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The Problem with Problem Gambling: Historical and Economic Concerns

The Problem with Problem Gambling: Historical and Economic Concerns

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Abstract*

Gambling, taken to be the staking of money on the outcome of events of chance, pervades all human existence. Recent expansion of legal gambling has given rise to an equally massive expansion in gambling research, with a focus on 'problem' gambling and its pathological and addictive aspects. This paper proposes that in the long transition of capitalism in the twentieth century, gambling emerged as a final stage of consumer expenditure. It proposes that the research response to this market remains tied to an earlier phase of capitalist accumulation, when gambling threatened production. In reviewing the history of gambling research, this paper proposes a reconception of gambling along economic rather than psychological lines and suggests that an older ethnographic tradition of research ought to replace the highly medicalised focus driving much current policy.

Introduction

Towards the end of 2001 one of the authors of this paper was telephoned by the Queensland Treasury and asked to participate in a survey on gambling, one of many such surveys since gambling emerged as a major public issue in the 1990s (Productivity Commission 1999). Types of gambling mentioned were gaming machines, horse and greyhound racing, sweeps, instant scratch tickets and other lottery games, keno, casino games, bingo, bets on sports, internet gambling, card games played privately, raffle and art union tickets, and 'other' types. The researcher opted for 'other' since he dabbled in the share market. According to the survey, this was not gambling, and questions were terminated.

Two definitional problems arise from this anecdote. Firstly, what is meant by gambling? Secondly, and more importantly, what weight ought to be placed on such concepts as addictive/pathological/problem gambling? The authors contend that share market speculation is gambling, and that many behaviours can be seen as gambling, even though not incorporated into academic accounts. Less focus on the psychological profiling of gamblers and more emphasis on economic and historical circumstances seems essential to proper public policy in this area. This work considers the first question briefly. It then turns to argue that problem or addictive gambling, being a cultural construct, is, at best, over-played, if not meaningless. Current attempts to

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develop policies in relation to gambling suffer from this over-stated focus. Rather, gambling ought to be understood as an economic activity carried out in specific historical settings, and is, like other such actions, governed by the uncertainties and scarcities of expenditure and returns.

Gambling as Monies Exchanged

Expansion of legal gambling outlets over the last decades of the twentieth century has been accompanied by an academic discussion of the psychology of the gambler. Underpinning most of this research is an assumption of gambling as problem, which obscures what actually happens when someone gambles - money is exchanged - to the profit or more likely financial loss of the gambler - with such expenditures able to be analysed per capita in Australia. In 2000 these were summarised as \$931.64 per capita, of which more than half (\$534.49) derived from electronic gaming machines (Tasmanian Gaming Commission 2001, Summary Table B). Here we define gambling as: 'staking of money on the outcome of games or events involving chance or skill'. In trading shares, as much as in backing a racehorse, money is staked on projected dividends and prices. Forecasting share prices or dividends demands skill, and undoubtedly luck, with correct forecasts resulting in a profit. In contrast, poor forecasting and/or bad luck means outlays are lost. The whole process of share trading meets our definition of gambling, as does insurance provision. For, in buying insurance, an individual lays a bet that a certain event will happen, for example that a house will burn down. The bet is called a premium, and the person in receipt of the wager is gambling that the event will not happen. Less obviously perhaps, buying a university education requires a gamble. The hope, and therefore the gamble, is that a better job is gained after education, so that costs and lost opportunity for other earning whilst studying, are recouped through higher wages. Getting an education is similar to taking out an option on a share. If an exercise price is reached, then the holder of the option would 'be in the money'. Similarly the hope of a person investing in an education is that they too would be 'in the money', in this case by earning a wage higher than the average.

