

Follow the Money: Gambling, Ethics, and Subpoenas

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Reprinted from *The Annals of the American Academy of Political and Social Science*

Volume 556, March 1998

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ABSTRACT: On 3 August 1996, the National Gambling Impact Study Commission Act became law and established the nine-member National Gambling Impact Study Commission. Passed by unanimous voice vote in both the U.S. Senate and House of Representatives, the gambling commission was the congressional response to a gambling industry whose influence threatened to overwhelm not only state and local governmental decision making but also the objectivity of the court system via test cases to expand gambling. This article examines the potential influence of the gambling industry and its lobbyists. There exist significant congressional fears that the gambling industry could be sufficiently powerful to change U.S. policy and the economy (locally, regionally, and nationally).

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NOTE: Due to the editorial format of this publication, multiple citations documenting the same point have been deleted.

SINCE the Watergate era, when investigative reporters were advised to “follow the money” to find the facts, this principle has been reaffirmed several times as the mechanism for the fourth estate to scourge crime and corruption from government, lobbying activities, and the political process (Bernstein and Woodward 1975, 35). Gambling industry lobbyists, however, successfully lobbied Congress to limit the subpoena power in the 1996 National Gambling Impact Study Commission Act (Pub. L 104-169) to cover only documents and not people. Even so, the 1996 commission’s power to subpoena documents may still reveal some unflattering problems with U.S. legalized gambling, such as increased crime and corruption (Glenn et al. 1996, S7976).

THE POWER OF MONEY

Money is power, and absolute money is absolute power. However, as Lord Acton codified in 1887, “power tends to corrupt and absolute power corrupts absolutely.” The organized gambling industry absorbs substantial monetary resources from the populations where gambling activities are conducted (U.S. House 1994, 5-10; Florida Governor’s Office 1994, 79). In Mississippi, for example, “gamblers bet \$30 billion . . . [in 1994, which was] more than the state’s total taxable retail sales” (Hornblower 1996, 31; U.S. House 1995, 20). Approximately 10 percent of the amount wagered is lost to the gambling operators.

By 1995, the monetary resources of licensed organized gambling threatened to corrupt and unhinge

the U.S. political process. During the 1990s, the gambling industry quickly became the single most powerful lobbying group in many state legislatures (Goodman 1995a, 190). In Illinois, for example, one casino company offered \$20 million to two political insiders to help secure a casino license (Drinkard 1996, 7). In 1995 in Virginia, a state with only some charitable gambling and a recently enacted lottery, casino proponents hired 48 lobbyists who represented practically every lobbying firm in the state capital in an attempt to prohibit any antigambling lobbyists from competing. The pro-casino interests then spent \$820,000 to \$1.1 million during a 45-day legislative session in a failed attempt to legalize riverboat casinos (U.S. House 1995, 19; Snider 1995, 3336).

In congressional hearings before the U.S. House of Representatives Committee on the Judiciary, Representative Frank R. Wolf indicated his concern “that the flood of casino money into the states . . . [would] drown out the voices of ordinary citizens, and overwhelm state public officials” (U.S. House 1995, 19). Simultaneously, similar concerns were raised that “the extraordinary amount of money which . . . [was] legally used to overwhelm any opposition . . . [would lead] to unbalanced decisionmaking processes by elected officials, regulatory agencies, and even the court system” (U.S. House 1995, 520).

“Money” and “power” appeared to be recurrent themes and goals within the gambling industry. These themes were extemporized and summarized by the author of the *U.S. Gambling*

Study, Professor Robert Goodman, during his speech to the 1995 Annual Convention of the National Coalition Against Legalized Gambling (NCALG):

This is not an issue . . . of the states versus the federal government [as the gambling industry argues]. It is simply an issue of an industry that can buy politicians, that has more power than most other industries, that operates on a national and international level, and [that] is trying to expand gambling to everywhere in the United States. It is as simple as that. (Goodman 1995b)

Lulled by the historical illegality of gambling activities since 1910, the U.S. public needed to be reacquainted with the increased crime and socioeconomic negatives associated with legalized gambling activities (U.S. House 1994, 77).

