THE EVILS OF GAMBLING

HON. FRANK R. WOLF
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Friday, September 19, 2014

Mr. WOLF. Mr. Speaker, I have long been opposed to any expansion of legalized gambling and have continually sought to raise awareness of the dangerous economic and social costs of gambling. That is why I want to submit for the Record a statement I received from one of the nation's most respected gambling experts, the dangers of gambling, Tom Grey, and the director of Stop Predatory Gaming, Les Bernal.

STATEMENT BY LES BERNAL, NATIONAL DIRECTOR, STOP PREDATORY GAMBLING AND TOM GREY, SENIOR ADVISOR TO STOP PREDATORY GAMBLING

Today, we would seek to speak for the “losers.” The “losers” are those citizens sacrificed by our government in its failed experiment of sponsoring and promoting gambling to extract as much money as possible from the public. “Losers” isn’t a term we coined. That’s the word used by a slot machine designer who figured out what the biggest makers of slot machines are up to. What exactly does one I.G.T. artist if he ever plays, he acted as if I had insulted him,” wrote New York Times reporter Gary Rivlin in his cover story on slot machines for “The Times Sunday Magazine.” “Slots are for losers,” he spat, and then, coming to his senses, begged me to consider that an off-the-record comment.

Scott Stevens of Steubenville, Ohio was one of these “losers” we speak for today. Yet Scott Stevens was a success by nearly every measure we use in America. Through hard work and sacrifice, Scott became a very successful business executive, earning an upper-middle class income. He was happily married with three daughters and actively served his community in a variety of different volunteer leadership roles.

But the lives of Scott Stevens and his family changed forever when they intersected with a governmental program unlike any other. It is a government program that exists to extract as much money as possible from the average American. That is why this program has been called “government-sponsored gambling” but a growing number of Americans in the public square today call it more accurately as “predatory gambling.”

Predatory gambling is when government uses gambling in the form of casinos and lotteries to cheat and exploit citizens. For-profit gambling is illegal unless the government gives its full support, and in nearly every instance operates in partnership with gambling interests whether in the form of state lotteries or commercial casinos or tribal casinos. Scott Stevens knew firsthand about predatory gambling.

Today, the electronic gambling machine has become government’s preferred method of extracting money from citizens. Slots make up to 80% of gambling profits. These gambling machines are literally designed so citizens can’t stop using them. These are whole new aspects of human psychology and inducing irrational and irresponsible behavior. Every feature of a slot machine—its mathematical structure, sound design, seating and screen ergonomics—is designed to increase a player’s “time on device”—which means how long a person plays.

Gambling operators found that to make their profits were not about the size of the gamblers’ stakes but rather the volume of their play.

“If you provide them with the right time-on-device, they will stay and play,” one slot machine designer said to MIT Professor Dr. Natasha Schull in her recent book on slot machine technology, *Pushing the Edge.* By design, “you take it too quickly and they lose, they’re going to leave.” In the actual language of the casino business, the goal is to get everyone addicted—“until all their money is gone, Dr. Schull quotes a slot marketing expert. “I want to keep you there as long as humanly possible,” another slot operator said. “Once they see what’s whole trick, that’s what makes you lose.”

“The slot machine is designed to be so effective at breaking its victims, wrote Dr. Schull, that it is “a product that, for all intents and purposes, approaches every player as a potential addict—in other words, someone who continues playing until his or her means are depleted.”

Scott Stevens was one of the “losers” who used a slot machine. He became someone who used the slot machine the way its maker and promoter intended: he could not stop using it.

“Aggressively marketed to the public as ‘fun’ and actively promoted by public officials, why would Scott ever possess any concerns about using a modern slot machine? I mean, what’s the difference?” It was a question I asked when I first met Tom Grey, the director of opposing the gambling interests—that show 40 percent–60 percent of slot machine profits are taken from citizens like Scott Stevens. Citizens who have been turned into gambling addicts.

In America today, at least 10 million citizens are gambling addicts; citizens who have become addicted to what is, literally, a government program. We call these millions of citizens who have ruined their lives and families, problem gamblers. Our government can extract more money, “The Expendable Americans.”

Scott Stevens was an Expendable American. He lost his job because he took company money and poured it into slot machines sponsored by the government. He maxed out his credit cards to tens of thousands of dollars. He cashed in his IRA, his savings accounts and his 401k retirement funds. He owed huge debts to the IRS for not paying taxes on what government labeled his “winnings” despite losing far greater money than he won.

