this paper. First, the use of arrest statistics often does not take into account fraud and embezzlement (McKay & Lesieur, 2005). Secondly, taking this argument to its logical extreme, one could argue that a city plagued by crime could statistically solve its crime problem, simply by bringing in more tourists and commuters.

In chapter 9 Meirs examines problems around regulation and competition regarding consumer protection in commercial gambling. He concludes that the use of consumer protection models in the financial service sector can serve as an analogy for gambling. This idea is interesting, but fails to address the whole problem of addiction. Consumer protection issues for pathological gamblers are likely to be different than the protection needs for a non-problem gambler. Competition, for example, generally drives costs down, which is good for the healthy non-addicted gambler who would welcome the lower cost of entertainment. But lower costs may make things worse for the addicted gambler by enabling more frequent or substantial intermittent reinforcement. This paper touches upon important issues, but fails to examine them from the perspective of preventing addiction.

Section 4 gives three different views on what is wrong with the current DSM-IV diagnostic system, specifically with the classification of pathological gambling. All three authors attack DSM-IV for various reasons. Shaffer notes the lack of a gold standard, Dickerson claims that we cannot tell the difference between pathological and non-problem regular gamblers, and Peele says that pathological gambling is all about behaviour. Shaffer uses the concept of comorbidity with mental health problems to argue for a syndrome rather than for a separate diagnosis. He lists a number of possible relationships that might explain comorbidity, but all of his models assume a simple linear

disorder. He ignores the cyclical nature of the disorder in which depression can be a cause of a gambling problem and an effect of excessive gambling at different times in the same lifetime. In addition, current behavioural theories of addiction (positive and negative reinforcement) can explain comorbidity without suggesting an underlying biological syndrome. A need to escape from miserable life experiences, for example, could negatively reinforce any number of modes of escape—gambling, overeating, shopping, drugs.

Dickerson makes an interesting argument for halting use of the term "pathological gambler" because pathological is redundant. However, at least the concept of the "pathological gambler" is well-defined and based on empirical evidence and clinical experience. In contrast his preferred term "problem gambler" is poorly defined and means something different depending on who is using the term (e.g., it can be a South Oaks Gambling Screen score of +1 or +3 or +5, or >0 and < 5). Many of his arguments are related to problems with measurement, but does that mean there is a problem with the definition of the underlying disorder or that we need to refine measurement tools and adjust the cut points (e.g., scaled and weighted items, for example)? It may be hard to determine a perfectly reliable cut point between non-problem gamblers and pathological gamblers, but the same problem occurs in cancer detection. Individual diagnostic tests may indicate the presence of a tumour in a person who does not actually have cancer (false positives) and others may have cancer, but are diagnosed as not having it (false negatives). For this reason, doctors perform multiple diagnostic tests to reduce errors. Furthermore the severity of a tumour varies from benign, to treatable, to terminal. Does this mean that we should do away with the diagnosis of cancer?

In general I agree with much of what Peele says in chapter 12, especially that an examination of gambling addiction can shed light on other addictions. As a psychologist I agree that addictions are at least in part a result of experience. But his statement that a disease model implies an inescapable biological source for addiction is strangely out of touch with medical practice. I know what he is referring to: the GA and AA view that once one is addicted the only solution is life-long abstinence. Although abstinence might be a good idea, this view is not a necessary consequence of calling something a disease. In the field of medicine, diseases can be acquired for a variety of different reasons (e.g., a pathogen, environmental exposure, a recessive gene), are often preventable (e.g., no smoking, exercise, drink milk), are treatable (e.g., medicine, surgery, lifestyle changes), and are often cured by oneself (e.g., antibodies, bed rest, nutrition). The disease model that is attacked by Peele and Dickerson does not fit in well with the general notion of medical disease. A different view would be to argue that we should view addiction as being more, not less, like a

medical disease (e.g., preventable, treatable, curable) and less like a fundamental aspect of character.

The assessment and diagnosis debate as presented in this book documents a number of the problems with the current DSM-IV system. Unfortunately, no one argues about what is right with DSM-IV, even though most authors in the field and in the book find it useful enough to use as a basis for assessment, prevalence estimates, and treatment. The issues raised in these chapters will become of paramount importance in the next few years as we move towards the next edition of the Diagnostic and Statistical Manual (DSM-V).

Section five is the most research-oriented section in the book. The highlights are two chapters: the one by Volberg that discusses the prevalence of gambling and problematic gambling, and the chapter by Derevensky, Gupta, Hardoon, Dickson, and Deguire, which discusses the causes and prevention of youth gambling. Volberg's data is useful in defining the nature of the growth in gambling. Derevensky et al.'s paper provides helpful guides regarding the components to include in a prevention program.

Section six deals with psychological factors in gambling. Griffith and Parke's chapter documents some of the characteristics of gambling machines and the marketing strategies that may increase gambling. Their views of gambling are largely based on behavioural theories of conditioning. Their catalogue of features is quite informative. However at this point there is no data testing the extent to which these features disproportionately increase problematic gambling compared to non-problematic gambling.

