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Experts React to Harvard/bwin Sports-Betting Study

by Emily Swoboda

The results of the first empirical study of actual gambling behavior, released to the public on June 22, showed little evidence of a problem gambling epidemic proliferated by the seedy world of Internet gambling, as is the common discourse. Two experts on problem gambling, one from academia, the other a problem gambling advocate, agree, but say the subject requires further exploration

The study, conducted by Harvard Medical School, measured the gambling behaviors of sports-betting customers of European online gaming site bwin. Researchers found that of the 40,499 subjects, only the top 1 percent exhibited behavior that could be considered a gambling problem.

Meanwhile, certain lawmakers are crying "Danger!" in an effort to keep anti-Internet gambling laws in tact and ward off attempts to legalize and regulate Internet gambling in the United States.

Keith Whyte, executive director of the National Council for Problem Gambling (NCPG), said the results were not unexpected.

"The information that's available about Internet gambling provides us a lot more opportunities both to learn about and do responsible gaming because most Internet gambling, if not all of it, is account-based wagering," Whyte said. "Not just by definition, but by having absolute access to everything that [customers] do on the site, it is a lot better than in traditional casinos where there is no account set up. Tracking is sporadic, and even in most casinos they can track what you play on slots, but not what you play on the tables--much less a lottery environment or racing environment where there is absolutely no information on the player."

While Whyte would not say that the Internet is safer for gamblers than traditional casinos, he did acknowledge that it has potential to have a lot more responsible gaming features. But, he said, online gambling operators have to take the lead.

"It (the Internet) provides potential to have control and intervention, but it's also important to note that--and even during this sample--there are essentially no responsible gaming controls," Whyte said. "So, while there is the potential, most operators, regardless of their location or level of regulation, have not adopted responsible gaming measures. Operators themselves know more than most all the things that could be done, and part of it is incumbent upon them to--either working with researchers, like bwin did with Harvard, or working with other groups--to utilize what they know to design these solutions. These operators, the designers, they know what the technology can do. Wouldn't it be great if they were taking the lead and saying: 'Hey, here are all sorts of creative ways we can deliver safer gambling?'"

But, to Whyte's disappointment, most operators have not taken the lead in this area.

"We hear a lot: 'Well, we'll wait until the regulators tell us what to do,' and that's a much less proactive position," he said. "And I'm painting with a broad brush here. There are some operators who have been quite progressive, but it's fair to say the majority haven't."

Whyte envisions a convergence of Internet gambling and research in order to design responsible gaming programs, using the power of information technology to deliver better results.

"More than anybody else, operators have always had the key to this research," he said. "If we could go into the records and the vaults of any gaming company over the years we would find enormous amounts of information on player behaviors over the years."

Whyte pointed out that while Internet gambling raises unique issues, at its heart is the behavior clinicians and advocates have been we've been dealing with for the 30 years. So, it's a new way of gambling, but it's an old type of gambling.

As a problem gambling advocate, the critical issue for Whyte is why people gamble, he said.

"I'm less concerned about the means they use to access the gambling, whether it's Internet, mobile phone, live or wherever," he added.

This is the first publicly available study of online gambling, and Whyte said the industry would benefit from more publicly available studies.

The NCPG lobbies the government for funding for programs that would help prevent and treat problem gamblers. Whyte said all the anti-Internet gambling rhetoric coming from Capitol Hill is especially frustrating for them.

"Most of the people who are talking about the dangers of online gambling and how important it is to protect children don't actually lift a finger to pay for services or programs that would actually prevent kids from gambling on the Internet or provide treatment for those who do get into trouble," Whyte said. "So, there is a huge disconnect between the rhetoric about protecting people from gambling problems and any actual attempts to do what is best for people with gambling problems, which is prevention and treatment services."

Whyte compared the U.S. Internet gambling prohibition to the U.S. "War on Drugs," undertaken by the government in the 1970s to combat the supply and use of illegal drugs. The government has spent hundreds of billions of dollars on this initiative and still the problem persists.

"There is lots of rhetoric on how terrible things are, but in a law-enforcement approach, trying to use laws to prevent people from gambling--or prevent people from using drugs--with little attempt to reduce the consequences by using a health-based approach," he said. "As far as I can tell, the majority of resources in the United States right now that are spent on online gambling are spent in a law-enforcement approach," Whyte said. "And what we know from decades of public health research from the "War on Drugs" and every other form of gambling is that enforcement is part of the issue, but it's not all of it,

and the most effective way to protect people from gambling related harm is to use prevention, education and treatment programs.

"Problem gambling is a mental health disorder and making it illegal doesn't do anything to address the addiction," Whyte added. "So, I see us falling into the same trap that we did during the war on drugs."

Don Ross, a professor of economics at the University of Cape Town in South Africa who has done extensive research on the cognitive effects of gambling, said the study was a good start and highly praiseworthy for bwin.

He said he was not particularly surprised by the results; however, he pointed out some of the limitations of the study.

"Certainly problem gamblers will bet on sports, and pathological gamblers will bet on anything," Ross said. "But there is prior evidence that the representation of problem or pathological gamblers in groups of sports bettors is barely higher than in the general population. It's pretty low in the general population, so it's pretty low in online bettors too."

The *Diagnostic and Statistical Manual* (DSM), a handbook by which mental health professionals diagnose specific mental health disorders, only carries a definition for pathological gambling, and that definition is not good enough for Ross.

"That's too narrow," he said. "It's not adequate to just have that category. I think we need a more fine-grained set of distinctions. I think we need to distinguish between people who exhibit all of the condition typical of full-scale addiction, which is a very small group, and people who have a tendency to spend more than they'd like to from time to time at casinos and maybe get themselves in a bit of financial trouble or get in trouble with their family."

The DSM definition of pathological gambling is very liberal, Ross said--it includes anybody who has any type of gambling problem and categorizes them as a pathological gambler.

"But, even with that very liberal definition no prevalence has found prevalence higher than 3 percent," he said. "Nobody who pays attention to the evidence should be going around saying that pathological gambling is a widespread problem."

Ross suggested a different approach.

"If we wanted to find out how dangerous Internet gambling is, what we really need to do is reproduce the same sort of methodology they (Harvard) used with a population of people who are Internet gambling in a purer sense of gambling," Ross said. "That is, it would be really great if someone could do this with people who are playing, say, Internet poker, because if you just test a general call of the population, you're only going to find a very small proportion of pathological gamblers."