

Panorama documentary exposes human cost of gambling industry profits

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The BBC *Panorama* documentary “Addicted to Gambling,” aired this month, gave an insight into the exponential growth of the gambling industry, particularly online gambling, and the terrible human cost being reaped.

Over the course of the programme, the viewer is introduced to a number of people who have been affected by online gambling. These people have been allowed to accrue enormous debt without any assistance from the companies involved, leading to some taking their own lives as a result.

According to industry figures from May 2019, UK gambling is worth £14.5 billion a year. The industry has expanded rapidly since the Gordon Brown led Labour government relaxed restrictions on betting and advertising in 2007. This has had a ruinous effect, with gamblers losing almost twice as much to the betting companies as they were a decade ago. These losses make the industry a cash cow for the companies and tax for the government, which is extracted in the main from the working class. Customers are bombarded with enticing advertising and schemes to extract ever more money from them.

It is no surprise that the biggest rise has been in online gambling, where new games and products have attracted new customers. Online gambling accounts for a third of the industry’s revenue at £5.6 billion. The reach of the UK gambling industry is staggering. UK gambling firms have a 39 percent world market share of the remote betting, bingo and casino sector. This area of the industry is expected to increase year on year, and it is this sector that the documentary focuses on in terms of the victims it highlights.

There are stark parallels that show that the deregulation of betting and its advertising accounts for the number of complaints rising considerably over the past decade. The BBC found that “the number of gamblers complaining about British betting firms has risen almost 5,000% in the

past five years.” Gambling Commission figures gathered by *Panorama* revealed there were a record 8,266 complaints last year. That compared to just 169 in 2013. The programme found that most of them were about firms refusing to pay out on winning bets or failing to operate in a socially responsible way.

In the programme, one person, who was assigned the name Amanda as she didn’t want to be identified, was in her 50s when she started betting on an online site called Jackpotjoy. *Panorama* explained that she gambled away all her money from the sale of her home. Events took a turn for the worse following her father’s death. After she inherited a share of his house, she lost that on Jackpotjoy as well. In total, she lost £633,000.

Amanda made her last bet on the day she was made bankrupt. “I was in a complete sort of lost bubble world,” she said. “To me it was just escapism and I would just sit online and I would just be pressing the button on my computer. It’s horrific what I’ve done to myself really. Everything that I had worked for. My children looked up to me and now I have blown their inheritance.”

The company involved did not ask once about whether she could afford the amount of money she was betting and even credited her account the day of her father’s funeral.

Another interviewee on the programme, Tony, was so addicted to gambling that he committed fraud to pay for his habit. He spent vast amounts, over £100,000 in a matter of hours at one point, at the Ladbrokes bookmaker. Tony said that the firm “didn’t check [where the money was coming from] and didn’t care.” He was rewarded rather than given help, and the firm, in order to keep him betting, credited his account.

There were also VIP offers given to ensure his loyalty to the company, such as high-flying functions at Wembley Stadium. Before he knew it, Tony had lost millions of pounds. The *Guardian* reported that “last month, the regulator imposed a £5.9m penalty on Ladbrokes Coral,

one of the largest ever, over ‘systemic failings’ at the company to protect problem gamblers who lost large amounts of money.”

Other experiences by gamblers reported by the *Guardian* highlight the way the industry keeps their customers playing. One addict said that the companies “have algorithms where if you’re spending a lot they make you a VIP, or send you a bonus email and they use that to their advantage.” She added, “They could also use it to prevent problem gambling, which is what the commission say they should be doing.”

Panorama covered the tragic case of Daniel Clinkscales, who took his own life at the age of 35 after struggling with a gambling addiction for years. He was a well-paid sales manager, but he took on two extra jobs just to fund his betting habit. Interviewed by *Panorama*, his mother Jo Holloway said Daniel hid his gambling for many years.

“I think he found it so hard to really come to terms with the fact that there he was—clever, intelligent, largely successful at almost everything he turned his hand to—and he’d got this one problem. Gambling.” She warned, “Gambling has been normalised. It has been made to look like something that everybody does innocently. It’s not. You can lose your house in an afternoon. How serious does it have to be before people will act?”

And what have the big betting firms promised in response to this enormous social crisis of their making? A measly £60 million a year to help problem gamblers. They claim to be working on a plan to reduce gambling-related harm. Critics have described the £60 million as a bribe to ward off tougher regulation after the UK government clamped down on high stakes betting machines, but there continues to be no legal limit for online games. Customers will continue to lose thousands of pounds in minutes.

Jackpotjoy responded by justifying their actions. It said in relation to Amanda, it always acted in accordance with the relevant regulatory requirements and that it had encouraged her to use responsible gambling tools. “This included the use of deposit limits, cooling-off periods and alternative withdrawal methods; tools which Amanda was aware of and used during the time she played with us.”

However, none of these tools are compulsory and the industry does not make the players use these so-called “responsible tools.” It is left entirely to the gambler to set their own limits. Realistically, this just gives the companies a way out if they receive complaints.

The chief executive of the Gambling Commission

(GC), Neil McArthur, who was interviewed for *Panorama*, refused to consider changes in legislation. Claiming there were complex reasons for the meteoric rise in complaints, he said, “We are pushing the industry to know its customers, and part of this is actually, possibly, a good sign because it’s suggesting that consumers are demanding more of the gambling operators. And I would encourage them to continue to do that.”

The Gambling Commission sits on its hands while thousands of people are massively exploited by the online gambling industry. There are no plans to introduce maximum stakes online because the GC is allowing a situation in which they claim that operators already have enough information to keep players “safe” and to ensure they are playing with money they can afford to lose.

The relationship between the government and the gambling industry is growing despite the crackdown on fixed-odds betting terminals. UK betting companies are expanding their reach into other markets. William Hill saw half-year profits cut by almost 50 percent after the token changes. But shares jumped 9.5p to 156.25p as investors cheered prospects for US expansion.

Jackpotjoy is owned by the JPJ Group. This month, they reported a 13.8 percent year-on-year increase in revenue for the first half of the year. Its gaming revenue for the six months to June 30 was £169.5 million—up from £149.0 million in the corresponding period last year. Jackpotjoy alone accounted for well over half of its revenues at £97.7 million.

Despite the exposure by *Panorama*, there is nothing to suggest that the vast profits generated from the addiction and misery of many will not continue to line the pockets of a few corporate executives.



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