Leading this informational process in 1994 was Walter Cronkite, who challenged the economic claims of the U.S. gambling industry as "perhaps the most cynical promotion ever perpetrated on the American people" (Cronkite 1994, 1). Echoing Professor Goodman, Cronkite raised ethical issues involving governmental excesses that were unopposed due to the "near collapse of moral resistance to organized gambling" caused by years of charitable gambling in churches to raise money (Cronkite 1994, 11). Referencing P. T. Barnum's famous observation that "there's a sucker born every minute," Cronkite concluded that the greatest problem was "the collapse of America's work ethic in the sybaritic philosophy that you can get something for nothing" (Cronkite 1994, 1, 11).

The unlimited amounts of money available to the gambling industry would also corrupt the governmental system according to Nat Helms, a former high-ranking member of the gambling industry's 1994 campaign that brought video gambling machines to Missouri.

"Because of the unlimited money it generates, gambling also generates unlimited potential for abuse," said Helms, who has since soured on his former employers and . . . [written] a yet-unpublished book on the Missouri campaign. "I never met anybody who could resist a full-court press by the gambling industry." (Drinkard 1996, 7)

The cynicism displayed by this former member of the gambling industry's political team suggested that the industry's philosophy was that everyone and everything had a price.

By 15 October 1996, the data of the Federal Election Commission, as reported by the Center for Responsive Politics and the NCALG (1997), revealed that in 1996, gambling interests doubled their contributions to federal candidates to total \$4.4 million, including \$2.6 million in soft money (Horn 1996, 1) (see Table 1). The news media opined that these contributions were to counter and/or influence the federal appointments to the 1996 gambling commission (Harden 1996). By the end of the 1996 election cycle, these totals had reached \$5.4 million, including \$3.6 million in soft money, which was triple the amount contributed in the 1993-94 election cycle and a 700 percent increase over the \$457,600 contributed in 1991-92 (Horn 1997b, 1) (see Tables 1 and 2). During 1996, the

TABLE 1
TOP 15 SOFT-MONEY CONTRIBUTORS FROM THE GAMBLING INDUSTRY:
1995-96 ELECTION CYCLE TOTALS

	To Republicans	To Democrats	Total
American Gaming Association, Washington, D.C.	\$34,850	\$35,250	\$70,100
Bally's, Chicago (C)	\$27,000	\$130,000	\$157,000
Boyd Gaming Corporation, Las Vegas (C)	\$77,500	\$65,000	\$142,500
Cabazon Band of Mission Indians, Indio, CA (T)	\$0	\$107,000	\$107,000
Circus Circus Enterprises, Las Vegas (C)	\$165,000	\$90,000	\$255,000
GTech Corporation, West Greenwich, RI (C)	\$150,000	\$20,000	\$170,000
Harrah's, Memphis, TN (C)	\$79,545	\$50,000	\$129,545
International Game Technology, Reno, NV (C)	\$161,600	\$55,000	\$216,600
Mashantucket Pequot Nation, Ledyard, CT (T)	\$90,000	\$319,625	\$409,625
Mirage Resorts, Las Vegas (C)	\$251,500	\$35,000	\$286,500
Mohegan Tribal Gaming Authority, Uncasville, CT (T)	\$50,000	\$50,000	\$100,000
Oneida Tribe of Indians of Wisconsin, Oneida, WI (T)	\$0	\$103,000	\$103,000
Sault Sainte Marie Tribe of Chippewa, Sault Sainte Marie, MI (T)	\$20,000	\$130,000	\$150,000
Tracinda Corporation, Las Vegas (C)	\$120,000	\$0	\$120,000
Trump Casino Resorts, Atlantic City (C)	\$251,000	\$27,500	\$278,500
Total, 15 top soft-money gambling donors	\$1,477,995	\$1,217,375	\$2,695,370
Total, all soft-money gambling donors	\$1,687,445	\$1,968,575	\$3,656,020

SOURCE: Federal Election Commission data, as compiled by the Center for Responsive Politics and the National Coalition Against Legalized Gambling (1997).

NOTE: "(C)" stands for "commercial"; "(T)" for "tribal."

American Gaming Association (AGA) reported spending \$860,000 on federal lobbying, including \$232,000 on outside lobbyists, in efforts to stack the 1996 gambling commission—according to gambling opponents (Horn 1997a, 1).

