



## Casinos come up snake eyes for common good

By Stephen J. Adams

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Even in an era of moral relativity, some things are just plain wrong. The inordinate rush to legalize casino gambling to plug a hole in state revenues is one of them. As public policy, promoting high-stakes gambling to generate revenues for the Commonwealth deserves very careful consideration, but it has many negatives to overcome.

As tax policy, gambling is possibly the most regressive tax in the tool kit, taking a disproportionate share of revenues from the elderly and low- and moderate-income families.

As social policy, we know that gambling is bad for kids and families. Teenagers and casino employees are the most vulnerable to becoming problem gamblers. Today 1.1 million children between the ages of 12 and 18 are pathological gamblers. As they get older they will swell the ranks of adult problem gamblers, now numbering between 1.8 and 2.5 million.

As neighborhood development policy, gambling raises serious concerns. In some cases, three or four years after casinos open, their host communities experience higher rates of gambling addiction, bankruptcy, crime, suicide, domestic violence, and divorce than towns without casinos. The effect is akin to a factory that is inadvertently dumping toxins into the local ground water. At first, everyone is excited about the jobs, the new parks, the tax revenue. After a few years of operation, problems begin to pop up around town. Not in large quantity, but more than in other towns.

What we don't know is if casinos actually produce more economic benefit than harm. Opponents and supporters alike point to analyses that claim to quantify the net gains and pains of casino gambling. In reality, the research is inconclusive. After pouring through all existing investigations on the impacts of gambling, the National Research Council declared that the study of the benefits and costs of gambling "is still in its infancy" and criticized both sides for manipulating the data.

Whatever its economic and fiscal benefits, the rush to casino gambling means we are willing to tolerate an increase in heartache and misery for some of our neighbors in order to generate more revenues to support an inefficient, wasteful state government. We are willing to risk the pain and suffering gambling may cause so we can afford to:

- Protect the more than 400 patronage jobs still in the courts and hundreds more across state government.
- Continue fattening the salaries of police officers for dubious "advanced degrees" under the Quinn Bill.
- Allow state employees to pay only 15 percent of their health insurance costs when most private sector employees pay 25 percent.
- Finance endless increases in Big Dig costs.
- Subsidize two state-financed convention center in Boston.
- Continue to be the only state in the nation to outlaw competitive bidding for most public services.

In the end, the rush to legalize slots and casinos is a convenient distraction from the wholesale restructuring of state government that is needed to rein in spending —

spending that has grown beyond the means of individuals, families and businesses to support. Not until every dime of inefficiency and excess has been wrung out of the budget should we consider new revenue sources. Even then, the social costs of gambling may be a high price to pay in order to raise a few hundred million dollars. *Stephen J. Adams is Executive Director of Pioneer Institute, a Massachusetts public policy think-tank.*

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