Manson's Chapter 18 seems out of place. It is a factual discussion of the probabilities of various games. It briefly discusses irrational thoughts about gambling, but otherwise says little about the psychology of problematic gambling. Manson says that the news from cognitive psychology is grim because people have a poor understanding of random chance. However, in spite of this poor understanding most people who gamble do not gamble away their life savings.

Section seven ends the volume with discussions of the morality and philosophy of gambling. Skolnick in chapter 19 discusses the problems of regulating vice. Like Rose (chapter 6), he concludes that prohibiting gambling is generally a futile act. He notes that in the past societies have generally either prohibited or promoted vices. He argues that we should seek a compromise between criminalization and exploitation.

In chapter 20 Peter Collins argues that in a free society there is no

valid moral argument for making gambling illegal. This conclusion is based in part on his assumptions that the cost of gambling is low compared to alcoholism and that the prevalence of problematic gambling is small. I personally found his argument compelling, but if one followed his logic it could be argued that there are numerous other laws that violate individual freedom (e.g., seatbelts, mandatory education, speeding limits, age restrictions on movies). Should these be repealed? As with many other chapters, I felt that the book could have shown the opposite side of the story. Interestingly, Grinols's chapter contradicts Collins in some respects by highlighting the economic costs of gambling.

In chapter 21 Gabriel argues that gambling is a spiritual act. While this might be true for spiritual people, I'm not convinced that a professional poker player would see his "all in re-raise" as spiritual. The chapter may provide some insight into how gambling-like activities functioned historically, but I don't think this approach matches well with modern gambling. The paper does not clearly distinguish between ritual (divining gods' wills with dice), games, (playing for fun, ability, or skill) and gambling (playing for money). For example, there is a passage about a saint playing chess with god (p. 344), in which the saint gladly surrenders to god. Although people can place bets on chess (as well as any other game), chess is not inherently a form of gambling but usually a game of pure intellectual strategy. In addition, in this passage the saint wants to lose because the loss is union with god—a greater win. But does the typical gambler view a loss as a union with god?

Scanlon's chapter (22) is a philosophical reflection on the cultural importance of making sense out of nonsense. He argues that the value of gambling is to make use of nonsense.

## **Overall evaluation**

Many of the essays in the book are summaries of papers that have been presented elsewhere in articles or at conferences. The book is a relatively compact collection of the diverse points of view in the pathological gambling field. This book may perhaps provide a basis for an upper level undergraduate or graduate course in the study of gambling.

Reith's book will likely stimulate informed debate about a wide range of topics related to gambling. However, in some cases only one side of a particular debate is given, leaving the reader a glimpse of the battle, not a full view. For example, Grinols and Goodman challenge the prevailing arguments by governments and the gaming industry about the economic value of expanded gambling, but the flipside of these arguments are only hinted at in chapters 1, 8, and 20 and are not fully explored. Likewise Peter

Collins presents us with moral arguments for a greater liberalisation of gambling laws, but no similar moral treatise is provided for the opposing view.

A flaw with several chapters is that they fail to distinguish between gambling and pathological gambling (chapters 9, 11, 18, 21, 22). For example, Gabriel says, "...gambling should not be viewed as inherently evil or immoral, but as a disease of the spirit that uses pleasure to avoid pain" (p. 345). But non-problematic gambling is not a disease of the spirit or a disease at all. Manson characterises most gamblers as being impulsive and poorly informed. I feel it is unfair to characterise non-problem gamblers in this manner. Turner, Wiebe, Falkowski-Ham, Kelly, and Skinner, (2005) recently reported finding that most people who gamble set limits on their gambling. And while it is true that most people do not fully understand the independence of random events, the vast majority of people understand that they are more likely to get rich working (94.5%) than by gambling (see Turner, et al., 2005, Table 6). These findings suggest that people who gamble are not as uninformed as Manson suggests.

What is missing from this book is a discussion about the psychology, sociology, economics, anthropology, or spirituality of non-problematic gambling. Researchers need to spend more time looking at non-addicted gamblers to derive lessons for prevention. Why is it that some people can sit down at a gambling game, have fun, play for an hour or two, and then cash out without feeling any compulsion to gamble away everything?

This book is bound to stir up debate. Highlights include Eadington's discussions of situations under which casinos are beneficial or harmful to a community, Grinol's on the economics of expanded gambling, Rose's use of history to speculate about the future, Volberg's on prevalence, Derevensky et al.'s analysis of youth gambling, Skolnick's discussion of the problems of regulating vice, and Peter Collins on the morality of gambling. The papers reflect the diversity of scholarship in the field and many of them are thought-provoking. This book is a relatively compact summary of social and economic costs and benefits of gambling activity.

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issue 16 — april 2006



[contents](#) | [intro](#) | [research](#) | [brief report](#) | [clinical corner](#) | [opinion](#) | [reviews](#) | [letter](#)

[letters to the editor](#) | [submissions](#) | [links](#) | [archive](#) | [subscribe](#)

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