SOCIAL POLICY AND GAMBLING BEHAVIOR AMONG ADOLESCENTS IN NEVADA

Issue # 3

Spring 2011

ABSTRACT

This policy brief discusses gambling behavior among adolescents in Nevada. The Nevada Department of Human Resources commissioned the Nevada Youth Risk Behavior Survey (2009). In that survey, 59 percent of teenagers in Nevada gambled in the past 12 months. Around 7 percent of teenagers gambled once a week or more often. Other findings include: 1) boys gamble more than girls, 2) adolescents who use alcohol or drugs will more likely gamble as well, 3) parental behavior also influences their children’s gambling behavior, and 4) a tobacco or alcohol user or adolescent who participates in other high-risk behaviors will more likely gamble. The recent emergence and expansion of online gambling may make the situation worse. Although the participation rate of gambling among Nevada’s adolescents falls significantly below the national average, the state government should monitor adolescent gambling behavior and establish some practical programs that focus on the behavior of high-risk teenagers.

BACKGROUND

Gambling activity possesses a long history and most social classes participate. In 2010, gross gaming revenue in the United States exceeded $34 billion. In 1934, Nevada became the first state to legalize casino gaming. Most Nevada residents gamble at a casino, or through gaming machines. In Nevada, adolescents cannot legally participate in gambling until they become 21. But the Nevada Youth Risk Behavior Survey (NDE, 2009) reports that 28.8 and 30.7 percent of middle school and high school students, respectively, gambled at least once during 2008-2009. Furthermore, the reduction in the cost of the personal computer, the widespread use of high-speed Internet, and the expansion of online services will probably lead to growth in Internet gambling. With an increase in the availability, accessibility, and participation in gambling activities, the problems that youth gamblers face will likely increase.

Several surveys (Laundergan, et al. 1990; Volberg, 1992; & Culleton, 1985) in North America document the problem of gambling behavior among adults, since the rapid legalization of the lottery and casino gambling throughout the United States and Canada. Until the mid-1980s, researchers did not seriously begin to

QUESTION

How can social policy affect gambling behavior among adolescents?
consider adolescent gambling and associated problems (Jacob, 1989). Teenagers try to act like adults through engaging in multiple forms of risky behavior such as using alcohol, abusing drugs, or gambling. Since these high-risk behaviors can easily lead to addiction, a small, but significant, number of adolescents eventually become problem gamblers. Problem gambling behavior compromises, disrupts, or damages personal, family, or vocational pursuits and can destroy an adolescent’s life (Cox, Lesieur, Rosenthal & Volberg, 1997). Furthermore, problem gambling among adolescents generally accompanies other “bad” behaviors such as tobacco, alcohol, and marijuana use, illegal activities, poor school performance, and sexual intercourse (Jacobs, 2000).

Imagine the following scenario. A little boy’s first introduction to gambling begins as a toddler, when he goes with his mom to the convenience store and waits impatiently as she plays at a slot machine. In a few years, he may practice poker with his bothers and use his lunch money and weekly allowance to play it with his friends. By the time he becomes a teenager, he bets on horse races and sports games and takes bets from his classmates at school. His habits escalate until he begins stealing money from his parents to cover his growing gambling debts. Eventually, he starts shoplifting to finance his increased need to gamble and drops some classes to accommodate gambling time. As his grades decline, he starts using alcohol and drugs more frequently. His moods swing from depression to anger, and he increasingly turns to gambling as an escape. Neither he nor his parents can predict the future. This story repeats itself in the lives of countless number of children and families every day. The following data section will support the importance of this story.

DATA AND ANALYSIS

The data come from the Nevada Department of Human Resources (DHR) (2001) survey, which interviews Nevada residents from 13 to 17 and includes 1,004 observations. In the survey, the researchers question gambling behavior, such as the types of gambling, the money spent on gambling, and gambling-related behaviors.

Some data also come from the Nevada Youth Risk Behavior Survey (YRBS) (2004-2009), which focuses on health-risk behaviors established during youth (i.e., tobacco, alcohol, and other drug use, gambling behavior, unhealthy diet, and so on). The respondents to this survey are Nevada students in grades 7 to 12.

Based on the YRBS (2004-2009) survey, Table 1 shows the gambling participation rate among Nevada middle and high school students from 2005 to 2009. Note that in recent years, the participation rate among middle and high school students fell.