Gambling and Modern Life 1900-1950

Since Frank Knight's (1921) famous articles on uncertainty and risk, it has become clear that anything any person does in life is accompanied by risk. It is simply not possible to know outcomes of actions with complete certainty. Thus most of life, particularly commercial life, assumes elements of gambling. Knight made a clear distinction between insurable risk and uninsurable uncertainty, with the latter giving rise to profit. An investor guesses future demand and selling prices and must pay in advance the factors of production (land, labour and capital): or amounts based on guessing these. The accuracy of the guesses is then reflected in the profit made. It follows that profits are related to uncertainty, speed of economic change and business ability.

Economic life has not moved very far from the fundamentals laid down by Knight. Similarly, interpretations of gambling and financial speculation as identified by W I

Thomas (1901) suggest continuities still applicable in the business world. Thomas (1901), one of the central figures along with Park, Wirth and Burgess (Park & Burgess 1925) of the 'Chicago School' of sociology argued that gambling took the form of a survival instinct. Our universal desire for excitement was inherited from a time when humankind gambled in escaping danger or getting food. The best gamblers were more likely to survive, and so today, wrote Thomas (1901), we are probably the descendants of good gamblers:

We are now, perhaps, in a position to understand how gambling comes to exist and why it is fascinating. It is a means of keeping up the conflict interest and of securing all the pleasure - pain sensations of conflict activity with little effort and no drudgery. (Thomas 1901, p. 760).

For Thomas, while gambling remained a 'reflex fixed far back in animal experience' (1901, p. 760) modern societies had begun to discriminate between its applications. In some circumstances it was sanctioned, whilst in others banned entirely '...valued in war and business; it expresses itself in a thousand forms in the games of children and in college athletics; it is approved in such expressions as golf, tennis and billiards, as a recreation for the man of affairs' (Thomas 1901, p. 760).

Thomas was convinced that this gambling instinct could be expressed in modern industrial societies through betting on cards as much as in the more respectable equities markets. He pointed out that amongst Chicago's illegal gambling providers were many with skills and mental aptitudes easily transferable to corporate life (Thomas 1901, pp. 761-2). In sharp distinction to a later generation of gambling researchers, he remained convinced that it was the 'absence of normal opportunities' typical of Chicago's poorest neighbourhoods, rather than any psychological distinctiveness, which led men to careers in 'gambling establishments' (Thomas 1901, p. 762).

Thomas (1901) had thus located gambling within a cultural setting. He had seen betting as equally applicable to legal entrepreneurship as to semi-criminal activities and had understood gambling as a natural human characteristic. None of these discoveries has survived in later accounts of problem gambling. In the emerging social structures of twentieth-century capitalism, to which Thomas was responding, a primary relationship existed between Protestant religion and capital accumulation. This formulation, while open to some queries, remains a useful touchstone to advance our understanding of gambling in modern capitalism. The school of urban sociology, launched by Thomas, responded to the reforming intentions of this Protestant-capitalist integration. Yet, ethnographic accounts of working-class life kept throwing up explanations of gambling quite at odds with the assumptions of Chicago's commercial elite. For, in the transitional culture of the European immigrant in the early-twentieth century American city, gambling was a normalised recreation. Hence Thomas's emphasis on both positive and negative attributes of the gambler.

Gambling and Capitalism 1900-2000

Thomas and other sociologists interested in illegal entrepreneurialism, were inadvertently reflecting a change to the dynamics of capitalism. The transformation of

western economies from an essentially feudal mode to capitalism was not sudden and continues to this day. Initially the need within the proto-capitalist dynamic was to accumulate capital, particularly during the early to middle phases of industrialisation. Under the accumulation imperative, the virtues of thrift, restraint and industry were taken as being symptomatic of a virtuous life. The signs of having lived such a life were wealth and social advancement.