Furthermore, the gambling industry was engaging in \$10 million campaigns to legalize various gambling activities on a state-by-state basis. The industry spent, for example, \$16.5 million in a 1994 campaign to legalize casinos in Florida—which was more than was spent on the 1994 gubernatorial campaigns of Governor Lawton Chiles and his challenger Jeb Bush combined (Lavelle 1994, 1). In the five years preceding 1997, gambling interests contributed "more than \$100 million in political

donations [including campaigns to legalize casinos] at the state level" (Lynch 1997, 38).

By comparison, those citizen groups that ran informational campaigns against proposals for expanded gambling claimed that if they could raise \$1 for every \$75 spent by gambling interests, the gambling interests would lose. Thus, by 1994, the 1:75 ratio became the break-even point for those citizen groups funding informational campaigns (Zabilka 1994, 3).

Governments, however, still encouraged their citizens to be losers, and citizens lost approximately \$50 billion in 1996 to organized gambling activities licensed and sponsored by governments. Several statesmen, including U.S. Senator Richard Lugar,

TABLE 2
**MAJOR SOFT-MONEY CONTRIBUTORS FROM THE GAMBLING INDUSTRY:
 1995-96 ELECTION CYCLE TOTALS**

Summary				
Total to Republicans:				\$1,687,445
Total to Democrats:				\$1,968,575
Total to both: 1995-96				\$3,656,020
1993-94				\$1,642,200
1991-92				\$457,600
Total by commercial gambling companies:				\$2,224,945
Total by tribal gambling interests:				\$1,431,075
Total to Republicans by commercial gambling:				\$1,474,195
Total to Republicans by tribal gambling:				\$213,250
Total to Democrats by commercial gambling:				\$750,750
Total to Democrats by tribal gambling:				\$1,217,825

	To Republicans	To Democrats	Total
Agua Caliente Band of Cahuilla Indians, Palm Springs, CA (T)	\$0	\$15,000	\$15,000
Aladdin Hotel & Casino, Inc., Las Vegas (C)	\$0	\$2,000	\$2,000
Alliance Gaming Corporation, Las Vegas (C)	\$10,000	\$12,000	\$22,000
American Gaming Association, Washington, D.C. (C)	\$34,850	\$35,250	\$70,100
Aztar Corporation, Phoenix, AZ (C)	\$10,000	\$10,000	\$20,000
Bally's, Chicago (C)	\$27,000	\$130,000	\$157,000
Barona Casino & Bingo, Lakeside, CA (T)	\$0	\$22,000	\$22,000
Bayard Raceways, Inc., Jacksonville, FL (C)	\$0	\$5,500	\$5,500
Boardwalk Casino, Inc., Las Vegas (C)	\$0	\$1,000	\$1,000
Boomtown, Inc., Verdi, NV (C)	\$11,500	\$50,000	\$61,500
Boyd Gaming Corporation, Las Vegas (C)	\$77,500	\$65,000	\$142,500
Cabazon Band of Mission Indians, Indio, CA (T)	\$0	\$107,000	\$107,000
Cache Creek Indian Bingo, Brooks, CA (T)	\$0	\$12,500	\$12,500
Camel Rock Casino, Santa Fe, NM (T)	\$0	\$5,000	\$5,000
Cheyenne River Sioux Tribe, Eagle Butte, SD (T)	\$0	\$200	\$200
Chitimacha Tribe of Louisiana, Charenton, LA (T)	\$0	\$1,500	\$1,500
Circus Circus Enterprises, Las Vegas (C)	\$165,000	\$90,000	\$255,000
Coeur D'Alene Tribe, Plummer, ID (T)	\$0	\$1,000	\$1,000
Confederated Tribes of Grand Ronde, Grand Ronde, OR (T)	\$0	\$1,000	\$1,000
Crow Bar & Casino Lounge, Sioux Falls, SD (T)	\$250	\$0	\$250
Delaware North Companies, Buffalo, NY (C)	\$15,000	\$0	\$15,000
GTech Corporation, West Greenwich, RI (C)	\$150,000	\$20,000	\$170,000
Gaming Solutions International, Highland Ranch, CO (C)	\$1,600	\$0	\$1,600
Gold Coast, Las Vegas (C)	\$10,000	\$0	\$10,000
Grand Casinos Mille Lacs, Plymouth, MN (T)	\$23,000	\$15,000	\$38,000
Harrah's, Memphis, TN (C)	\$79,545	\$50,000	\$129,545
Hilton Gaming, Las Vegas (C)	\$0	\$25,000	\$25,000
Hollywood Park, Inglewood, CA (C)	\$10,000	\$0	\$10,000
Horseshoe Casino & Hotel, Robinsonville, MS (C)	\$5,000	\$0	\$5,000
Inland Casino Corporation, La Jolla, CA (C)	\$24,850	\$10,000	\$34,850
International Game Technology, Reno, NV (C)	\$161,600	\$55,000	\$216,600
Jackson Rancheria, Jackson, CA (T)	\$0	\$12,500	\$12,500

