

Visions in Leisure and Business

Volume 3 | Number 4

Article 17

1985

Off-track Betting and Its Impacts on a Rural Community

Abraham Pizam

University of Central Florida

Dick Pope

University of Central Florida

Andy Milman

University of Massachusetts

Follow this and additional works at: <https://scholarworks.bgsu.edu/visions>

Recommended Citation

Pizam, Abraham; Pope, Dick; and Milman, Andy (1985) "Off-track Betting and Its Impacts on a Rural Community," *Visions in Leisure and Business*: Vol. 3 : No. 4 , Article 17.

Available at: <https://scholarworks.bgsu.edu/visions/vol3/iss4/17>

This Article is brought to you for free and open access by the Journals at ScholarWorks@BGSU. It has been accepted for inclusion in Visions in Leisure and Business by an authorized editor of ScholarWorks@BGSU.

OFF-TRACK BETTING AND ITS IMPACTS ON A RURAL COMMUNITY

BY

DR. ABRAHAM PIZAM, DIRECTOR

DICK POPE, SR. INSTITUTE FOR TOURISM STUDIES
UNIVERSITY OF CENTRAL FLORIDA
ORLANDO, FLORIDA 3281

AND

ANDY MILMAN, DOCTORAL STUDENT

UNIVERSITY OF MASSACHUSETTS
AMHERST, MASSACHUSETTS

ABSTRACT

Proposals have been made to legalize an off-track betting teletrack theater in Hampden County, Massachusetts. A telephone survey of a systematic sample of 200 respondents in the town of Holyoke was conducted in order to assess the perceived impacts of such gambling activity in this location. The findings show little consensus as to the positive impacts, but much greater agreement over the negative impacts that a teletrack theater would have in the respondents' town.

The major factor in predicting respondents' attitudes toward legalization was found to be their perception of the impact a teletrack theater would have on the character of the town. Other major factors were the perception of impact on the moral character of the town, the perceived impact on the traffic conditions on roads leading to the town, the impact of the teletrack theater on the number of jobs for local residents, and the number of adults in the respondents' household.

OFF-TRACK BETTING AND ITS IMPACTS
ON A RURAL COMMUNITY

INTRODUCTION

The issue of legalized gambling in the United States has become increasingly important in the last few years as more and more states and local governments have turned to it as a possible means of raising revenues, eliminating a major source of police corruption, and removing a significant revenue source from organized crime. At present, there are eight types of legal gambling industries in the USA. The most widespread form of legalized gambling is bingo, followed by horse racing, lotteries, dog racing, jai-alai, other sports betting, off-track betting, and casinos.(1)

Plans for off-track betting in the form of a "Teletrack Theater" have been proposed in recent years for Hampden County, Western Massachusetts, in the vicinity of the town of Holyoke. The plans called for a two-level structure on approximately ten acres of land that would seat between 1,500 and 2,000 patrons. Bettors would watch televised races from nearby tracks and place bets through a regulated off-track betting service, operated by Landbrokes PLC, an English corporation which operates more than 1,400 gambling parlors through Europe.(10) The legislation to approve such a theater was filed in 1984 and is going through legislative process.(3)

The town of Holyoke is located on the Connecticut River south of Mount Tom, and has a population of 44,468. The median household income of Holyoke, as measure in 1979, was \$12,349 which is significantly below the median of \$17,575 for Massachusetts as a whole.(11)

Proponents of these proposals were concerned with the potential economic benefits that could provide the Hampden County community. It was argued that such an OTB system would create 150 direct and 75 indirect jobs, both contributing a total of \$3 million annual income. The proposed legislation also suggested that the communities that "house" OTB facilities would receive 1 percent of the OTB handle. This would total \$750,000 a year. The proposed legislation also allocated 2.5 percent of OTB handle to the state, which was estimated to generate \$1,875,000 a year with additional revenue from personal and business income taxes, as well as state sales, lodging, and restaurant taxes. Furthermore, it was estimated that \$5 million in wagering will be taken from bookmakers in Hampden County and illegal gambling will be reduced.(13)

Opponents of the OTB theater were concerned with the negative economic, social, and political effects of such an operation on their communities. A voiced opposition was also concerned with additional traffic in the area.(14)

The purpose of this study was to determine residents' perceptions of the positive and negative impacts of the OTB Teletrack Theater on their communities prior to the development of such an operation. The specific

research objectives were to:

(1) Examine the overall opinion of legalizing a Teletrack Theater in Hampden County.