By the end of the nineteenth century, non-conformist Christian sects, in condemning gambling, advocated values of vocation, duty and frugality: a philosophy of 'social reform through individual restraint' (O'Hara 1988, p.131). Since at least the middle of the twentieth century, increases in disposable income have rendered the thrift of this older capitalist ethic almost irrelevant. As the historian Eric Hobsbawm noted, 'we live in an era which Marie Antoinette would appreciate because the majority of people can eat cake instead of bread' (Hobsbawm 2000, p. 84). The survival of modern capitalism centres around the need to assure consumption and hence economic growth. Thrift works against free-spending consumption. Thus, two broad capitalist phases can be said to exist: accumulation and consumption.

In the accumulation phase, those who engaged in gambling appeared as transgressors of a moral code. As a consumption imperative has come to dominate, puritan mores begin to appear as obstacles. Ultimately most of the prohibitions against gambling have been removed and gambling licenses are now handed out by the state, and yet a residual puritanism survived. Disapproval of gambling rests on the centrality of chance which is a non- or anti-ethical basis for the distribution of reward (Broome 1980, p. 127-9). The older basis for capitalism valued just rewards for the work people performed. The existence of chance runs against such an ideology. Thus the traditional organising imperatives of capitalism might be work, routine, thrift, prudence, conservatism, rationality and discipline (Downes et al. 1976, p. 22). Other values such as boldness, initiative, risk taking and the pursuit of chance are rated dubiously, evils which cannot be repudiated entirely, but generally assigned to 'deviants' or specialists.

Another historical transition is important to our discussion. Across much of the advanced West, welfare roles of the churches, typical of the earlier twentieth century, were replaced by state welfare after World War 2. By the end of the century, the churches, whose values were no longer important to the economic system, had found a new role by recapturing the privatised functions of this welfare state. Contemporary neoliberalism has thus extended the market into leisure services, of which a crucial component is gambling, and concurrently found a new role for the churches, custodians of those unable to play a part in lavish consumerism. The 'problem' gambler fits neatly into this clientele.

The heavy gambler has in the process become a target for representatives of a moralising class, residually Protestant, who wish to condemn louche and wasteful practices. Even while couching proclamation in welfarist rhetoric, this class assumes that it speaks from a position of moral advantage, so that, consistently, the rescue of the heavy gambler is indistinguishable from an attack on the legitimacy of the entire legalised gambling industry. The outcome of this negative portrayal broadly takes two forms. One is the labelling of gambling as deviant, whilst the other is to 'medicalise' gambling, that is to suggest that it can be an addictive and pathological behaviour.

This second version leads to the now privatised industry of welfare providers, ostensibly aimed at curing addictive gamblers.

Gambling as Deviant 1950-1975

We can trace a steadily rising interest in gambling deviance from the 1950s onwards. For example, several British official inquiries were conducted between 1950 and 1972 (Cornish 1972). In Australia research by psychologists in Sydney was followed by large-scale inquiries into illegal bookmaking, a prelude to the creation of state TAB networks (McConville 1998, pp. 103-4). These could be seen as a response to rises in disposable income and massive loss of state revenues through illegal gambling providers. At the same time, several such inquiries can now be understood as attempts to renovate public morality in an era when consumption of goods, and a consequent liberalisation of mores, had begun to alter the routines of western society.

It ought not surprise us then to discover that gambling was interpreted after 1950 as similar to other 'deviances' in the process of becoming acceptable amongst social progressives (homosexuality, 'soft' drug-taking, sexual libertarianism etc) whilst still proscribed by conservative politicians and the 'helping' professions. Of course not all research ignored the social setting of gambling, but increasingly the deviant (Moran 1970) nature of heavy gambling became attached to a notion of personal pathology (Bergler 1957). Whilst researchers initially saw heavy gambling as compulsive, the notion of the 'pathological' rapidly replaced that of compulsion. More typically, heavy gamblers could be identified as too emotionally retarded for adult personal relationships and, in addicting themselves to luck, were using gambling to disguise a latent homosexuality (Galdston 1960).

