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Casino Culture and the Collapse of Character



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The casino stands as the great and most visible monument to the massive scale of the Gambling Industrial Complex in America. Just look across much of the American landscape, and you will see the glaring and garish lights of the casinos that serve to attract gamblers. It was not always so.



Indeed, for all but the last decade of the twentieth century, casinos were basically non-existent, except for those found in the state of Nevada. All that changed when states began to license and draw revenue from casino gambling. As Earl L. Grinols of the University of Illinois has commented: “Most areas of America had no legal casino gambling before 1990.”

As a matter of fact, such establishments had been virtually eradicated in the previous century. Grinols explains that casino gambling is “the only available example of an industry that was criminalized and intentionally eradicated in one century and reintroduced from zero in the next.”

What happened? In the late 19th century, social reformers saw gambling as an insidious plague that wrecked families, promoted anti-social behavior, and threatened the moral character of the entire nation. Their efforts to remove or eradicate gambling gained

momentum in the early decades of the 20th century.

As Daniel G. Schwartz, an influential historian of gambling, explains, the reintroduction of gambling came as state governments sought to benefit financially from legalized gambling, and thus to rationalize its new role within the culture.

Schwartz explains that “in the 1920s, but truly accelerating in the 1960s, state governments began to embrace gambling. At first looking merely to replace existing illegal gambling, states soon moved into the business of promoting betting and wagering.”

Casinos were generally not the first form of gambling to be legalized. Instead, gambling advocates turned first to horse racing. As Schwartz explains:

“Raising, selling, and racing horses was a major economic activity that employed thousands and made millions. Legal betting, then, could be rationalized as a way to stimulate the growth of a racing industry that would return money to its investors, its employees, and the state.”

Then, as now, arguments for the legalization of casino gambling are often couched in terms of saving the horse industry or some similar sector of the economy. By the 1970s, various states had experimented with horse racing and lotteries, and at least some were eager to move into even more rewarding territory — casinos.

Soon, New Jersey joined Nevada as a destination for casinos, and a new class of casinos was developed, looking more like family resorts than the casinos of previous eras. Nevertheless, the business is the same. The goal of the casino is to entice customers to part with their money and, in the end, the house always wins.

Behind all this you will find insatiable appetites — the insatiable appetite on the part of some individuals determined to gamble, and the insatiable appetite of state governments for revenue. These appetites fed on each other. Casinos began to appear in the most unexpected places.

States, increasingly hard-pressed for tax revenues, looked to expanded gambling as a way to solve budgetary impasses. But, again and again, the gambling expansions failed to deliver even the minimal projections of additional tax revenue.

Political pressures on the states led to the fear that another state would “rob” that state of revenue, attracting citizens across its borders. Once a state expanded gambling, it quickly became dependent on whatever income might come through the games, the tracks, the lotteries, and, eventually, the casinos.

As Schwartz comments, “Casinos, once considered dangerously seedy or, at best, comfortably tacky, turned into hip vacation spots.”

But all the glitz cannot hide the damage caused by casinos. Casinos attract and produce those described as problem and pathological gamblers, along with a host of others. In *Gambling in America: Costs and Benefits*, Grinols developed a sophisticated cost-benefit analysis in order to determine whether casinos are actually helping society, or causing harm.

His verdict: “The evidence indicates that casino gambling fails a cost-benefit test by a wide margin.”

Grinols’ research led him to estimate that the introduction of casinos in a community would produce about \$34 per adult, per year. At the same time, gambling exacts a toll of far greater dimensions, estimated at between \$180 and \$289 per adult citizen, per year. The casinos do usually produce income, but this income is canceled out by social costs.

As Grinols documented, other problems associated with casinos include marital breakup, the abandonment of children, psychological stress, loss of employment, and suicide.

You can dress a casino up to look like a family resort. You can disguise a casino as a high-end hotel. Nevertheless, the casino remains what it is — an engine for capturing wealth from those who are enticed to enter. State governments that authorize casino gambling are also authorizing the fleecing of their own citizens.

Most casinos, of course, are not dressed up at all. They stand as blights on the American landscape, with garish neon lights and huge parking lots. In truth, they look like what they are — destinations for the desperate or for those whose idea of the high life involves spending hours in the chaos and carnival atmosphere of the casino.

Worst of all, the casino is a symbol of cultural decay and the death of character. A vain hope for a windfall draws those desperate for a jackpot. A government assigned the task of protecting its citizens willingly entices them to engage in games of risk. A culture that requires basic virtues such as industriousness and thrift and prudence preys on its own people by attracting them into the casino.

In the final analysis, the greatest danger posed by the casino is not anything that can be determined by economic analysis, because the greatest injury caused by gambling is not financial — it is moral. The worst aspect of the casino culture is not just that the state has decided to prey on its own citizens, but that it has decided to do so with gusto. The rise of the casino goes hand in hand with the collapse of character.

I am always glad to hear from readers. Write me at mail@albertmohler.com. Follow regular updates on Twitter at www.twitter.com/AlbertMohler

Earl L. Grinols, *Gambling in America: Costs and Benefits* (New York: Cambridge University Press, 2004).

David D. Schwartz, *Roll the Bones: The History of Gambling* (New York: Penguin Books, 2006).

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