(2) Determine area residents' perception of the positive and negative impacts of Teletrack Theater on their communities.

(3) Analyze the relationships between overall opinion of legalizing Teletrack Theater and demographic characteristics.

(4) Identify the determinants of the overall opinion toward legalizing Teletrack Theater.

THE DEVELOPMENT OF THE OTB INDUSTRY IN THE USA

Off-track betting (OTB) is essentially betting on horses away from the track, and may be done legally in New York, Connecticut, and Nevada.(1) The history of off-track betting in the United States is almost as long as that of horseracing itself. The first track for relatively modern racing emerged at Saratoga in 1863. By the mid-1870s, thoroughbred horses were racing around ovals in New Jersey, Maryland, Kentucky, and Illinois. Two decades later, the number of American racetracks had risen well past a hundred and racing was sufficiently organized to form racing associations.(12) At the turn of the century, racing had developed three major methods for handling bets: (1) "Auction Pools" in which each horse in a field in turn was put up for a bid, and the highest bidder for a horse won the whole pool if his horse won the race;(12) (2) "Pari-mutuel" or "French Pools" originally started by Pierre Oller, a Parisian who devised a ticket-selling and calculating apparatus that permitted those attending the race course to bet among themselves in any amounts and on any horse they wished.(12) According to this betting system, odds that are determined depend on the amount bet on a horse. The greater the amount of money bet on a horse, the lower the odds and, consequently, the lower the payouts;(7) and (3) "Bookmaking," which is handled by a "bookie" who essentially books bets for any amount, on any horse in a race.(12) Most large-scale bookie operations are conducted by phone, and cash settlements are generally made by runners who either pay off or collect from the betters.(7)

Legal off-track betting in the United States is a relatively new phenomenon of the twentieth century. Since the time when pari-mutuel betting was instituted at race tracks, proposals have been put forth for the legalization of off-track betting. The principle arguments offered in its behalf were that those who do not have the time or money to attend races should have an opportunity to bet legally, and that the state should be able to tap the revenues derived from existing illegal bookmaking.(18) In 1935 and 1941, bills to legalize bookmaking passed the Illinois legislature but were vetoed by the governor. In New York state, a commission was appointed in 1954 to study off-track betting and issued a report opposing it. New York City assumed leadership in pushing for legislation after a citizens' commission reported favorably on OTB in 1959. Upstate legislators did not apparently share these sentiments, and it was not until April 1970 that the state legislature legalized OTB

after 20 years of skirmishing.(18)

The New York City Off-Track Betting Corporation has been operating since April 1971. The major objectives of the legislation were to raise government revenue and combat illegal gambling.(18) OTB in New York has created about 4,200 new jobs--2,700 of them in New York City alone--and by 1976 contributed more than \$75 million annually to the state and local governments.(2)

The business of off-track betting is conducted at branch offices or betting shops. Bets can be placed up to about 25 minutes before the race. OTB employees at the tracks communicate race results to the main office, where the results and payoff prices are entered into a computer and relayed to branch offices. After race results have been posted, winning ticket holders present their tickets to the cashier, who enters the ticket's serial number and the computer indicates the amount of payoff on the terminal screen.(2) The New York City OTB was the first enterprise in the world which attempted to operate a completely computerized system. The computerized serial number system virtually prevented the counterfeiting of tickets. The large network of outlets, as well as the magnitude of transactions, created the necessity for such a computerized information system.(2)

It should be emphasized that the technological development of sophisticated information and communication systems has a substantial impact on the OTB concept. The invention of the telegraph made large-scale illegal bookmaking away from the track both possible and profitable. The specific information that might enrich the bookmaker came through the racing wire. It reported scratches, rider changes, and, above all, results to the horse parlor. By 1922, Moe Annenberg, a former Western Union messenger boy, had managed to fashion a monopoly over telegraph systems that had been used to speed race results to poolrooms and horse parlors.(12)

One of the major inventions for modern sports betting and bookmaking was the television. From the early 1950s, live telecasts of sports events steadily gained popularity. In millions of homes over the world, the television sets have taken some of the functions of the horse parlor of the past.(12) The boom in televised athletics has pushed illegal sports betting up to an estimated turnover of \$60 to \$70 billion dollars a year.(1)