An acceptable psycho-medical response to all deviances came in the form of electro-shock treatment. Barker and Miller (1966) suggested aversion therapy as a treatment for compulsive gamblers and Seager (1970) drew on Freud to picture the gambler as a child, hastened to non-gambling adulthood by electric shock. Seager's treatment comprised of racing guide pages shuffled out of order and interspersed with pictures of the gambler's wife and children. The gambler leafed through these with electrodes attached to his left forearm and was given a shock whenever the form guide came to the top of the papers. Seager could report that of sixteen so 'treated', five were 'free of gambling' one to three years later; a success rate of less than one in three (Seager 1970, p. 549).

Despite this failure rate of more than 69 percent, medical research persisted with electric shock treatments, as it did for homosexuals, alcoholics and fellow 'deviants'. Koller (1972) reported on twelve patients at St George's Hospital, Sydney, who were given 30 shots of between 50-70 volts of electricity in their poker-machine playing arm over a three hour session. Koller could report a success rate of 25 percent, although even that was presented with a degree of vagueness. At the same time in New Zealand similar advances through shock were reported. One study (Fitchett 1972) noted the parallels between treatment by electric shock of an imprisoned gambler and that of homosexuals. An experiment to cure gambling was deemed successful, when in the sample size of one, electric shock was able to reduce the prisoner to hand-wringing, shaking and demanding that the races on his radio be

turned off. Eventually the prisoner lost all interest in the pursuit most able to relieve the tedium of the goal. He also accused the experimenter of brain-washing.

From Deviance to Problem: 1975-1990

These aversion treatments, enacted on institutionalised prisoners and patients, and often drawing admiringly on Freud and Dostoevsky, could hardly be applied to the imagined vast mass of 'pathological gamblers' in the general population. It took the construction of a problem gambler to cast a far wider social stratum as psychologically repressed and in need of therapy.

Much of the current understanding of gambling as a problem derives from the research of Lesieur and the psychological typologies of gamblers created through the South Oaks Gambling Screen and subsequent American Psychological Association (APA) DSM scales (Lesieur & Blume 1987; Lesieur & Rosenthal, 1991). The APA's DSM scales define pathological gambling as, '...chronic and progressive failure to resist impulses to gamble, and gambling behaviour that compromises, disrupts or damages personal, family or vocational pursuits'. If not completely tautological, this definition is at minimum frustratingly inexact, since a failure to resist the impulse to gamble is deemed pathological. What if we transferred such definitions to other spheres of economic activity? Most small businesses fail and owners face bankruptcy and possible family breakdown as a result. Is much of our society made up by masses of failed small business persons, whom we can deem pathological entrepreneurs and requiring treatment?

Gambling researchers, rather than drawing such a parallel, instead observed associations between gambling and social pathologies, including criminality. Lesieur for instance wrote, '...I found gamblers engaged in systematic loan fraud, tax evasion, burglary, pimping, prostitution, selling drugs, hustling at pool, golf, bowling, cards and dice' (Lesieur 1992, p. 47). Lesieur did not explore the possibility of broad dysfunction, of which all the behaviours described were reflective (as understood by Thomas and others in their recounting of clustered pathologies in urban areas). Furthermore, this approach implicitly assumed that programs to end gambling would reduce all other gambling-associated behaviours.

Lesieur (1992) noted that the dollar volume of gambling in the United States increased 1400 percent between 1974 and 1989. It is not indicated whether or not methods of data collection were the same in each time period or if particular years were normal or exceptional. Apparently no account was taken of inflation, nor of various ratios such as the growth of GDP that might lead to increasing disposable income. Crucially no attention was paid to the manner in which illicit gambling, once legalised, brought pre-existing activity under statistical scrutiny. Lesieur (1992, p. 44) observed that some people gamble more than others and then stated, '...these people, including pathological gamblers, account for a far greater share of the state profits than the typical player'. That is certainly true, since they gamble more! Lastly, Lesieur (1992, p. 47) wrote, 'approximately two-thirds of non-incarcerated and 97 percent of incarcerated pathological gamblers admit engaging in illegal behaviour to finance gambling or pay gambling related debts'. Ought we to be surprised by this finding? The incarcerated are, after all, people who have acted illegally and the rate of

incarceration in the USA is higher than in most western countries. Is American gambling, then, a behaviour indulged in by that substantial section of the citizenry who are simply awaiting their turn in penitentiaries?