(continued)

TABLE 2 Continued

	To Republicans	To Democrats	Total
Lac Vieux Desert Tribal Operations, Watersmeet, MI (T)	\$250	\$0	\$250
Lady Luck Rhythm & Blues Casino, Lula, MS (C)	\$12,500	\$0	\$12,500
Los Alamitos Race Course, Los Alamitos, CA (C)	\$10,000	\$0	\$10,000
MGM Grand, Inc., Las Vegas (C)	\$30,000	\$40,000	\$70,000
Mashantucket Pequot Nation, Ledyard, CT (T)	\$90,000	\$319,625	\$409,625
Miccosukee Indian Bingo & Gaming, Miami, FL (T)	\$13,000	\$0	\$13,000
Mikohn Gaming Association, Las Vegas (C)	\$0	\$2,500	\$2,500
Mirage Resorts, Las Vegas (C)	\$251,500	\$35,000	\$286,500
Mississippi Band of Choctaw Indians, Philadelphia, MS (T)	\$15,000	\$30,000	\$45,000
Mississippi Gaming LP, Biloxi, MS (C)	\$250	\$0	\$250
Mohegan Tribal Gaming Authority, Uncasville, CT (T)	\$50,000	\$50,000	\$100,000
Muckleshoot Indian tribe, Auburn, WA (T)	\$0	\$39,500	\$39,500
New Mexico Indian Gaming Association, Santa Fe, NM (T)	\$0	\$2,500	\$2,500
Oneida Tribe of Indians of Wisconsin, Oneida, WI (T)	\$0	\$103,000	\$103,000
Polo Towers, Las Vegas (C)	\$0	\$15,000	\$15,000
Pueblo of Pojoaque, Santa Fe, NM (T)	\$0	\$17,750	\$17,750
Pueblo of Sandia, Bernalillo, NM (T)	\$1,500	\$7,500	\$9,000
Pueblo of Santa Ana, Bernalillo, NM (T)	\$0	\$12,500	\$12,500
Pueblo of Tesuque, Santa Fe, NM (T)	\$0	\$45,000	\$45,000
Puyallup Tribe of Indians, Tacoma, WA (T)	\$0	\$30,000	\$30,000
San Felipe Casino Hollywood, San Felipe, NM (T)	\$0	\$1,000	\$1,000
San Manuel Tribal Administration, Highland, CA (T)	\$0	\$32,500	\$32,500
Santa Fe Racing, Inc., Santa Fe, NM (C)	\$0	\$2,000	\$2,000
Sault Sainte Marie Tribe of Chippewa, Sault Sainte Marie, MI (T)	\$20,000	\$130,000	\$150,000
Shakopee Mdewakanton Sioux, Prior Lake, MN (T)	\$0	\$75,000	\$75,000
Silverado Casino & Restaurant, Fernley, NV (C)	\$500	\$0	\$500
Sodak Gaming, Inc., Rapid City, SD (C)	\$0	\$10,000	\$10,000
Spa Hotel & Casino, Palm Springs, CA (T)	\$0	\$5,000	\$5,000
Spotlight 29 Casino, Coachella, CA (T)	\$250	\$0	\$250
St. Croix Tribal Council, Hertel, WI (T)	\$0	\$35,000	\$35,000
Station Casinos, Las Vegas (C)	\$5,000	\$34,500	\$39,500
Table Mountain Casino, Friant, CA (T)	\$0	\$35,000	\$35,000
Tracinda Corp., Las Vegas (C)	\$120,000	\$0	\$120,000
Tropicana Resort & Casino, Las Vegas (C)	\$0	\$1,000	\$1,000
Trump Casino Resorts, Atlantic City (C)	\$251,000	\$27,500	\$278,500
Tulalip Tribes, Marysville, WA (T)	\$0	\$36,750	\$36,750
Turfway Park Racing Association, Florence, KY (C)	\$0	\$22,500	\$22,500
Viejas Indian Reservation, Alpine, CA (T)	\$0	\$12,500	\$12,500
White Mountain Apache Tribe, White River, AZ (T)	\$0	\$5,000	\$5,000

SOURCE: Federal Election Commission data, as compiled by the Center for Responsive Politics and the National Coalition Against Legalized Gambling (1997).

