

Holding on to Hope

Pockets of poor fund college dreams

Supporters of Arkansas' proposed state-run lotteries amendment say that poor people don't play lotteries any more than anyone else. They are flat wrong.

Virtually every credible study dealing with which categories of people play lotteries conclude that poor people play more often and are more severely impacted by state-run lotteries than anyone else. Starting with the watershed lottery report in 1999 by Duke University professors Charles Clotfelter and Philip Cook, and followed by countless others, academic studies show that lower-income and lesser-educated citizens are more heavily represented among lottery players than any other categories.

In a report to President Clinton's National Gambling Impact Study Commission, Clotfelter and Cook, professors of public policy, sociology and economics at Duke University, found that the education category with the highest per capita spending are players who do not complete high school, while college graduates have the lowest.

The report also showed that the lower income categories have the highest per capita spending, and that lottery expenditures represent a much larger burden on the household budget for those with low incomes than for those with high incomes. The authors found that "high school dropouts and people in the lowest income category are heavily over represented among those who are in the top 20-percent of lottery players."

A 2003 analysis of the Georgia Hope Lottery, the program serving as the model for the Arkansas proposal, found that the poor spend "...a much larger share of their income on state lotteries. The poorly educated spend more on gambling than the better educated." The evidence in Georgia is so indisputable that professor Clotfelter told the *Atlanta Journal-Constitution* that "HOPE (Georgia's lottery scholarship program) is a program financed out of the pockets of the poor."

A 2002 study commissioned by the Georgia State Legislature and conducted by the University of Georgia's Carl Vinson Institute of Government showed that less-educated, African-American males play the Georgia lottery 30 times more than non-African-American females with more than a high school education.

Studies of the Tennessee lottery scholarship program have yielded the same results. A 2006 study from Rhodes College showed that low-income and less-educated Tennesseans play the most. According to the report, "Tennessee lottery products are more disproportionately consumed by low-income, undereducated citizens."

The Texas lottery is no different. Just last year a demographic survey of Texas lottery players conducted by the University of Houston Center for Public Policy showed that the less-educated and poor are the highest percentage of players in Texas. The report stated that "In categories of education, those with less than a high school diploma spent the highest amount, on average, per month at \$40, while those with a high school degree or more spent \$15 on average."

I could do this all day, but I'll finish with a report out of Ohio from just a few months ago that once again showed that lower-income Ohioans play their state lottery the most. The Columbus Dispatch reported in May that an analysis of ticket location sales showed that the state makes most of its money in lower-income neighborhoods. The report stated that "Lottery sales last year [2007] in Ohio communities and neighborhoods where the median household income was less than \$38,000 were twice as high as those posted in areas where the median incomes exceeded \$60,000."

Lottery proponents have tried to counter the academic research by quoting studies of their own, which are typically unscientific telephone questionnaire polls or reports by lottery ticket manufacturers. The best available research continually affirms that less-educated, low-income citizens are heavily over-represented among those who gamble on state-run lotteries.

In a civilized society those, who are more fortunate bear a level of responsibility for those who are less fortunate. While opinions on how to best help the poor may vary, few would advocate a state-run ploy designed to move money from the pockets of the poor.

No one argues that the goal of lessening the financial burden of affording a college tuition isn't a good thing. It is a commendable goal. But even good "ends" are not justified by just any "means." Otherwise the state government could take over the sale of tobacco, encourage people to smoke, and use the proceeds to send kids to college. The negative outweighs the positive.

And so it is with state owned and operated lotteries. The negatives far outweigh the positives, and that's why Arkansas must stay lottery-free. A hidden tax on the poor is an irresponsible and unjust way to fund state programs, especially those programs that primarily benefit someone else, as in the case of college scholarships. It's Robin Hood in reverse, and the state should have no part of it.