In contrast to the psychological approach underpinning devices such as the South Oaks Gambling Screen and the DSM-IV criteria, some British researchers, amongst them Newman (1972) and Oldman (1978) returned to an ethnographic, contextual reading. Oldman in particular reminded readers that accounts of compulsive gambling frequently drew evidence from gamblers who had reached the end of the line, through heavy indebtedness, family break-up or imprisonment. To such a defeated gambler, character can be usefully conceptualised as defective rather than deviant. 'Compulsion' is thus seen as a defect, rather than implying deviance. Oldman (1978) went on to identify the tendency for compulsion to serve an ideological function. Where an immoral activity (losing at gambling) is the product of a defect rather than deviance, there is no danger of posing a counter-ideology which might persuade the gambler to act more rationally and responsibly.

Oldman concluded that the mechanism by which a gambler reaches a crisis point is a consequence not of a personality defect but of a defective relationship between a strategy of play and a way of managing finances. Perhaps, in the end, so called problem or pathological or compulsive or addictive gambling is best seen in an economic context and not as a psychological problem. For, left in the psychological domain, it remains a construction that obscures the real problem - expenditure is raised while incomes are not.

Medicalisation of Gambling 1990-2000

If the gambler was not a deviant, then perhaps, inquired researchers over the last decade, 'she/he was an addict'? There remain however major difficulties in defining gambling as addiction, either in distinguishing it from other common human behaviours or in drawing parallels with alcoholism or heroin dependency. Even the *British Journal of Addiction* noted that life is a series of addictions without which we would be dead; breathing is given as a prime example of such addictions (*British Journal of Addiction* 1990, p.1389). Such an assertion did not prevent contributors from narrowly defining addiction as repetitive behaviour centred on dependence and compulsion (Goodman 1990). The notion of addiction fundamentally rests upon an individual's reliance on a substance and in gambling there is no substance involved. In the literature on drug addiction two broad conceptions are in play. One is that an individual develops a craving for a substance and can only satisfy the craving by taking greater or repeated doses of the substance in order to live a life with some semblance of 'normality'. Essentially the addict must keep ingesting the substance in question in order to forestall the sickening sensations and consequences of withdrawal which accompany abstinence.

Several gambling researchers have sought parallels with the symptoms of withdrawal associated with drugs. The results are not encouraging. Wray and Dickerson recounted the results of Gamblers Anonymous surveys which asked about nightmares, levels of urination and bowel movements. The best link the researchers could make was that thirty percent had some 'withdrawal' symptoms - so seventy percent did not! (Wray & Dickerson 1981, pp. 401-5). This of course did not prevent gambling

researchers from subsequently theorising a link and launching into further related studies (Blaszczynski, Wilson & McGonaghy 1986, pp. 113-7).

The second understanding asserts that people take drugs simply for their pleasurable effects. Repeated taking of the drug means that the pleasurable effect is being prolonged. Thus there is no necessity to take the drug to avoid the effects of sickening withdrawal symptoms.

A study of horse-race betting has cast doubt on such relationships in gambling. Coventry and Norman, after a study of horse-race bettors, noted elevated heart-rates at certain stages of the betting process, associated we might expect with pleasurable sensations, but concluded that 'overall these results point to the serious shortcomings of objective arousal as an explanation of continued gambling behaviour' (Coventry & Norman 1997, pp. 671-83). A study of female poker-machine players concluded that indeed players' heart rates did increase, but only on winning (Coventry & Constable 1999, pp. 425-30). The same, of course, could be said about parents at graduation night and successful candidates on election day. Indeed, these elevated heart-rates might not be all bad, for in gambling, losers exhibit no such symptoms and it is they who become 'problems'.