<table>
<thead>
<tr>
<th>Year</th>
<th>Middle school %</th>
<th>High school %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2005</td>
<td>31.4</td>
<td>41.2</td>
</tr>
<tr>
<td>2006-2007</td>
<td>23.3</td>
<td>33.8</td>
</tr>
<tr>
<td>2008-2009</td>
<td>28.8</td>
<td>30.7</td>
</tr>
</tbody>
</table>

Demographic Effects

Based on the DHR survey (2001), 67% of teenagers in Nevada gambled at some time in their lives. Additionally, 49% of adolescents report that they gambled in the past year - 57.4% male and 38% female. Researchers typically argue that greater exposure to all types of gambling will lead to higher rates of adolescent gambling (Volberg, 2002). But the Nevada survey evidence does not support this view, since the gambling participation rate (49%) is significantly lower than the median participation rate (66%) of people who gambled money among youth gambling studies conducted between 1989 and 1999 (Jacobs, 2000). Finally, 34% of the respondents claim that they did not participate in any type of gambling. But, we should realize that privacy concerns and the illegal nature of gambling by people younger than 21 years old probably cause the adolescent gambling participation rate to fall below the actual rate. Further, teenager gambling divided into different levels of gambling participation (Volberg, 2002):

- Nongamblers who never participate in any type of gambling (34% of the total sample);
- Infrequent gamblers who participate in one or more types of gambling but not in the past year (18% of the total sample);
- Past-year gamblers who participate in one or more types of gambling in the past year but not on a weekly basis (42% of the total sample);
- Weekly gamblers who participate in one or more types of gambling on a weekly basis (7% of the total sample).

Table 2 shows that a higher percentage of male adolescents gamble than female adolescents. This result confirms similar research results in different areas. Gender significantly affects gambling behavior. Based on the data in Table 2, we find that adolescents aged 15-16 more likely gamble than any other age group. Since the 15-to-16-year-old students most likely participate in high school, this result is consistent with the YRBS survey.

Table 2: Demographics of Adolescent Gamblers in Nevada

<table>
<thead>
<tr>
<th>Gender</th>
<th>Nongamblers (Total 336) %</th>
<th>Infrequent Gamblers (Total 178) %</th>
<th>Past-Year Gamblers (Total 420) %</th>
<th>Weekly Gamblers (Total 69) %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>41.4</td>
<td>54.5</td>
<td>63.3</td>
<td>75.4</td>
</tr>
<tr>
<td>Female</td>
<td>58.6</td>
<td>45.5</td>
<td>36.7</td>
<td>24.6</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age</th>
<th>Nongamblers</th>
<th>Infrequent Gamblers</th>
<th>Past-Year Gamblers</th>
<th>Weekly Gamblers</th>
</tr>
</thead>
<tbody>
<tr>
<td>13</td>
<td>23.4</td>
<td>20.7</td>
<td>21.7</td>
<td>15.7</td>
</tr>
<tr>
<td>14</td>
<td>23.7</td>
<td>22.9</td>
<td>20.5</td>
<td>15.7</td>
</tr>
<tr>
<td>15</td>
<td>23.4</td>
<td>27.4</td>
<td>21.9</td>
<td>34.3</td>
</tr>
<tr>
<td>16</td>
<td>18.7</td>
<td>14.5</td>
<td>22.4</td>
<td>24.3</td>
</tr>
<tr>
<td>17</td>
<td>10.7</td>
<td>14.5</td>
<td>13.5</td>
<td>10.0</td>
</tr>
</tbody>
</table>

**Family Effects**

Two-fifths of Nevada adolescents who gambled indicate that one or both of their parents gambled. These respondents were least likely to say that only their mother gambled (17%) and most likely to say that both of their parents gambled (54%). Twenty percent of these respondents reported that they started gambling with a parent and 15% reported that they started gambling with other family members (i.e., a brother or sister). Approximately one in seven adolescent problem gamblers in Nevada indicated that one or both parents experienced a gambling problem.

**Other Risky Activities Effects**

The former research sheds light on gambling behavior and about Nevada adolescents’ use of alcohol, tobacco, and other high-risk behaviors. The Nevada data also support the relationship between gambling and these other high-risk behaviors.

