Point of view

Social costs of casing gambling

By CREED at SUNY New Paltz associate director KTB Tobin and Cetrino scholar Will Raphaelson

Proposers of casino gambling are spending big money on everything from campaign contributions to key legislative sponsors to a battery of radio ads to those lawn signs sprouting up all over in order to get us to vote "yes" to allow more casino gambling in the state. TV spots are next. Their big point is that there are the alleged financial benefits..."These are under-pressed upstate communities and all of New York.

There is no well-financed alternative campaign educating the public about the potential social costs. What if we use the big-money dollars of metrics and cents to look at the likely costs? How would things balance out?

Quantifying the direct social impacts of gambling is challenging. How do you add up the times a spouse spends away a joint 40K on the slots? How do you count the Social security checks swapped for chips? Instances like these, regularly observed at casinos, are not systematically documented. Also, doctor-patient confidentiality shrouds gambling-related health treatment.

But "hard to measure" doesn't mean "impossible to estimate." An estimated two to three percent of adults in the U.S. are problem gamblers (people unable to resist the urge and experience negative social and family impacts as a result). An additional one or two percent are pathological gamblers (medically diagnosed with impulse control disorder). That adds up to over nine million Americans. Men, African-Americans, people age 40 to 64, people without a college degree, and those with annual incomes less than $30,000 are more likely to be pathological gamblers. The rates of problem and pathological gamblers double within 50-mile radii of casinos.

The best national research focused on identifying the social costs of gambling estimates that the total cost per pathological gambler is nearly $32,000 annually, which translates on average to $266 per capita adult; and, that these costs borne by citizens and taxpayers outweigh benefits by a ratio of three to one. Costs in eight separate areas are summarized in the table below:

<table>
<thead>
<tr>
<th>Social Cost</th>
<th>Average Cost Per Pathological Gambler</th>
<th>Average Cost Adult Per Capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crime</td>
<td>$4,477</td>
<td>$66</td>
</tr>
<tr>
<td>Business/Employment</td>
<td>$2,939</td>
<td>$69</td>
</tr>
<tr>
<td>Bankruptcy</td>
<td>$313</td>
<td>$4</td>
</tr>
<tr>
<td>Illness/Social Services</td>
<td>$1,481</td>
<td>$35</td>
</tr>
<tr>
<td>Regulatory</td>
<td></td>
<td>$16</td>
</tr>
<tr>
<td>Family Costs</td>
<td>$77</td>
<td>$1</td>
</tr>
<tr>
<td>Abused Dollars</td>
<td>$3,591</td>
<td>$75</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$12,879</strong></td>
<td><strong>$266</strong></td>
</tr>
</tbody>
</table>

Crime: Casino locations are correlated with higher rates of violent and property crimes, as well as non-violent crimes like fraud and forgery. In counties with casinos, approximately nine percent of property crime and 13 percent of violent crime is attributable to their presence.

Business and employment. One in five gamblers in treatment report job loss due to addiction. When employed, gamblers have lower productivity, greater chance of sick days and time theft, and more likelihood of dismissal for offenses like embezzlement.

Bankruptcy. In the 28 U.S. counties with legalized gambling, there is an 18 percent higher bankruptcy filing rate. Counties with more legalized places to gamble have a bankruptcy rate of 35 percent higher than counties without them.

Socially, about half of pathological and problem gamblers have seriously contemplated suicide. At least 15 percent have attempted suicide, compared with less than one percent of the general population.

Economic and social services to counter financial stress and employment difficulties associated with gambling are linked with unemployment, and also with medical and mental illnesses such as stress, anxiety, depression, chronic headaches, intestinal problems, asthma, cognitive disorders and cardiovascular conditions. These generate costs for therapy and treatment, unemployment insurance, Medicaid, and such social services as welfare and food stamps.

Regulatory. Gambling is a regulated activity because of the casino industry's historical propensity for fraud and abuse. The bill passed to accompany the proposed New York gambling amendment includes a budget for regulation. Direct regulatory costs must be paid either from fees on the casinos or through taxes.