What is centrally implied in discussing addictive gambling is avoidance of withdrawal symptoms. In this way individuals who may be in debt and facing financial crises are given the opportunity to blame something defective in their makeup. Admitting to the pleasure perception of gambling is to take responsibility for one's actions. Moreover, taking the first perception means that it is possible that some kind of treatment might be administered to sufferers. They can become reformed characters. There are several points to be made about such medicalisation of gambling.

According to Walker (1996) no pathology of the heavy gambler has been properly demonstrated. Drug abuse and heavy gambling are not similar and to argue that they are is to use a misplaced allegory. If gambling is not cast as addictive, except in a metaphorical sense, then explanation is necessary to account for those persistent gamblers who amass heavy debts. Walker has suggested that for some, a sense of mastery is engendered in playing games of skill. Genuine gambling must have a greater degree of chance than skill, with the pure form demanding no skill whatsoever. Presumably there is some self-deception going on in that problem gamblers persist in the heroic belief that they can overcome a bad run and thereby gain mastery over the game being played.

It does seem impossible that people should be so easily confused between games of skill such as chess, and games of pure chance such as playing on electronic gaming machines. Yet gambling behaviours suggest such is the case. Persistence in playing at only one gaming machine through an extended time period would suggest that the gambler believes in eventual mastery of the machine. Dostoevsky (1913) has pointed to this phenomenon in *The Gambler*, wherein the (anti) hero plays roulette relentlessly in the belief that his luck will eventually change and he will be seen as a master of the wheel.

Walker saw the solution to lessening problems in raising the skill levels of gamblers, thus placing problem gambling in a different category to drug addiction. This is a

curious conclusion to an otherwise insightful article. It may make sense for gamblers to be trained in the skills of betting on sports. In contrast it seems illogical to increase the skill of gamblers in order to play games of chance. In doing so, gamblers would be convinced that, having acquired the requisite skills, it would simply be a matter of timing and planning and they would eventually become masters of the game; the very psychological state that should be eliminated if so-called problem gambling is to be reduced. Walker initially argued against the medicalisation of gambling, only to accept a second form of medicalisation; that the way to overcome problem gambling (itself a medicalisation) is to train people in a skill. A solution more consistent with Walker's argument would be to tell people they are deluded if they think it possible to master games involving chance.

Given definitional problems associated with problem gambling and the difficulties associated with strategies of rescue, it is small wonder that gambling research has now sought to move, in our view unsuccessfully, beyond this medical conception of the problem gambler. Research in Victoria, the Australian state in which problem gambling has become the most debated public issue, has come to accept a definition of problem gambling based on the losing gambler's self-assessment. An individual's vague sense of harm is hardly a basis for meaningful research, let alone public policy. Once any individual's self-assessment of harm becomes central to a supposedly distinguishable social group, concepts of illness, addiction or psychological dependence are rendered meaningless: the illness or addiction only commences when an individual thinks this is happening. The proper policy response might well be to convince the individual otherwise (VCGA 1997, pp.104-5).

