

An exchange on gambling and socialism

19 December 1998

Hello. I'm a Canadian student seeking to write an essay on the topic of gambling. I find that gambling is a dangerous endeavor for the workers, yet nearly harmless for the bourgeoisie. It can thus be used as yet another tactic for controlling the masses.

I have noticed that the Mike Harris government in Ontario is once again ignoring its people--a referendum on gambling held at the same time as municipal elections (resulting in a majority of disapproval with the idea) was summarily ignored.

Thus far, I have been unable to locate documents or articles which deal with the issue from a primarily socialist point of view.

I am very impressed with the quality of the *World Socialist Web Site*. While I believe in socialism, I think it will take a number of years of extreme capitalist oppression to incite the average income workers to form such governments.

Unfortunately, those years may be soon for Canada.

Ryan

Dear Ryan,

The WSWs shares your political opposition to organized gambling. By nature, gambling (whether legal or illegal) is predatory, since the entire enterprise is organized to ensure that the 'house' always wins, always profits at the expense of the bettors as a group.

The proliferation of gambling activity in recent years, including state-run or state-sanctioned lotteries and casinos, needs to be looked at from two standpoints--political economy and ideology.

State-supported gambling has been used by many governments in North America, including Ontario's, to raise funds for public services and artistic and recreational endeavors that were in the past supported by general tax revenue. It is no secret that poor and working class people purchase the vast majority of lottery tickets. Although the same may not be true of casino gambling, it is incontestable that the poor spend a far greater proportion of their income on gambling

than do the rich. According to a Statistics Canada study released last week, Canadian families with an income of \$80,000 or more spend on average 0.5 percent of their total income on gambling, while households earning less than \$20,000 spend 2.2 percent. These facts support the conclusion that state-run gambling is a masked form of regressive taxation. It is hardly coincidental that it has been promoted by the very same governments that have reduced tax rates for the rich and presided over a rapid increase in social inequality.

Casinos have also been embraced by governments as a means of promoting economic activity in depressed areas, including on aboriginal reservations. Again according to Statistics Canada, employment in the so-called gaming 'industry' has increased from 12,000 to 35,000 in the past five years. In 1997, it accounted for 4 percent of all new jobs in Canada. But, as even Statistics Canada concedes, most of these jobs are poorly paid. The large revenues generated by the casinos in Windsor and Niagara Falls, Ontario have caused other jurisdictions (e.g. Michigan) to consider establishing their own casinos. One can anticipate that in the not so distant future the gaming industry bubble will burst, as rival governments rush to get in on the action. That politicians from former Ontario Premier and provincial New Democratic Party leader Bob Rae to Mike Harris have promoted the gaming industry as a solution to unemployment only underscores their own bankruptcy.

There are, of course, other ideological questions relating to gambling. Lotteries, in particular, offer the victims of capitalism the illusion that there is an avenue of escape from their misery, if only they get lucky. The promotion of gambling is also part of a more general trend to valorize wealth and the amassing of wealth over all other forms of human activity. Seen in this light, state-run or supported gambling is a cynical instrument of class oppression which targets the most vulnerable layers of society. That said, it is by no

means coincidental governments have embraced gambling at a time when the profits of the banks and other financial institutions have themselves become more and more bound up with forms of speculation, divorced from the creation of social wealth, such as trading in currency futures.

I would also like to briefly comment on your observation that 'a number of years of extreme capitalist oppression' will be necessary to spur workers into action. Certainly, we anticipate the deepening world capitalist crisis will compel big business in Canada to intensify its assault on the rights and living standards of working people. We do not believe, however, that the sole or principal reason we have yet to see the development of an independent political movement of the working class, whether in Canada or internationally, is that workers have not suffered enough. Rather, the apparent lack of opposition to the capitalist offensive is rooted in a crisis of working class leadership and perspective. Working people have been politically disoriented by the outright collapse or sharp turn to the right of the organizations that they have identified, albeit erroneously, with the socialist alternative to capitalism--the Stalinist 'Communist' parties, the social-democratic parties like the NDP and the trade unions. The *WSWS* is directed at arming working people with an alternative perspective based on a critical reevaluation of the role and program of the traditional working class organizations--i.e., at overcoming this political-ideological crisis. A genuine mass opposition movement will emerge only insofar as it is animated by an alternative perspective.

Regards,

Keith Jones, for the *WSWS*



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