The most recent development in lawfully bringing the racetrack to the player was the Teletrack Theater opened in New Haven, Connecticut, in 1981. This world's first theater of racing allows bettors to watch thoroughbred and harness races live from New York tracks on a full-color movie screen (24 feet by 32 feet). The theater has 2,200 seats and 40 betting windows as well as private rooms and full restaurant service.(12) The teletrack theater is part of Connecticut Off-Track Betting System, and the payoffs are identical to OTB. In 1982, the Connecticut Teletrack Theater made \$83 million, with the state procuring more than a million dollars in profit.(10) It was argued that a closed-circuit television for OTB would build interest in racing and might increase the betting handle. If this is true, larger shares for state and local governments, for the horsemen's purse money, and for the tracks might be generated.(12)

PAST RESEARCH

Since the operation of the Teletrack Theater is relatively a new phenomenon, no empirical research has been conducted in this specific area so far. However, some studies have been taken concerning operation and legalization of OTB. A survey of American Gambling Attitudes and Behavior conducted by Kallick, Suits, Dielman and Hybles (7) showed that in the State of New York, 18 percent of New York respondents (28 percent of New York betters) reported OTB activities at some time. The New York respondents who bet at OTB in 1974 reported betting an average of two races a day. Of the respondents who bet with OTB in 1974, 38 percent said they realized a net profit and 57 percent reporting losing. Five percent said they broke even.(7)

When asked about legalization of off-track betting, only 38 percent of the total U.S. sample were clearly in favor. Another 10 percent were either unsure or did not answer. It is also interesting to mention that in the Northeastern United States, an even 50 percent favored legal OTB compared with 40 percent in the North Central, 27 percent in the South, and 39 percent in the West. (At the time of the survey, legal OTB was in existence only in New York.) Legal OTB received greater support from people with higher incomes, more education, and from those living in the more urbanized areas.(7)

When "betters" across the country were asked about the possible consequences of legalizing off-track betting, the majority said that positive economic consequences, such as more jobs for people and more money for the government, would accrue. Almost half thought that legal OTB would provide a chance for the common man to get rich, and only a third believed there would be less money for organized crime. On the negative side, the greatest percentage, both nationwide and in the State of New York, thought that people would gamble more than they could afford and work less. A very small proportion of the sample thought that infiltration of organized crime would be a problem. New Yorkers deviated the most from the rest of the country on their perception of children being influenced to gamble. Only 33 percent of them saw this as a problem compared with 60 percent of the national sample.(7)

Furthermore, in 1976, the Commission on the Review of the National Policy Toward Gambling concluded its three years of research and hearings into the subject of gambling, and submitted a report to the President. The Commission recommended that extension of the current state gambling policies to the OTB arena would not provide illegal gamblers with significant legal competition, and bookmakers would still operate. As a result, the Commission suggested that the states should not tax legal OTB winnings if it intended legal pari-mutuel off-track wagering to be a tool against organized crime.(2)

METHODOLOGY

Instrument

In order to develop the survey instrument used in this study, depth interviews were made with government officials in the town of Holyoke and with representatives of the local religious authorities, as well as local residents. Extensive information concerning the proposal, and legislative procedures were gathered from a potential investor of the future OTB facility. Other information was collected from local and state media.

The interviews and other information sources were analyzed to determine the major positive and negative impacts the residents would perceive resulting from the presence of an Off-Track Betting Teletrack Theater in the Holyoke area. The findings were used to develop a five-point Likert-type questionnaire which consisted of 26 questions. Since this was an exploratory study, no formal hypotheses were made.

Sampling

A sample frame of 443 residents of the town of Holyoke was drawn from the local telephone directory (New England Telephone, Holyoke Area, February 1983). Two residential telephone numbers under the town of Holyoke were randomly selected from each column of each page. The telephone numbers selected covered the whole telephone book (A to Z).

Interviewers determined which adult to interview in each household through the Troldahl-Carter method (16). This procedure requires that four selection matrices be prepared and randomly assigned to the telephone numbers to be called. The tables consist of rows showing the number of males in the household and the columns reporting the total number of adults over eighteen. The interaction point is used by the interviewer to determine which respondent to interview (e.g., oldest woman, youngest man, etc.). This method ensures a representative sample in terms of age and sex.

