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## Lotteries and the Problem Gambling Community: Myths and Countermyths

**Don Feeney** Affiliation: Minnesota State Lottery, Roseville, Minnesota USA, E-mail: donf@msl.state.mn.us [This article prints out to about nine pages.] Reprinted courtesy of the North American Association of State and Provincial Lotteries © 2002 from their journal Lottery Insights, February 2002. This Opinion article was not peer-reviewed by the Electronic Journal of Gambling Issues: eGambling. We gratefully acknowledge permission by the North American Association of State and Provincial Lotteries © 2002 to use this article, originally printed in Lottery Insights, February 2002. Information on this association can be found at: http://www.naspl.org/ and their publications are available at: http://www.nasplnrl.org/pubs.asp. For correspondence: Don Feeney, Research Director, Minnesota State Lottery, 2645 Long Lake Road, Roseville, Minnesota, USA 55113, Phone: (651) 635-8239, E-mail: donf@msl.state.mn.us Don Feeney holds a master of public policy degree from the John F. Kennedy School of Government (Harvard University), an M.Sc. in statistics from the University of Minnesota, and a B.Sc. in applied mathematics from Brown University. He has been Research and Planning Director at the Minnesota State Lottery since 1991. Prior to joining the lottery, he was Trend Analysis Director for the Minnesota State Planning Agency and a policy advisor to former Governor Rudy Perpich. He serves on the boards of the National Council on Problem Gambling, the Northstar Problem Gambling Alliance, and the Minnesota Problem Gambling Advisory Committee.

Cats and dogs. Democrats and Republicans. Lotteries and advocates for problem gamblers: All natural enemies in the eyes of the public.

Yet cats and dogs can be the best of friends. Democrats and Republicans do come to bipartisan agreements. And lotteries and problem gambling advocates can work together for the benefit of all.

There are many good reasons for lotteries and the problem gambling community to work cooperatively. From a lottery's perspective, it is far better to be viewed as part of the solution than as part of the problem. And most importantly, it's the right thing to do. From the problem gambling advocate's perspective, an informed and aware lottery is less likely to inadvertently engage in practices that might exacerbate the problem. Plus, a lottery can provide resources and expertise difficult to find anywhere else.

Ten years ago, contacts between the two groups were few and far between. Sessions on problem gambling were rarely, if ever, found at lottery conferences, and lottery industry representatives were equally unlikely to be invited to participate in problem gambling conferences. Neither group understood the other's concerns or the environment in which each had to work.

Certainly the situation has improved dramatically since then. We're not strangers at each other's conferences. Many in the lottery industry have at least some understanding of the science behind addictions treatment and prevention. The number of states and provinces that contribute to programs for problem gamblers has increased substantially.

But there is still a degree of mistrust and suspicion of each other's motives on both sides. To some extent this is understandable. The interests of each group will never completely coincide. And we (the lottery industry) must recognize that they (the problem gambling community) have a responsibility to examine our practices and call them into question when appropriate, just as we have a responsibility to point out when they overstate or misstate their case. To a greater extent, though, mistrust stems from the persistence of myths and misconceptions that each side has of the other.

In trying to identify and understand these myths, I have arrived at what I will modestly call "Feeney's law": For every myth, there is an equal and opposing countermyth. Let me now identify some of the more egregious myths that get in the way of an effective working relationship. However, you must always keep in mind "Feeney's caveat": Most myths contain some element of truth.

#### Myth: Problem gambling advocates are anti-gambling.

Some certainly are, and some anti-gambling zealots have seized on problem gambling as a way to advance their moral objections, but these individuals are the exception rather than the rule. Many even gamble at least occasionally, and even most recovering compulsive gamblers don't begrudge others their entertainment. The National Council on Problem Gambling and its state affiliates maintain a neutral stance on gambling. They will, however, question industry practices they

believe will adversely affect problem gamblers or exacerbate the problem. This is appropriate and often useful, though it can be uncomfortable. With a good relationship a lottery will hear these criticisms from these organizations directly rather than through the media or at a legislative hearing.