On August 13, 2012, even though he had already given all of everything he had to this public policy, Scott Stevens made one last sacrifice. He drove to a children’s soccer park in his town that he raised money to build. He sat down on a park bench. He called 911 on his cell phone and told them what he was planning to do. When the police and ambulance arrived at the park he said, “You’re not here to stop me, you’re here to take me home” and then shot himself in front of them. In the days afterward, a letter arrived in the mail addressed to his wife Stacy. Scott wrote it before taking his own life. It said, in part:

“I know you don’t believe it but I love you so much! I have hurt you so much. Our family only has a chance if I’m not around to continue the cycle. You’re no longer the life-giving, authoritative, unbelievable wife and mother. I know you will hold the family together...”

While millions of men and women like Scott Stevens and their families have sacrificed and hurt so much to provide needed revenues to American government, no one has ever thanked them for their “service.” “We have transformed American government’s partnership with gambling has failed in a multitude of ways. The biggest public policy bust of the modern era. Over the past four decades, government’s partnership with gambling has failed in a multitude of ways. It has repudiated the virtue of “love your neighbor” as child’s play.

Today, the electronic gambling machine—the very same machine that contributed to broken families and child neglect and other social messes everywhere it goes, and has taken little or no responsibility to clean them up. It has turned many law-abiding citizens into criminals who cheat, steal, and embezzle in order to continue to gamble.

It has arrogantly exempted itself from truth-in-advertising laws so that it can use taxpayer money to create and spread deceptive advertising.

It has corrupted our sense of community and undermined our faith that we’re all in this together. It has deliberately changed the word “gambling” to “gaming” in order to make this very often destructive activity sound as innocent and child’s play.

It has fueled cynicism about the motives of our government.

It has promulgated the very economic attitudes—social practice—which are more important than sustainable, wealth can come from ever-growing debt, something can come from nothing, slickness trumps honesty—that led us into the debt bubble and the Great Recession of 2008 and beyond.

It has caused neighboring states to compete against each other in a race to the bottom.

It has taken dollars from the poor to fund programs for the better-off.

It has spread addiction into our population, using the new science of machine design to produce out-of-control behavior that, according to scientists, closely resembles addiction behavior from a lifetime perspective.

It has spread debt and bankruptcy into our population.

It has contributed to serious gambling-related problems among young people.

It has contributed to broken families and child neglect and other social messes everywhere it goes, and has taken little or no responsibility to clean them up.

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It has withered our capacity as a people to confront forthrightly our reluctance to pay taxes for the public services we desire.

It has trampled on the ideal of “justice for all.”

It has broken faith with the wisdom and leaders of earlier generations who, seeing the failure of gambling in the past, amended state constitutions to ban gambling activities.

It has lied to us about how the government actually uses the money it gets from gambling.

It has lied to us by repeating again and again that luck—rather than work—is the key to economic success.

This is a critical moment. How our generation responds to the reach and arrogance of the government-gambling power complex will limit the legacy we leave to the next generation. Politically, economically, ethically, and spiritually, the stakes are extraordinarily high.

Politically: Government’s partnership with gambling fundamentally changes the compact between government and the governed. It pits government’s interests against the best interests of its people. For government to win, its citizens must lose.

Economically: No great nation has ever built a foundation of personal debt, addiction, and the steady expansion of “businesses” that produce no new wealth. Relying on gambling as an economic development strategy is a sign of surrender and defeat on the part of leaders who have failed to lead.

Ethically: A decent government does not finance its activities by playing its most vulnerable citizens for suckers, thus rendering the lives of millions expendable, exploitable, and unworthy of protection.

Spiritually: We mock the higher values that any good society depends on—honesty, mutual trust, self-discipline, sacrifice, concern for others, and a belief in a work ethic that connects effort and reward—when government liars and cheaters tell the people the truth in vain.

Artistically, ethically, and spiritually, the stakes are extraordinarily high.

That is why it is time for our government to end its partnership with organized gambling interests and to embrace a fundamentally different and higher vision of the path to American prosperity.

In short, after four decades of consistent failure, it is time for our government to get out of the business of gambling to get out of our government. Stop Predatory Gambling is a Washington, DC-based nonprofit, transpartisan network of individuals and organizations from diverse backgrounds, political convictions and religious faiths dedicated to this fundamental national reform. We are committed to end the unfairness and inequality of opportunity created by government-sponsored casinos and lotteries.