Respondents were interviewed on weekdays between 5:00 PM - 9:30 PM and weekends between 10:30 AM - 9:00 PM. The average length of the interview was 8.7 minutes. Three attempts were made to contact a household before it was replaced with an alternate number. Calls were made to 443 households, with respondents completing interviews in 200 households, for a response rate of 45.1 percent. Respondents refused to participate in 30.2 percent of the households, and the appropriate respondents could not be reached in the remaining 24.7 percent of the households.

RESULTS

A. General Profile of the Respondents

The majority of the respondents (66.0 percent) had known before the interview about the OTB Teletrack proposals in Hampden County. Most of the adult residents interviewed (82.5 percent) had lived in their town for over 10 years. The average and median age group was 35 and 44. The marital status of the respondents was as follows: 61.5 percent married, 20.0 percent single, 11.0 percent widowed, and the remaining 7.5 percent divorced or separated. Each household had an average of two adults, at least one of which was male. Of the total sample, 39.5 percent had children under 18 living in their households.

Over half of the respondents (56.0 percent) were employed full- or part-time, 5.0 percent were unemployed, and 23.0 percent were retired. The rest (16.0 percent) were housewives or students. The majority of the employed respondents (32.0 percent) worked in Holyoke, while the rest worked in neighboring Massachusetts communities. About a fifth of the respondents (20.1 percent) had some grade school or high school education. Almost a third (33.2 percent) had a high school diploma, and the rest (43.7 percent) had graduated from college or had an advanced degree. The median annual income category of the respondents was \$15,000 to \$25,000 a year.

B. Overall Attitude Toward Legalizing OTB

Table 1 lists the mean response of the attitude toward legalizing OTB Teletrack Theater and the mean responses on the perceived impacts of such activity in the community.

As can be seen from the above, support for the OTB Teletrack Theater was not strong. Exactly one-half of the respondents (50.0 percent) strongly favored or favored it, and 23.5 percent neither favored nor opposed it. These findings are consistent with a similar study conducted on hotel-casino proposals in the rural towns of Adams and Hull in the Commonwealth of Massachusetts.(11) It is interesting to note that Holyoke residents objected to the establishment of an OTB operation more than Adams and Hull residents objected to the establishment of a casino operation. Only 26.5 percent of Holyoke residents strongly favored or favored gambling activities (OTB) compared with 39.7 percent of the Adams and Hull sample (casinos). The Holyoke findings are also inconsistent with the Survey of American Gambling Attitudes and Behavior which showed that 38 percent of the U.S. total sample clearly favored OTB activities.(7) The latter also showed that legal off-track betting received greater support from people in the Northeast than any other geographical region in the country, a fact that is inconsistent with Holyoke's study results.

C. General Attitude toward Gambling

In order to determine the local community's general attitude toward gambling, the respondents were asked to express their opinion on the payoffs. Over two-thirds (65.8 percent) thought that gamblers lose most

of the money or some money. About a quarter (25.1 percent) thought that gamblers neither lose nor win, and only 9.0 percent thought that gamblers win some or a lot of money. When the respondents were asked if our society condemns betting activities, over half of the respondents (55.6 percent) disagreed, 28.1 percent agreed, and the rest (16.3 percent) neither agreed nor disagreed.

D. Political Impacts

Local and state media and depth interviews indicated that people predicted potential negative political effects from legalizing an OTB Center in Holyoke. Residents mainly feared that the Commonwealth of Massachusetts and the local government would be unable to effectively regulate gambling.

Respondents perceived that state and local government would be neither effective nor ineffective in regulating casino gambling. Nearly one-half of the respondents (48.9 percent) thought that the state would be very or somewhat ineffective. These results are similar to the Adams and Hull study.(11) The Survey of American Gambling Attitudes and Behavior (7) has indicated that 36 percent of the national sample believed that legalization of OTB would bring more political corruption. Only 17 percent of the respondents believed that legal OTB would case more respect for law.

E. Economic Impacts

Many studies on gambling activities show that there is a direct and indirect impact due to the high turnover of money.(2, 7) Based on depth interviews, especially government officials, people thought that an OTB Center would have economic impacts on overall tax revenue and the number of jobs in the community.

