

GOVERNMENT, THE NEW PREDATOR

By Forrest Claunch

State governments have adopted a new role with the aggressive promotion of gambling. Whereas they once protected people from schemes to take away their money, today governments are settled into a role of paying professionals in the gambling industry to figure out new ways to get more out of people who gamble and involve people who have never decided to risk family money before.

California state lottery officials admitted in court selling lottery scratch-off tickets after the grand prizes had already been awarded, and having done so for years. The officials said they were doing nothing wrong, and argued in court documents that state agencies were exempt from false-advertising laws.¹

State lotteries typically experience declines that result in the state implementing new and more aggressive advertising. The Texas lottery has been typical. According to The Dallas Morning News, “Declining public interest has forced lottery officials to come up with new ways to try to convince people to play.”²

Most people are familiar with the unacceptable practices by state lotteries of targeted mailings to poor neighborhoods, looking for welfare money and Social Security checks, and advertising the lottery as the best hope for the future.

“Texas legislators are right to want to direct more of the lottery funds to education because voters believed that was where the money was going when they approved the lottery.”³ Voters always get sold on the idea gambling will fix education.

Oklahoma history is replete with proposals that were to provide enormous amounts of money for use by state government for worthy causes, education included. The promised tax revenue each year from repeal of prohibition (it took twenty years to get what was projected for one year) was to be a windfall, the liquor by the drink taxes would surely be outstanding, bingo taxes would provide a substantial portion of required \$25 million per year higher education bond payments (but never produced more than \$13 million in the best years), horse racing would deliver multiplied millions every year in new revenue to the state, but in the 18 years since pari-mutuel taxes were first collected, \$4,174,390 per year is the average the state has received;⁴ a far cry from \$100 million annual speculations.

There is no acceptable reason for government to cast aside the historical role of protector and assume the role of aggressive predator, constantly looking for new ways to entice people to lose money, and to knowingly use information to target the poorest population.

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¹ New York Times, Dec. 23, 2001, *California's lottery is called deceptive*, dateline Sacramento, Dec. 22, 2001

² The Dallas Morning News, October 1, 2002, editorial, p. 12A, *Texas Lottery*

³ IBID

⁴ Oklahoma State Office of Finance, Dec. 9, 2002