

\$1.5 billion Mega Millions jackpot

Lottery fever: A symptom of social desperation

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Following frenzied media coverage encouraging people to join long lines of lottery ticket purchasers at stores across the US, the winning numbers for the Mega Millions jackpot were announced Tuesday evening. The jackpot reached a Mega Millions record \$1.537 billion, just shy of the highest-ever jackpot, the \$1.6 billion Powerball drawing in early 2016. The previous record for Mega Millions was \$656 million in March 2012.

The one winning ticket was sold at a convenience store in a small rural town in South Carolina. As South Carolina is one of eight states where winners have the option of remaining anonymous, the winner's identity may never be revealed. However, he or she is likely representative of the millions of Americans who went to a convenience store hoping for an instant cash pile to escape the burden of economic insecurity and daily grind of trying to survive paycheck to paycheck.

Approximately half of American adults participate in state and multi-state lotteries each year, peaking when jackpots reach toward the billions. In the lead-up to the Tuesday deadline, states reported rapid-fire ticket sales, especially on the final day, when 70 percent of all sales occur.

In California, players were buying 12,000 tickets per minute as early as last Thursday. By Tuesday afternoon, Maryland and Virginia residents bought 9,100 and 12,700 tickets per minute respectively. Florida sales peaked at 32,836 tickets per minute.

Both the Powerball and Mega Millions are sold in 44 states, Washington D.C. and the US Virgin Islands. Fifty-three states also have their own lotteries, the most popular of which are based on smaller-prize instant scratch cards and daily drawings.

The lottery industry drives up jackpot value by decreasing the odds of winning and allowing the money to accumulate over longer periods of time. Mega Millions tweaked its formula a year ago in order to increase sales, doubling the ticket price to \$2 and making it easier to win small prizes but harder to win the jackpot.

These state-sponsored lotteries have grown and reached record volume over roughly the same decades that have seen political reaction and economic austerity, along with declining working class living standards and an explosive increase in social inequality.

State lotteries began to take off in the early 1970s, as state governments looked for ways to offset tax reductions for business and the wealthy and partially compensate for cuts in spending on education, healthcare, housing and other social programs. It was the period of the unraveling of the post-World War II economic boom, when the contradictions of capitalism began to forcefully assert themselves in the form, above all, of the decline in the global economic position of the United States.

The ruling class was shifting from a policy of relative class compromise to a policy of class war.

Throughout the 1980s and 1990s, a large number of states tied the lottery to education budgets, which they promised would be supplemented by additional funding through ticket sales. Between 1990 and 2006, annual lottery sales more than tripled, from \$20 billion to \$70 billion.

The past decade has seen a further growth of the lottery business. The top 24 jackpots in United States history have all occurred since the 2008 financial crash, a decade in which the working class has been slammed

by the greatest transfer of wealth from the bottom to the top in history. The result is a toxic social crisis expressed in declining life expectancy, rising mortality and record levels of drug addiction and suicide.

During the Great Recession, 25 states with lotteries saw a spike in instant and daily games. In 2014, Americans spent more than \$70 billion on lottery tickets, with people who make less than \$10,000 per year spending an average of \$597, or 6 percent of their income.

A study by the Insured Retirement Institute and the Center for Generational Kinetics found that 15 percent of adults between the ages of 20–37 see the lottery as the only way for them to retire, not counting on Social Security or employer-based benefits.

The rise of lotteries in the US follows global trends, paralleling the global growth of social inequality. Lottery sales are growing at an annual rate of 3.8 percent around the world, according to the World Lottery Association. They are growing the fastest in regions with the most rapid growth of inequality, such as China, where lottery sales are rising at an annual rate of 7.4 percent.

Burdened by the social crisis, with no progressive reforms on offer from any section of the political establishment, no mass organizations that in any way defend their interests (given the transformation of the trade unions into corporatist businesses), it is no wonder that poor and working class people, who make up the bulk of regular lottery participants, turn toward dreams of escaping reality by means of the lottery racket.

The rise of this business is, in fact, a form of regressive taxation, developed by the capitalist class to claw back from the working class a portion of the state tax revenues handed out to the corporate oligarchs through tax abatements and tax cuts.

The promise of saving education and social services through the lottery was always a fraud. State governments headed by both big business parties diverted part or all of lottery proceeds from education to filling the budget holes left by factory closures and corporate tax breaks. Public education was increasingly starved of state and federal funding, while more and more billions were funneled into military spending and the coffers of the rich.

A 2007 article in the journal *Education Finance and*

Policy reported that lottery funds increased per pupil spending by a minimal 50 to 70 cents.

Lottery fever, systematically promoted by government and the corporate-controlled media, is a symptom of a decrepit and diseased social order. But these same conditions are beginning to propel the working class in the US and around the world into struggle and helping it to identify the source of its problems—capitalism.



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