(1) Overall Tax Revenue:

On the average, respondents thought that an OTB center would only slightly increase the overall tax revenue of their town. While 46.9 percent of the respondents thought that a Teletrack Theater would significantly or somewhat increase the overall tax revenue of their town, nearly a third thought the tax revenue would not change (33.2 percent), and only about one-fifth (19.9 percent) thought that the tax revenue would decrease significantly or somewhat. These findings are slightly different from those of Adams and Hull study.(11) Greater proportion of the Holyoke respondents (33.2 percent) thought that the amount of tax revenue would not change, compared to the respondents in Adams and Hull (23.0 percent). The findings are also different from Kallick et al study (7) who showed that 53 percent of the national sample and 77 percent of the New York sample perceived "a lot more money to run the government" as a positive consequence of a legal off-track betting system.

(2) Number of Jobs in the Community:

The majority of respondents (70.7 percent) thought that an OTB center would increase the number of jobs available for respondents of their community. Over one-fourth of the respondents (27.8 percent) thought the number would decrease. Apparently, as seen in Table 1,

respondents perceived that an OTB Center would have the highest positive impact (3.7) on this factor. These results are consistent both with the Pizam and Pokela (11) and the Kallick et al (7) studies. The former indicated that 76.5 percent of the population perceived that the operation of a hotel casino would increase the numbers of jobs. The matter showed that 71 percent of the national sample perceived that legal OTB would create more jobs.

F. Environmental Impacts

Based upon the results of the interviews and media, the respondents were asked to express their opinions on the impacts of OTB on various environmental factors.

(1) Overall Image of Town:

The average respondent perceived that an OTB Center might slightly worsen the overall image of his/her town (mean = 2.7). The majority of the respondents (44.1 percent) thought that an OTB center would worsen the overall image of their town, about one-third (33.8) percent thought it would not change the town's image, and 22.1 percent thought it would improve the town's image. Unlike the Adams and Hull study, (11) there are no significant pro and con groups concerning the change of the town's image. In Holyoke, over a third thought that gambling activities would not change the image of their town compared to 13.2 percent of Adams and Hull.

(2) Quality of Public Services:

Twenty-three percent of the respondents thought that public services like police and fire protection would improve if an OTB Center was built, while 20.5 percent thought they would worsen, and the rest (56.4 percent) thought they would not change (mean = 3.0).

(3) Traffic Conditions:

Our respondents perceived traffic conditions to be very negatively impacted by the development of an OTB center (mean = 1.8). The majority of them (81.3 percent) thought that traffic conditions in Holyoke would worsen if an OTB Center was built, 16.2 percent thought traffic conditions would remain about the same, and 2.5 percent thought they would improve. These results are consistent with the Adams and Hull Study. (11) It seems that residents of small towns are concerned with traffic conditions as an important environmental issue.

(4) Out-of-State Visitors in Holyoke:

This variable resulted in the highest score in terms of environmental impact (mean = 4.2). The vast majority of the respondents (90.0 percent) perceived that the number of out-of-state visitors in the Holyoke area would increase as a result of the OTB Center. About a third of these respondents (32.2 percent) thought that the number of out-of-state visitors would significantly increase. The rest of the respondents thought that the number of visitors would not change (9.5 percent) and only 0.5 percent thought that the number of visitors would decrease.

G. Social Impacts

It has been argued that the presence of any type of gambling would result in some social impacts. Based upon interviews and media information, the following social impacts of an OTB Center were investigated:

(1) Occurrence of Theft and Violent Crimes:

The majority of the respondents (59.8 percent) felt that an OTB Center would impact the community negatively by significantly increasing the occurrence of theft and violent crimes (mean = 3.7), 35.2 percent thought the number of those types of crime would not change, and 5.0 percent thought they would decrease.

(2) The Presence of Organized Crime:

Like the previous factor, the respondents felt that an OTB Center would have a significant negative impact on the community. Almost two-thirds of the respondents (66.0 percent) thought that the presence of organized crime in their towns would increase with an OTB Center, while 29.9 percent thought it would not change, and 4.1 percent thought it would decrease. These findings are consistent with the Adams and Hull Study, (11) but inconsistent with the findings of the Survey of American Gambling Attitudes and Behavior.(7) In the latter, the smallest proportion, both nationally and in New York, thought that infiltration of organized crime would be a problem.