# Countermyth: Lotteries need the revenue from problem gamblers in order to maximize profits.

This myth stems from a fundamental misunderstanding of how lotteries function as public agencies. Government agencies are not subject to the same pressures to maximize revenue as are private businesses. While most elected officials find higher revenues better than lower revenues, rarely does this preference override the greater public sector requirement of social responsibility. Few, if any, lottery officials have their compensation directly linked to increased sales; profit-sharing plans are not standard practice in the public sector. And irresponsible practices have a funny way of becoming the subject of legislative hearings and investigative news reports, something any lottery director dearly wishes to avoid. It is a well-known, though rarely spoken, fact of public sector life that the penalties for screwing up generally outweigh the rewards for doing well. This creates a strong incentive for lotteries, and those who govern them, to be risk-averse, and irresponsible sales and marketing practices are risky.

Yet there are examples of lotteries acting in irresponsible ways. I believe without exception these happen through ignorance rather than malicious intent. Ignorance is best overcome through collaboration and constructive engagement. Public accusations and counterclaims based on mutual misunderstanding of motive serve no one well.

## Myth: By working with the problem gambling community, lotteries will be criticized for "causing" the problem and for having ulterior motives.

Another truism of public sector life is that no good deed goes unpunished. Consider this statement by "Minnesotans Against Gambling:" "The Minnesota State Lottery itself gives money for compulsive gambling treatment. Is this an admission it is producing gambling addicts?" (And is a donation to the American Cancer Society an admission that the donor causes cancer?)

But consider also this statement from an article in the Minneapolis Star-Tribune: "Kathleen Porter, director of the Compulsive Gambling Treatment Program, a division of the Minnesota Department of Human Services, said it's possible that the lottery — which funds the program with more than \$2 million annually — actually does more to fight problem gambling than promote it." Most people, including some lottery opponents, will recognize and respect a lottery for doing the right thing.

# Countermyth: By working with lotteries, advocates for problem gamblers will be accused of "selling out."

There are certainly those who will reject any money or assistance from lotteries or other gambling entities as impure, and some will be quite vocal in their criticism of those who accept such money. They are, however, few and far between. Most of the leading gambling researchers and service providers are quite happy to accept a lottery's assistance as long as (and this is a major caveat) it comes with no strings attached. A lottery cannot expect to review and approve research results, or a hotline's outreach plan. Technical assistance is appropriate, and one of the most important skills a lottery can offer, but the end product's complete independence is a necessity.

### Myth: Lotteries don't contribute to the problem.

The number of problem gamblers who cite the lottery as their game of choice is small. Repeated analysis of calls to hotlines and admissions to treatment programs confirms this fact. For example, the Iowa Department of Human Services has reported that 6 percent of the calls to the state's problem gambling hotline relate to lottery play.

Nevertheless, that number is not zero. There are some people who are addicted to lottery products, and there are also those who, while not addicted, may suffer harm from spending too much money on a high lotto jackpot. The lottery industry cannot pretend that problem gambling has nothing to do with them. It does.

### Countermyth: Lotteries don't contribute to the solution.

Some do not, but most do in some way, shape, or form. The North American Association of State and Provincial Lotteries Web site (<u>www.naspl.org</u>) has an extensive list of what each state is doing in support of programs for problem gamblers. Would that the rest of the gambling industry had such a record!

Still, many problem gambling advocates do not understand that lotteries are not free to dispense lottery revenues as they choose. Most of us are closely regulated by state or provincial legislatures who justifiably believe that it is their right to decide where lottery profits will be spent. There have been several instances of lottery directors urging elected officials to use lottery proceeds to fund problem gambling programs only to be turned down. But lotteries can, and do, contribute to the solution in ways other than funding by providing technical expertise, in-kind

contributions, and educating employees, retailers, and the general public.