NOTE: "(C)" stands for "commercial"; "(T)," for "tribal."

raised concerns that governments were advertising to adults and children that gambling would "obviate the need for a solid education" (Yepsen 1995) and that governments were becoming "economic predators" of

their own citizenry (Van der Slik 1990).

THE COSTS OF ORGANIZED GAMBLING TO TAXPAYERS

The socioeconomic costs to the taxpayers of government-sponsored gambling have been conservatively estimated at \$3 in increased crime and social costs for every \$1 in new tax revenues to governments (U.S. House 1994, 77-78; Florida Governor's Office 1994, 79). Some of these socioeconomic costs are indirectly and directly attributable to the policies of the government-gambling alliance that encourage the creation of new probable pathological and problem gamblers. Pursuant to the American Psychiatric Association, pathological gambling is a recognized addictive behavior and is listed in the *Diagnostic and Statistical Manual of Mental Disorders* (American Psychiatric Association 1994, 615-18).

During the 1990s, there were dramatic confirmations of the increases in the number of pathological and problem gamblers predicted to occur as governments began legalizing and sponsoring increased gambling activities. Even the Nevada press noted the significance of "before and after" studies in Iowa. In an extensive article, the *Reno Gazette-Journal* observed that Iowa "has had two studies: in 1989, before riverboat casinos were legalized, and in 1995, four years after those casinos opened" and that the pathological and problem gambling rate increased from 1.7 percent of the population in 1989 to 5.4 percent in 1995—an alarming increase of over 200 percent (Iowa Department 1995). By comparison, "in

New York state, the rate jumped from 4.2 percent in 1986 to . . . 7.3 percent in 1995" (Nevada Problem, 1996). Furthermore, by 1996, the Nevada rate was 8 percent, according to a study from the University of Nevada at Las Vegas (Preston 1996). In 1994, the American Medical Association calculated that the sociomedical costs of pathological gamblers to U.S. society were already at \$40 billion, and it noted that these problems were increasing (American Medical Association 1994).

The consequences of industry dominance of the political process

Political-economic history demonstrates that any industry or combination of industries powerful enough to dominate an economy will destabilize that economy and usually precipitate a boom and bust economic cycle with a probable "speculative bubble." During 1994, U.S. patrons of legalized gambling wagered more than the "entire gross national product of China," which caused concern in the U.S. Congress (LaFalce 1996, H1678). As the twenty-first century was about to begin, U.S. policymakers wondered if the U.S. legalized gambling industry was poised for such domination.

The South Seas Bubble and the Mississippi Bubble constituted two classic examples of industries eventually dominating national governmental policies, and these scenarios resulted in financial disasters that threatened to bankrupt entire countries, including France and the United Kingdom. Both of these economic scenarios demonstrated "boom

and bust" situations, which were compounded by "speculative bubbles" (Samuelson and Nordhaus 1992, 204; Samuelson 1976, 422-28).

Organized gambling and crime

Arguably, gambling activities match the classic historical example of an economic process that transfers wealth so rapidly and that has such a destabilizing potential that governments have suppressed and criminalized most gambling activities. When governments legalize gambling activities, those activities must, by economic necessity, be limited in scope and highly regulated with emphasis on ethics legislation to control crime and corruption.

Beginning in the 1980s with the U.S. Supreme Court's case of *California v. Cabazon Band of Mission Indians* (480 U.S. 202 [1987]), legalized gambling activities mushroomed in the United States. The Court was criticized for focusing on a misplaced sense of social restructuring for a special interest group (Bilezerian 1995) instead of properly focusing on the interdisciplinary ramifications for commerce and legal policy (Kindt 1995, 569 n. 20) of the Court's de facto promoting, and indirectly mandating, the spread of gambling throughout the United States.