(3) Addiction to Gambling from OTB

The majority of the respondents (68.3 percent) thought that an OTB center would increase addiction to gambling among residents of the community. Almost a third (30.7 percent) thought that addiction to gambling would not change, and only one percent thought that addiction to gambling would decrease somewhat.

(4) Betting Among Young People

This factor was the highest rated (mean = 4.0) in terms of being a social negative impact by the development of an OTB Center in the Holyoke community. The majority of the respondents (71.1 percent) perceived that betting among young people would increase, 26.3 percent thought it would not change, and only 2.5 percent thought that an OTB Center would decrease betting among young people. These findings are consistent with the Kallick et al Study (7) which showed that 60 percent of the national sample perceived that OTB would increase the chance that children would be influenced to gamble. It should be noted that New Yorkers deviated from the rest of the country on this matter, and only 33 percent perceived that children would be influenced to gamble.

(5) Level of Stress and Tension in Local Community

The majority of the respondents (58.5 percent) perceived that as a result of an OTB Center, stress and tension in the local community would increase. Exactly 40 percent thought it would not change and the rest

(1.5 percent) thought that stress and tension would decrease.

(6) Moral Character of the Local Community

Almost half of the respondents (49.2 percent) did not agree that an OTB Center would ruin morality in the local community. On the other hand, 37.1 percent agreed that morality would be ruined and the rest (13.7 percent) did not perceive any change in the morality of the community.

(7) Decrease of Illegal Gambling

There was no distinct opinion regarding the change in the level of illegal gambling as a consequence of an OTB operation (mean = 2.9). The results indicated that 45.6 percent of the sample disagreed that illegal gambling would decrease, compared to 38.9 percent who agreed. The rest (15.5 percent) neither agreed nor disagreed that illegal gambling would decrease due to the OTB Center. The Survey of American Gambling Attitudes and Behavior (7) also investigated this topic, and a series of questions concerning willingness to switch to a legal off-track betting system was asked. Fifty-five percent said that they would use a legal system exclusively. The respondents who said they would not use a legal system were asked what would make legal OTB more attractive and which features would be necessary in order to induce him/her to use the legal system. About 33 percent of the 1974 bookie betters said that they would use a legal OTB system if certain features were added to attract them. The primary desirable characteristics were no taxes on winnings, payoffs as good as with a bookie, and a telephone service.

H. The Relationship between Demographic Status and Impact Variables

To test for the difference in impact perceptions of different demographic segments, a series of one-way analyses of variance and t-tests were conducted for each of the impact variables and the following demographic variables: age, sex, marital status, respondent's employment status, town working in, level of education, annual income, number of years lived in town, and the number of adults, males, and children living in a household.

As can be seen from Table 2, only in two impact variables were differences found among respondents of different age groups and levels of education. In general, the younger and older age groups perceived losing less money in gambling than the middle-age groups (age 35-54). It might be explained that these groups had bigger families, mostly with young children, reflected by higher economic obligations and therefore could not afford speculating their income on gambling. This attitude might be different from the younger group (ages 18-24) and therefore pension age group (age 55-64) who did not have much economic obligations and could afford speculation on gambling.

In addition the higher the level of education (with the exception of grade school education), the smaller the belief in successful gambling. Respondents who had an advanced degree scored 1.4 on the five-point scale compared to 2.5 scored by respondents who had some high school education.

The fact that OTB would decrease illegal gambling had significantly

different opinions among the various age groups. Of all the age groups, the older age group (65 and over) showed the highest agreement that OTB would decrease illegal gambling (mean = 3.3), while the middle-age group (35-44) showed the lowest agreement (mean = 2.4). Here again, the middle-age group, which is a family-type working population, had a negative perception of the fact that the OTB center would eliminate illegal gambling.(Table 2)

I. Predictors of Overall Attitude

A step-wise multiple regression was conducted to determine the amount of variance in respondents' overall attitude toward legalizing an OTB Teletrack Theater in Holyoke. The variance was expected to be accounted for by respondents' attitude toward specific impacts of an OTB Center and by respondents' demographic characteristics. As seen in Table 3, the results indicated that five variables significantly predicted respondents' attitude toward legalizing an OTB Center: (1) the perceived impact of a Teletrack Theater on the image of the town, (2) the perception of impact on the moral character of the town, (3) the impact on traffic conditions (roads leading to the town), (4) the perception of impact on the number of jobs for local residents, and (5) number of adults in a household.(Table 3)

CONCLUSION

With automated facilities, OTB is a high capital investment, low return operation, and can incur a high risk in states which already have horse racing. However, under such circumstances, it is argued that OTB is a first step toward legalization of all bookie-type bets and that it offers a convenience to the public, as well as a source of revenue to the state and race tracks.(12) In order to assess the potential impact of OTB on a rural community, the study attempted to reveal the local residents' perception and attitudes toward legalization of such an operation.