Family Impacts. Family costs include divorce, domestic violence, child neglect and abuse. Since the opening of casinos, the number of women in Mississippi has nearly tripled, and requests for help at domestic violence shelters have increased in the range of 100 to 300 percent. The problem of children being left in closed, hot cars became so commonplace at Foxwoods in Connecticut that parking lot signage threatening legal action against negligent parents place was passed.

"Abused dollars." Gambling money obtained from families, friends or employers under false pretenses is known as abused dollars. Examples include stealing from an employer never reported out of concern for the employee, the theft that is never revealed because the thief is a relative or friend, and money "loaned" under duress that is never repaid.

Here in Ulster County, we certainly have players with dire problems. In Ellenville, about one in five families live in poverty, and our county has a 76 percent unemployment rate. But gambling the way to make things better.

Based on Ulster County's adult population, assuming we have the current national rate of pathological gamblers now (and conservatively excluding problem gamblers), opening a casino in the county could double our rate and thereby potentially adding 469 pathological gamblers at an estimated cost of $82,500,000 annually. On Nov. 5, Ulster County voters need to consider not just dollars but both dollars and sense, and social costs and benefits, to determine whether casinos are really the answer.

For these reasons, I ask that you join me in supporting Butch Dener for District 17 of the Ulster County Legislator. I am confident that he will work tirelessly on his constituents' behalf.

Chris Gibson
Kinderhook

Vote Dan Torres for New Paltz Town Board

Please join me in supporting Dan Torres this November for a seat on the New Paltz Town Council. I have watched Dan grow up in our community and I know him to be a man of great integrity and excellent values. Dan has always been an independent thinker, always trying to do the right thing. Much thought goes into his decisions.

Daniel Torres is exactly the person we need in local government. I totally endorse him for a seat on the New Paltz Town Council and hope that you will be there as well to vote for him.

Diane Strongin
New Paltz

League of Humane Voters support Wishnick, Rodriguez, Zimet & Logan

On behalf of the League of Humane Voters® of New York State, I am pleased to announce our endorsement of Ulster County legislator Ken Wishnick for re-election, Ulster County legislator Hector Rodriguez for re-election, New Paltz town supervisor Susan Zimet for re-election and New Paltz Town Board member Jeff Logan for re-election.

The League of Humane Voters® supports the election of candidates for public office who have a humane orientation indicated by their willingness to work for environmental and animal protection.

The League of Humane Voters® of New York recognizes that these incumbent candidates for public office have served the community of New Paltz. We are pleased to take part in assuring the election to the office of these candidates.

Peter Muller, President
The League of Humane Voters® of New York

Support Randall Leverette in his bid for New Paltz town supervisor

We support Randall Leverette in his bid for New Paltz town supervisor because his opposition to the proposed PILOT for Wilmortre's Park Point project is a New Paltz's best interest. His candidacy adds much more than this one issue, but the catastrophic impact of a PILOT for this property on New Paltz's economic future cannot be overstated.

PILOT's exist to promote economic growth, but they only make sense when a project will bring jobs and revenue to an area without significantly increasing the burden for schools and municipal services. This student apartment complex will have the opposite effect. Its short-term construction jobs will probably come from the Rochester area (where Wilmortre is based) and if it duplicates its Rochester and Syracuse model, only a handful of jobs will remain to operate the complex.

The school system will get next to nothing out of the PILOT, yet the impact is significant. The argument is that most students don't have kids and the number of faculty beds won't be significant. The problem is that when Wilmortre comes in, other landlords who rent to students will be boxed into a corner. They will fill vacancies by renting to families attracted to New Paltz's good schools at suddenly low rental prices. Now you will have more students in the schools and no additional revenue. There are already rental vacancies in New Paltz and this is starting to happen without Wilmortre.

New Paltz's police, ambulance, fire and other services will be impacted as well. I doubt Wilmortre even believes it ridiculously low estimates regarding municipal impact from its Environmental Impact Statements.

Randall Leverette understands all of this and he will fight against the PILOT proposal with all of his phonetic and funny math. Please support him because he is not fighting growth and development in New Paltz, he just does not want it to be at your expense and the expense of your children.

Ethan Garr
Southside Terrace Apartments
New Paltz

Sierra Club endorses five candidates in Ulster County

The Sierra Club is pleased to endorse five candidates for elective office in Ulster County, based on