We are part of the most diverse movement in the nation, an affirmation that most of our basic principles and values are regarded by the political spectrum. Today, we also provide a voice to all of these citizens from coast-to-coast who have for decades borne the brunt of recent decades on behalf of our core belief that no taxpayer dollar should be used by government to lure citizens into gambling away their hopes and dreams. No agency or entity of government should depend on gambling to fund its activities; and no legislature, whether in the name of economic development, revenue, or job creation, should pass laws to promote or sponsor gambling.

Some of you may ask what if government stopped sponsoring and promoting gambling? A better question that leads to a more revealing answer would be how did our nation educate children prior to introducing the lottery? Did not our parents as stakeholders fund government to provide the educational pathways to citizenship and potential prosperity? After World War II, how did America pivot from waging battle to creating jobs for a prosperous peace time and enabling its citizens to become economic winners? Did not our government only roads and our infrastructure but more important, in breadcrumbs and winners?

Already underway is a reclaiming of America from the devastating heartbreak of government-sponsored casinos and lotteries. It began in earnest with the establishment of the National Gambling Impact Study Commission by Congress in 1986 and its subsequent report in 1999 provided citizens with clear cut recommendations. The bipartisan recommendation by Congressman Frank Wolf, Congressman John LaFalce, Senator Richard Lugar and the late Senator Paul Simon to determine the truth about government-gambling in America and nourished the bottom-up growth of a national citizen movement opposing this dishonest and harmful public policy.

What began as a diverse national coalition of groups and individuals, ultimately led to the organization of Stop Predatory Gambling, where today empowered citizens are challenging the gambling powers with ever increasing intensity at the local, state and now, with the push for internet gambling, the federal level.

Perhaps the most visible challenge in 2014 is happening at the ballot box, that sacred public place where citizens can vote out of their best hopes or their worst fears for a brighter tomorrow. In the Massachusetts gubernatorial campaign, citizens have inspiredly waged a relentless fight against government-sponsored casinos for almost four years running. These citizens succeeded against overwhelming odds to achieve the first ever ballot question in a major state attempting to repeal state gambling laws. As modern America is historically and regrettably, a failure, it is time for our government to end its partnership with organized gambling interests and to embrace a fundamentally different and higher vision of the path to American prosperity.

It has been a long time coming. In 1996, Congress established the National Gambling Impact Study Commission. This commission convened by the Institute for American Values, a nonpartisan New York City-based think tank.

After four decades of unfulfilled promises, corrupt deals, and lost billions, it is time for our government to end its partnership with organized gambling interests and to embrace a fundamentally different and higher vision of the path to American prosperity.

It is inevitable that government-sponsored gambling will be phased out in most places across the United States. It is not a question of if but when. It is inevitable because we are a people who believe government should promote fairness and equality of opportunity for all. The speed of reform is up to all of us because it is we who will decide how many more “losers” like Scott Stevens we are willing to sacrifice to our own families and communities. Please join us in this good fight. Thank you.

TAIWAN NATIONAL DAY

HON. STEVE STEVERS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 19, 2014

Mr. STIVERS, Mr. Speaker, on October 10th Taiwan celebrates its National Day, commonly referred to as “Double Ten Day” because of its occurrence on the tenth day of the tenth month. On Double Ten Day, Taiwanese citizens pause and honor its first glimpse of becoming an independent and self-governing country.

Exactly six months ago, on April 10th, the United States and Taiwan established a special anniversary—the 35th anniversary of the Taiwan Relations Act. This bill passed Congress and was signed into law by President Jimmy Carter in 1979. The Taiwan Relations Act was crucial in establishing a legal relationship between our country and that of Taiwan.

The Taiwan Relations Act has been mutually beneficial to both the United States and Taiwan—boosting our economies and establishing a confidence of protection to the newly-established democracy of Taiwan.

The people of Taiwan have contributed to our thriving economy in many ways—and for that, we are grateful. In fact, just last year, Taiwan imported nearly $26 billion worth of American goods. In Ohio alone we have the largest concentration of exports to Taiwan—making the country Ohio’s 5th largest Asian export market.

We are grateful for Taiwan’s friendship and look forward to many more years of this successful partnership.