Faced with the *Cabazon* decision, the U.S. Congress passed legislation heavily influenced and even drafted by gambling interests, the Indian Gaming Regulatory Act of 1988. This legislation provided the appearance of regulation de jure, but there was little or no actual regulation. Not only exempt from state and federal taxes

but also exempt from most federal regulations, such as those relating to discrimination, equal employment opportunities, and sexual harassment, Indian gambling was uncontrolled by 1993. Charged with overseeing Indian gambling activities, the Department of the Interior, in its own internal audit, identified many legal violations and serious regulatory problems.

[The] review identified 37 [of 117 Indian] gaming operations . . . [that] were operating in apparent violation of the Act. Also 18 management contracts required . . . excessive fees totaling \$52.2 million. . . . In addition, 13 leasing contracts existed for video gaming equipment that could have been purchased for \$3.2 million but which instead was leased for \$40.3 million. [Moreover,] . . . from 1988 through 1992, the U.S. Attorney . . . identified several instances where tribes involved in gaming operations lost approximately \$500,000 through theft and embezzlement. (U.S. Department of the Interior 1993, 4)

By 1996, this situation had further deteriorated. The National Indian Gaming Commission (NIGC), which was charged with overseeing Indian gambling and whose duties supplemented and paralleled those of the Department of the Interior, reported that 84 percent of Indian gambling activities were in "non-compliance"; that is, 84 percent of the gambling activities were violating federal regulations (National Indian Gaming Commission 1996). The NIGC was so embarrassed by the results that the report's readers were left to do the calculations themselves. Protests from U.S. senators regarding NIGC irregularities and improprieties al-

legedly resulted in the 1994-96 NIGC chair's resignation on 31 January 1997. Overshadowing this entire situation and intensifying the criticisms were \$1.43 million in federal campaign contributions by Native American groups during the 1995-96 election cycle (Horn 1997b, 1) (see Table 2). Some of these contributions were allegedly raised via White House teas while President Clinton's appointments to the investigatory gambling commission were not just pending but overdue.

Non-Indian gambling oversight, however, was similarly inadequate. This determination was confirmed during a 1994 hearing before the U.S. House of Representatives Committee on Small Business and subsequently in 1995 before the Committee on the Judiciary (U.S. House 1994, 1995). Under the dominant influence of legislation proposed and even drafted by the gambling interests, during the 1980s and 1990s states not only legalized gambling activities but also legislated special economic and liability protections for the gambling industry that were unavailable to other businesses. Furthermore, only New Jersey had any significant ethics legislation controlling contributions from gambling interests to politicians and their campaigns. From the perspectives of social welfare and public policy, there were virtually no regulations controlling industry abuses.

Most important for economists and governmental decision makers, there were no strategic economic controls to prevent the precipitate formation of a classic boom and bust economic cycle. A compounded eco-

nomie threat would also occur if a regular cyclical economic downturn was coupled with the strategic economic impacts of the inherently recessionary U.S. gambling industry. In such a scenario, the U.S. economy could suffer double jeopardy (U.S. House 1994, 73).

GAMBLING AND POLITICS: QUESTIONS OF ETHICS

Contrary to what the public might have expected, the so-called religious influence has been largely silent and unorganized, whereas the internal, supposedly leaked public relations strategy documents of three major casino companies have revealed that the gambling industry is prepared to spin any moral debate either way to fulfill industry agendas (Better Government Association 1992). While most of the denominations and sects in Christianity, Judaism, and Islam have strictures against gambling, the modern debate did not generally focus on issues involving morality but, instead, metamorphosed largely into traditional questions involving business, legal, and governmental ethics, such as questions involving conflicts of interest. In this context, the lobbying techniques utilized by the gambling industry to prevent passage of the 1996 gambling act and then the subsequent industry stacking of the gambling commission's membership combined to decimate the public image of the industry and particularly its main lobbying arm, the American Gaming Association, which descended into an ethical shadow (Wolf 1996, H3622-23).