Conclusion: Gambling Research in the 21st Century

Except in the most trivial sense it is not possible to forecast results of actions which we undertake. From invading Iraq to investing in experimental artworks, uncertainty, faith and heroic chance-taking prevail. Thomas suggested that gambling survives from human prehistory, aspects of which are deemed unsuitable in an industrialised society. During the accumulation phase of industrial capitalism virtues of thrift, restraint, and diligence came to the fore, linked to non-conformist Protestantism. Since 1950, as consumption became imperative to capitalist expansion, this ethic of restraint was replaced by free spending through stylised games of chance in the specialised settings of casino and licensed club. In the writers' view, a degree of sensationalism has come to colour much gambling research in this period. Statistics are thrown together with little discrimination; the mundane is depicted as extraordinary and the most dramatic conclusions are drawn from limited data. Moreover, by narrowly confining gambling to settings such as casinos and licensed clubs, and without examining their social character, those who wish to stigmatise the gambler are aided by research which, rather than identifying ethnographic patterns divorced from a dominant ethic, as was the case with Thomas, instead medicalise heavy gambling in support of a gambling remediation and reduction industry. In this industry, religious convictions, otherwise irrelevant to contemporary capitalism, have new import. For liberalised gambling runs parallel to the privatisation of welfare services and their incorporation into church-based social-work agencies.

When set against capitalism's transition from accumulation to consumption, the history of gambling research demonstrates a curious trajectory. The rise of commercial (often illegal) gambling industries depended on a mass urban working class, suspicious of the ethic of restraint, with moderate literacy and numeracy, but little disposable income. Organised, if illegal, gambling required large cities to bring sufficient margins to the gambling provider. The ethic of this older age of capital accumulation has survived the transitions of the twentieth-century economy and finds voice in gambling research - much of it better referred to as 'anti-gambling research'. Dubious statistics, samples from atypical self-assessed gambling failures - members of Gamblers Anonymous and prison inmates - are taken as indicative of a general population. Remediation of gambling now even distorts that older moral code of Protestant thrift, since the churches have all but given up demanding that gamblers show restraint. Instead they often seek to place the entire blame for gambling losses on the provider and exonerate the gambler, however profligate, from any sense of economic responsibility. Such is the fate of Christian principle in the consumerist world. In the process, and with the honorable exception of papers like Oldman's (1978), the originality of research such as Thomas's (1901) has been lost. In a research transition from a reliance on one of the more superficial of Freud's anti-empirical assertions (Reik 1942, pp.155-6), through to the more recent and loose assumptions about problem gambling defined as self-assessed 'harm', the essential economic characteristics of gambling have vanished (Murray 1993;VCGA 1997).

The identification of gamblers as 'problem' thus distorts public policy. As we have pointed out, gambling is a simple business obscured by complex psychological research. There is no doubt that financial ruin awaits most indiscriminate and heavy gamblers. There are problems associated with the gambling industry; as there are with any industry. Gambling ought to be treated carefully by policy-makers. But, problem gamblers remain a minority amongst players of all gambling games, even when defined in the broadest possible terms, and the transactional costs of gambling by gaming machines, fifteen percent of expenditure in most cases, is little different to the rate on credit cards, a more significant contributor to the chronic indebtedness of the consumer in contemporary capitalism. Gambling emerges as a prime example of the manner in which the costs of uncertainty are being transferred from producer to consumer. And yet, if a particular psychological profile does distinguish the 'problem' gambler, and if, as argued here, and by others in the previous century, the behaviour of gamblers is little different from that of stock investors, then 'anti-gambling' research has let us down. It avoids the pathologies of those company directors, who can, and do, gamble away the savings of many more people than can the so-called gambling addict. Managers of equities may well be more appropriate targets for social reform than casino patrons or racetrack punters. As a routinely overlooked research paper once pointed out 'the rich man's gambling casino may well be the stock exchange' (Bolen & Boyd 1968, pp. 617-30).

People suffer from poor gambling or bad decision-making involving risk in both investment and consumption. A circumscribed minority suffer from making poor decisions in more stylised gambling settings. Neither admonishing these consumers nor assuming they share some distinctive psychological failing serves great purpose. It makes more sense to accept the pervasive nature of gambling in people's lives and to regard gambling indebtedness for what it is; an economic phenomenon linked to distinctive historical and cultural settings. Business bankruptcy and gambling

indebtedness are just two sides of the same coin: poor decision making under conditions of chance. This, in the end, is very close to a contemporary definition of economics; decision-making under conditions of scarcity and uncertainty.

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