

TEN THINGS EVERY BUSINESSMAN SHOULD KNOW ABOUT CASINOS



California's gambling advocates have long used the argument that Indian casinos will create jobs and spur economic development. They are critical of all the national studies by reputable academics that show casino gambling as being destructive by claiming that the studies are all about non-Indian casinos, and that Indian casinos somehow will not create the same problems for the community as non-Indian casinos.

Yeah, and if you believe that, then I've got a bridge in Brooklyn I'd like to sell you!

Casinos are casinos, regardless of who owns and operates them. National studies have included both non-Indian AND Indian casinos. The fact is that Native Americans, in opening casinos, are engaging in a business that is destructive to the environment, destructive to people's lives ([including their own tribal members](#)), and destructive to local economies.

Over a decade of research across the nation done by college professors and business journals on the effect of gambling on local and regional economies indicates that ***increases in gambling results in an economic decline.***

Here's the truth about the effect the Graton Rancheria casino will have on our community:

1. Casinos cause local businesses to decline and drain millions from local retail businesses: In South Dakota, one year after video gambling was legalized in the state, Professor Robert Goodman, from the University of Massachusetts-Amherst and Director of the U. S. Gambling Study, in his study entitled, "Legalized Gambling as a Strategy for Economic Development", indicated that there were "...significant declines for selected activities such as clothing stores, recreation services, business services, auto dealers and service stations."



Timothy Ryan, a University of New Orleans economist, reported that a proposed casino in New Orleans, "...will direct over \$62 million (AWAY) from all retail businesses, excluding hotels."

2. Casinos cause an increase in homelessness: Goodman reported that "...in Atlantic City, homelessness increased after the introduction of casinos, while clothing stores and eating and drinking establishments declined. Only a few (new) retail stores opened in the off-Boardwalk and downtown areas."

3. Casinos create crime: In Sacramento, *DUI's* on the approach roads to the Thunder Valley casino were *up 600%* in the first year of operation (CHP). According to CityRating.com, crime statistics in Lincoln, CA, home of Thunder Valley casino (opened in 2003), show an overall upward trend in crime based on data from 11 years with violent crime increasing and

property crime increasing. Based on this trend, the crime rate in Lincoln for 2013 is expected to be higher than in 2010.

In Atlantic City, crime increased 258% after the casinos opened. (National Institute of Justice).



4. Casinos reduce property value: "Researchers calculated that the growth of crime in the Atlantic City region reduced property values by **\$24,000,000** for each easily accessible community to Atlantic City.." (Goodman)

5. Local casinos increase the number of compulsive gamblers: A casino within ten miles of a home has a significant effect on problem gambling, causing a 90% increase in the odds of becoming a pathological gambler. (University of Buffalo Research Institute on Addiction, 2004)

6. Compulsive gambling is a major influence causing regional economic decline: Loss of job productivity and an increase in white collar crimes play a part in the decline. In Connecticut, public officials in five towns near the two (CT) Indian casinos, several of them tax collectors, embezzled hundreds of thousands of dollars to pay their gambling debts.



In Sonoma County, a bookkeeper at a Healdsburg business embezzled \$548,000 to pay her gambling debt at River Rock casino. (Goodman, The Buffalo News [NY],

The Press Democrat [CA])

In March 2013, former Santa Clara County Supervisor George Shirakawa, Jr., resigned his office, admitted abusing public funds (he gambled with them) and surrendered to authorities. In an appeal to the public, Shirakawa declared he was depressed and a gambling addict, but was getting help. According to the [Mercury News](#), "Three days later, a new court filing reveals, Shirakawa made his way back to the Thunder Valley Casino in Northern California to continue the lifestyle he had just disavowed. For the lifelong politician, who gambled away \$100,000 in campaign donations, it was not the worst of trips: He lost \$200 but got freebies at the gift shop and High Steaks restaurant, according to casino records."

7. Compulsive gamblers drain regional economies of billions of dollars per year: because of costly social programs and damage, including loss of disposable income, to existing businesses. (Goodman, also Yaffee and Politzer)

8. Casinos do NOT reduce unemployment: Employment figures for four (riverboat casino) communities shows that ".. none of the (casinos) for which a full year of post-opening data was available showed a significant effect of reducing unemployment or increasing employment, though one showed a significant negative effect on employment." (Illinois Business Review)



9. Casinos cause NET JOB LOSS: Casinos promise to create thousands of jobs, but Professor John Kindt, a professor at University of Illinois, said, "The field research indicates that nationwide you stand to lose 1.5 jobs for every job the casinos create.

10. Casinos cost us all: "...for every dollar legalized gambling interests indicate is contributed in taxes, it really costs the taxpayer \$3.00 to address the increased socio-economic costs to society." (Kindt)

(For further reading, see also Research from Gaming Expert John. Kindt