With the gambling industry lacking general public support, the con-

siderable lobbying and campaign funds available to the industry have maneuvered legalized gambling into most jurisdictions without a vote of the citizenry (Rose 1996). On those occasions when gambling interests could not bring gambling into an area without a vote, the voters were simply not allowed to reject the gambling proposal and gambling interests staged multiple revotes. On a statewide level, it took 1.5 years of multiple revotes, but when pro-gambling interests promised more money to education, then "after three tries, full-blown riverboat gambling in Missouri became a reality as voters approved the 'games of chance' amendment 54 to 46 percent" (Ganey and Schlinkmann 1994). In a local example, a proposal for a gambling riverboat in Parkville, Missouri, was rejected by voters three times within less than 2 years before it finally passed in a fourth referendum by 75 votes (Graham 1994).

Another procedural mechanism to promote gambling legislation while bypassing the electorate was used in Illinois, where multiple so-called shell bills—without statutory language—were periodically used to avoid legislative hearings, expert analysis, media scrutiny, and public attention. From 1992 to 1996, 84 percent of Illinois voters in local referenda had, in fact, voted in favor of the right to vote, before expanding gambling in Illinois, and 58 percent of Illinois voters rejected specific gambling proposals while pro-gambling interests won only 2 of 39 local votes (Bedell 1997).

Because it was realized that the Illinois electorate was overwhelm-

ingly against pro-gambling initiatives, any statewide right-to-vote bills on expanded gambling were constantly killed in procedural legislative maneuvers to avoid the public attention afforded recorded votes in the state Senate and House. This legislative stonewalling strategy was severely criticized by several watchdog citizen groups, including the Chicago Crime Commission, Illinois Common Cause, the Public Welfare Coalition, and Illinois Church Action on Alcohol Problems. According to Anita Bedell, the director of the last of the aforementioned groups, there was a sacrifice of the public interest to gambling interests (McKinney 1996, 10).

MORAL OPPOSITION: A PAPER TIGER?

The NCALG, a nonprofit organization, represents a broad-based coalition, which crosses the entire political spectrum and includes all belief systems, including Christian, Jewish, and Muslim groups. It provides the focal point of opposition to organized gambling and to the expansion of legalized gaming. The AGA's chairman, Frank Fahrenkopf, in addressing gambling industry leaders, has constantly extolled the political clout of the "moral opponents" of gambling and linked the NCALG to the Christian Coalition in an effort to raise millions of dollars for the AGA (which has approximately a \$4.6 million budget, compared to just over \$100,000 for the NCALG). While the Christian Coalition may have provided the NCALG with some limited ideological support, the Christian Coalition never made any donations or provided any formal support to the

NCALG. The power of the NCALG and the apparent connection with the Christian Coalition were projected by the gaming industry as more significant than they actually were. One gaming article noted, "Religious-based groups have gaming on the run. What can the industry do about it?" Furthermore, while the trade magazine's article bemoaned "those deadly sins," it recognized that "the gaming industry . . . [had] been its own worst enemy" and criticized the industry's "questionable political strategy, broken economic promises, [and] industry scandals" (Doocey 1995, 1, 44).

While the AGA continued to discredit any opposition as morally based, the NCALG's executive director, Tom Grey, argued primarily on the basis of the socioeconomic and crime costs associated with gambling (Grey 1997). Armed with the latest socioeconomic facts, adherents of the NCALG's philosophy were usually successful by merely informing the public of the increased crime, pathological gambling, and other social negatives associated with legalized gambling activities.

The moral arguments were addressed and largely dispelled during the congressional debates on H.R. 497 (and its companion bill, S. 704), known as the National Gambling Impact Study Commission Act.

Gambling interests also criticize this legislation as the moral musings of the religious community. Supporters of H.R. 497 include: 47 Republican and 23 Democrat [U.S. Representatives], many states' attorneys general, governors, and newspapers such as *The Washington Post* and

The Cincinnati Enquirer. This is a bipartisan, non-ideological coalition joined because of their concern about the impact of gambling. (U.S. House 1995, 19)

Regardless of these considerations, the social and political trends after the mid-1990s had shifted against blanket public acceptance of the expansion of legalized gambling activities. Simply by disseminating information, the NCALG leadership could be largely credited with reversing the trends of the 1980s and early 1990s, which had been toward the increased expansion of legalized gambling activities.

By 1997, these political-societal problems had intensified beyond isolated abuses by the gambling industry to become a pattern of coordinated abuse. The debate had also metamorphosed from a debate over the "extent" of the economic cancer to be tolerated from organized gambling, to a debate on whether the public would tolerate any such economic cancer at all (Rose 1996; Goodman 1994).

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