Data collection was aimed at providing insight into public attitudes toward gambling and its legalization. However, some public opinion experts feel that usually there is a reluctance on the part of respondents to answer questions about gambling, especially those which pertain to illegal gambling, organized crime, compulsive gambling, etc.(18) With this limitation, it might be necessary to bear in mind that some of the responses in this study may not have been reliable.

Overall, respondents in the Holyoke area showed a consensus of opinion on a few variables, such as worsening of traffic conditions (mean 1.8), increase in volume of out-of-state visitors in Holyoke (mean = 4.2), and increase in betting activities among young people (mean = 4.0). Nearly half of the sample (49.5 percent) were opposed to the legalization of the OTB Center.

In general, differences in opinion on the basis of socio-economic characteristics were not found, with the exception of two attitude

variables: success of gamblers and illegal gambling. There, differences in age and level of education seemed to have an impact on respondents' perception.

The most significant predictor of the respondents' attitude toward legalizing an OTB Teletrack Theater in the Holyoke area was their attitude toward the impact of such an operation on the image of their town. This is consistent with the Adams and Hull study, which also aimed at predicting attitudes toward gambling in rural communities.(11) Other significant predictors were perceived to be: change in town's morality, traffic conditions, number of jobs, and the number of adults in a household.

BIBLIOGRAPHY

1. Anonymous, Gambling Rage: Out of Control?, U.S. News and World Report, May 30, 1983.
2. Commission on the Review of the National Policy Toward Gambling, Gambling in America U.S. Government Printing Office, Washington, D. C., 1976.
3. Commonwealth of Massachusetts, An Act Providing for the Establishment of a Teletheater, so Called, in Hampden County, Senate: No. 505, No. 508; House: No. 2536, 1984.
4. W. R. Eadington, Gambling and Society, Charles C. Thomas, Springfield, Illinois, 1976.
5. W. R. Eadington, Some Observations on Legalized Gambling, Journal of Travel Research, 12(3), pp. 1-4, 1974.
6. G. C. Hecht, Legalized Gambling, The Cornell Hotel and Restaurant Administration Quarterly, 14(4), pp.59-67, 113-114, 1974.
7. M. D. Kallick, T. Suits, T. Dielman, and J. Hybels, A Survey of American Gambling Attitudes and Behavior, Institute for Social Research, University of Michigan, Ann Arbor, Michigan, 1979.
8. D. Lester, Gambling Today Charles C. Thomas, Springfield, Illinois, 1979.
9. T. M. Martinez, The Gambling Scene Charles C. Thomas, Springfield, Illinois, 1983.
10. Morning Union Daily Newspaper (Springfield, Massachusetts), Teletheater Acceptable to Horsesmen, March 10, 1982; Aldermen Get 20-page Report on Betting Center, March 31, 1982; Off-Track Betting Backed, April 19, 1982; Politicians Warm Up to Bet Theater, December 9, 1983.
11. A. Pizam and J. Pokela, The Perceived Impacts of Casino Gambling on a Destination Community, Annals of Tourism Research, 1984, In Press.

12. R. Sasuly, Bookies and Bettors , Holt, Rhinehart and Winston, New York, New York, 1982.
13. P. Silvergleid, Highlights of Remarks, Massachusetts House of Representatives Concerning Off-Track Betting in Hampden County, April 8, 1983.
14. Springfield (Massachusetts) Daily, Teletrack Bill Deserves Hearing, November 29, 1982.
15. C. Stansfield, Atlantic City and the Resort Cycle: A Background to the Legalization of Gambling, Annals of Tourism Research , 5(2), pp. 238-251, 1978.
16. V. C. Troldahl and R. E. Carter, Jr., Random Selection of Respondents Within a Household in Phone Surveys, Journal of Marketing Research , 1(May), pp. 71-76, 1964.
17. U.S. Department of Commerce, Bureau of Census, County and City Data Bank, Washington, D.C.: U.S. Government Printing Office, 1983.
18. D. Weinstein and L. Deitch, The Impact of Legalized Gambling, The Socioeconomic Consequences of Lotteries and Off-Track Betting , Praeger Publishers, New York, New York, 1974.