#### Myth: They only want us for our money.

Well, money is nice, and they certainly need it. But there are several examples of lotteries and problem gambling organizations that have worked together productively even though elected officials refuse to release funding.

#### Countermyth: Lotteries only want us for public relations.

Again, good public relations is nice, and lotteries certainly need it. But it shouldn't be the main reason to establish a relationship, and in my experience, it generally isn't. Face it: most lottery managers are not in this business just for the money. They derive some of their satisfaction from helping to raise money for good causes and from a belief in the concept of public service. They want to do the right thing. And helping to alleviate the suffering caused by problem gambling (whether caused by lotteries or not) is the right thing to do.

Beyond money and public relations, what do we have to offer each other? Most nonprofit organizations would dearly love to have a lottery's abilities and expertise in areas like marketing, advertising, graphics, purchasing, technology, and all the other things they do so well. And lotteries have ready access to some audiences, such as players, retailers, and perhaps elected officials that problem gambling groups do not. They, in turn, offer lotteries expertise and a sounding board to go to before they inadvertently do the wrong thing.

#### What can we both do to explode the myths?

- 1. 1. We can both learn. We can learn that lottery directors are not the spawn of the devil and that problem gambling advocates are not prudish, joyless schoolmarms. Lotteries can continue to learn the facts about problem gambling, and avoid the twin perils of hysteria and denial. Problem gambling advocates can learn the reality of lottery operations as opposed to their imaginations. Lotteries can better learn how to act in a way that minimizes harm, while problem gambling advocates can be reminded that, as one treatment provider once told me, "When you work with compulsive gamblers all the time, it's easy to forget that most people who gamble don't have a problem."
- 2. 2. We can both educate. Lotteries can educate their staff, their retailers, their suppliers, the government officials who oversee their operations, and their players. Treatment providers and researchers can help us with these tasks and educate the general public. And of course we can educate each other.

- 3. 3. **We can both get involved.** Five years ago, having two lotteries present at a problem gambling conference was cause for celebration. At the 2001 National Council on Problem Gambling conference in Seattle, ten lotteries were represented, two panels were devoted to lottery issues, and the Washington State Lottery was intimately involved in conference planning and operations. Lottery staff were welcomed with open arms. Likewise treatment professionals and researchers are increasingly seen at NASPL conferences both as presenters and participants. Lotteries can become active members of the various state, provincial, or national organizations that assist those with gambling problems, and members of those organizations can ask to speak at lottery staff meetings or retailer conferences. And every lottery should have a staff person whose responsibility includes learning as much as they can about problem gambling and serving as a liaison with the appropriate organizations.
- 4. 4. We can assume that both groups mean well. Lotteries can recognize that organizations that assist problem gamblers are not trying to put them out of business, and those organizations can recognize that lotteries are not deliberately trying to create more addicts.
- 5. 5. We can both be constructive. Problem gambling advocates can accomplish more by calling the lottery director if they are concerned about a lottery practice than by calling a press conference. Lotteries can resist the impulse to automatically act defensively when a practice is called into question, and can seek ways to work together. We can both recognize that the media is looking for confrontation that serves neither party well. Don't give them the satisfaction.
- 6. 6. We each can take the first step. Lotteries: If you don't already have a working relationship with your local problem gambling council or organization, pick up the phone and call them. Problem gambling organizations: Do likewise. If you've already taken the first step, take the second.

Lotteries and problem gambling organizations both employ some of the finest people it's been my privilege to know, and they've taken great strides in working together. The last few years have seen a general movement from confrontation to cooperation between the two groups, and this has only been to the benefit of both. By recognizing the myths and countermyths for what they are, we can break down the stereotypes that prevent us from accomplishing even more.

#### Myth: This is the director of a problem gambling council.

#### Countermyth: This is a lottery director.

### **Figures**





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