**Table 3: Past-Year Alcohol and Drug Use Among Adolescent Gamblers in Nevada**

<table>
<thead>
<tr>
<th></th>
<th>Infrequent Gamblers %</th>
<th>Past-Year Gamblers %</th>
<th>Weekly Gamblers %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alcohol</td>
<td>24.2</td>
<td>43.3</td>
<td>63.8</td>
</tr>
<tr>
<td>Tobacco</td>
<td>10.1</td>
<td>16.7</td>
<td>31.9</td>
</tr>
<tr>
<td>Other drugs</td>
<td>12.9</td>
<td>17.6</td>
<td>40.5</td>
</tr>
</tbody>
</table>

*Source: DHR (2001).*

**Internet Effects**

In recent years, the widespread use of the Internet provides new gambling opportunities. Although such data do not yet exist for Nevada, the effects will exhibit a global reach, since no national boundary exists online. As some research indicates, male college students are considered at high risk for Internet problems because it is easily accesses and accommodates flexible time schedules (Morahan-Martin 1998). Some researchers argue that young regular Internet users likely gamble on the Internet because of their general familiarity with it (Griffiths & Wood, 2000).

**POLICY SUGGESTIONS**

Although Nevada was the first state to legalize gambling and experiences a relatively long history of casino operation, the government and society exert little effort to monitor gambling, especially problem gambling among adolescents. Since the DHR survey (2001), little further data collection occurred in Nevada. The state should consider collecting data on a regular basis to monitor the gambling behavior among teenagers.

To reduce the harm from gambling, one strategy uses the state government to link gambling revenue to other productive or worthy causes, such as education. The gambling revenue could create smaller class sizes and preschool programs for at-risk children. The government shoulders the responsibility to protect its citizens rather than put them at risk. Because states already create (permit) an environment where more children receive exposure to the risk of gambling addiction, the government needs to monitor and/or compensate those that succumb to these “terrible” effects. We find that since the Nevada education level improved in recent years, as the high school dropout rate reduced (Kids Count Data 2004-2007), the cutting of the gambling participation rate also accompanied the decreased use of the alcohol, tobacco, and other risk behaviors.
While educating at-risk children, researches need to identify the determinants of adolescents’ decisions about gambling. In addition, the gender and parental effects on the gambling behaviors of adolescents need further investigation. Social-service programs should participate in some programs to help high-risk adolescents in Nevada. The government, the community, the gambling industries, the school, and the family should all play their roles to solve the involvement difficulties among problem gambling adolescents.

Also, we need to educate not only children, but also parents to the dangers of gambling. Gambling addiction affects more than just the gambler. Its destructive force can affect the entire family. Without a suitable monitor from the family and the school, the gambling activity may harm children further.

As the risk of online gambling increases, parents must monitor the Internet use of their teenagers. The only impediment for some adolescents to participate in online gambling is their inability to transfer payments. While many teens do not yet possess a credit card, alternative methods including PayPal, wire transfers, telephone calling cards, and so on can facilitate the transfer payments. This gives an opportunity for parents to track their children’s finances.

Experts in education, finance, government, gaming, health care, and the judiciary should come together to address the growing issues associated with adolescent problem gambling. Society does not fully understand youth gambling behavior, the influences of environmental and social contexts upon adolescent gambling will help to abate adolescent gambling.

Mental-health professionals and parents must recognize the magnitude and effect of problem gambling among adolescents. Awareness of the risks and potential harm associated with gambling problems, in general, and Internet gambling, in particular, needs more research and analysis by society.
REFERENCE


Kids Count Data Center http://datacenter.kidscount.org/.


Fangjin Cui, Graduate Student
Department of Economics
College of Business
University of Nevada, Las Vegas
If you need more specific information about the children and youth in your local area, contact Stephen P. A. Brown, PhD, Director of CBER and Executive Director of Nevada KIDS COUNT or Rennae Daneshvary, PhD, Associate Director of Research and Administration and Nevada KIDS COUNT Director.

Phone: (702) 895-3191  
Fax: (702) 895-3606  
E-mail: rennae.daneshvary@unlv.edu

The Center for Business and Economic Research  
Box 456002, 4505 S. Maryland Parkway  
Las Vegas, Nevada 89154-6002