TABLE 1

MEAN RESPONSE OF ATTITUDE TOWARDS LEGALIZING OTB TELETRACK THEATER
AND PERCEIVED IMPACTS OF SUCH A PROJECT ON THE COMMUNITY

IMPACT VARIABLE	MEAN	S.D.
Overall attitude towards legalizing OTB ¹	2.5	1.3
Average success of gamblers ²	2.0	1.0
Society condemns betting activities ³	2.7	1.1
Effectiveness of state and local government in regulating gambling ⁴	3.1	1.3
Overall tax revenue ⁵	3.3	0.9
Number of jobs in the community ⁵	3.7	0.6
Change in overall image of town ⁶	2.7	1.0
Quality of public services ⁶	3.0	0.8
Traffic conditions ⁶	1.8	0.8
Out-of-state visitors in Holyoke ⁵	4.2	0.6
Occurrence of theft and violent crimes ⁵	3.7	0.9
Presence of organized crime ⁵	3.8	0.9
Addiction to gambling from OTB ⁵	3.9	0.8
Betting activities among young people ⁵	4.0	0.9
Level of stress and tension in local community ⁵	3.7	0.8
OTB will ruin the moral character of the community ³	2.9	1.3
OTB would decrease illegal gambling ³	2.9	1.1

¹ 1-5 Scale; 1 = Strongly Oppose; 5 = Strongly Favor; 3 = Neither Oppose nor Favor.

² 1-5 Scale; 1 = Lose Most of Money; 5 = Win a Lot of Money; 3 = Neither Lose nor Win.

³ 1-5 Scale; 1 = Disagree Strongly; 5 = Agree Strongly; 3 = Neither Agree nor Disagree.

⁴ 1-5 Scale; 1 = Highly Ineffective; 5 = Very Effective; 3 = Neither Effective nor Ineffective.

⁵ 1-5 Scale; 1 = Significantly Decrease; 5 = Significantly Increase; 3 = No Change.

⁶ 1-5 Scale; 1 = Worsen; 5 = Significantly Improve; 3 = No Change.

TABLE 2: SIGNIFICANT RELATIONSHIPS BETWEEN IMPACT VARIABLES AND DEMOGRAPHIC STATUS

IMPACT VARIABLE	DEMOGRAPHIC STATUS	A						E D U C A T I O N						F Value	
		18-24	25-34	35-44	45-54	55-64	Over 65	1	2	3	4	5	6		
Average success of gamblers	\bar{X}	2.3	2.1	1.6	1.8	2.5	2.1	3.1*	1.6	2.5	2.4	2.1	1.6	1.4	5.0 *
	σ	1.1	0.8	0.8	1.0	1.2	1.1		0.9	1.3	1.1	1.0	0.6	0.5	
OTB would decrease illegal gambling	\bar{X}	3.0	2.9	2.4	2.9	2.6	3.3	2.4**	-	-	-	-	-	-	
	σ	1.2	1.1	1.1	1.2	1.1	1.0		-	-	-	-	-	-	
Total N		26	39	34	28	35	38		11	29	66	48	31	14	

- 1 = Grade school
- 2 = Some high school
- 3 = High school diploma
- 4 = Some college
- 5 = College degree
- 6 = Advanced degree

*p < .01
**p < .05

TABLE 3

MULTIPLE REGRESSION OF OVERALL ATTITUDE TOWARDS LEGALIZATION ON
SPECIFIC ATTITUDES AND DEMOGRAPHIC CHARACTERISTICS

Variable	Standardized Regression Coefficient	Zero Order Correlation Coefficient	F	R Square Change
Town's image	0.37	0.62	30.2 *	0.38
Change in morality	- 0.31	- 0.56	24.4 *	0.10
Traffic conditions	0.22	0.39	13.5 *	0.04
Number of jobs	0.13	0.33	4.7**	0.02
Number of adults in household	- 0.12	- 0.17	4.5**	

R square = 0.55

p < 0.01

p < 0.05