There you are, good morning. Doctor Howard Shaffer, Director of the Center for Addiction Studies at Harvard Medical School, where is Doctor Shaffer. There you are, okay, good morning, and Doctor Henry Lesieur from the Institute for Problem Gambling from Rhode Island. Each researcher will speak for 25 minutes, and I ask that you allow time within that for possible questions from the Commissioners if you would. To assist you in keeping track of your time, I've directed our timer over here to give you some help and some guidelines in that capacity.

Doctor Shaffer, I understand you have a plane to catch, is that, in fact, the case?

DOCTOR SHAFFER: I'm fine.

CHAIRMAN JAMES: Are you fine? Well, please, this is very informal, please feel free to leave if you need to.

With that, I'll turn it over to you.

DOCTOR VOLBERG: Thank you very much.

I have, I believe, copies of the testimony that I'm going to present this morning have been
distributed to you. I will try not to just go through this and read it, I know that's a very boring and mind-numbing way to listen to things, but I think I am a little more comfortable just reading. I'll try and not just sound boring.

I'd like to start by saying thank you to Madam Chair and the members of the Commission for your invitation to participate in this expert panel. I'd like to start also by saying what an honor it is to be included in the company of researchers --

COMMISSIONER WILHELM: Excuse me, could I just ask a question?

DOCTOR VOLBERG: Yes.

COMMISSIONER WILHELM: Could you just take a moment and describe what Gemini Research is, just so I have a little context here.

DOCTOR VOLBERG: Certainly.

Gemini Research is a company that I started in 1992. It was a sole proprietorship until this year when we incorporated. It's a very small organization, myself and a research assistant, and one other full-time staff person.
COMMISSIONER WILHELM: Okay, thank you.

DOCTOR VOLBERG: Since 1985, when I started work for the New York State Office of Mental Health, I've been involved in over 30 studies of gambling and problem gambling among adults, adolescents and indigenous peoples. These include studies throughout the United States and Canada, as well as in Europe, Australia and New Zealand.

I've worked on studies to assist state and provincial governments to plan services for problem gamblers, and I have worked with legislative bodies in states and provinces, as well as internationally, in their efforts to address the social impacts of legal gambling.

Except for one early grant that I received from NIMH, the National Institute for Mental Health, these studies have all been funded under contract with a variety of government organizations. Many of my projects have been administered by state public health or human service agencies that are also contracted to provide services to problem gamblers and their families.
Some of these projects have been administered by gaming regulatory agencies, and a growing number of my projects are overseen by state councils on problem gambling that are receiving funds from state governments to provide services to problem gamblers.

In inviting me to present this morning, you asked that I identify the three or four most important aspects of my research. It took me quite a while to come up with just three or four things. I'll try and be brief with these. There is more detail in my written statement.

The first question that many people ask about problem gambling is how many problem gamblers are there, and that is the first question that prevalence research tries to answer. As in any scientific field, particularly, one like this field, gambling research, that's developing very rapidly, there is a lot of debate about the best terms to use to describe individuals who experience difficulties with their gambling, and there are a number of terms that are used.
In discussing the results of prevalence research, I stick pretty strictly with the terms that were adopted by Henry Lesieur and Sheila Bloom when they developed the South Oaks Gambling Screen. In prevalence research, the term problem gambler refers to an individual who scores three or four points on the South Oaks Gambling Screen, and the term probable pathological gambler refers to individuals who score five or more points on this screen.

In surveys conducted since 1990, a distinction is also made between those who score as lifetime problem and pathological gamblers and those who score as current problem and probable pathological gamblers.

In states where I have worked, and I'm confining this to the U.S., we have identified lifetime prevalence rates of probable pathological gambling that range from 0.9 percent in South Dakota in 1993 to 3.1 percent in Mississippi in 1996. We have identified current or past year prevalence rates of probable pathological gambling that range from 0.5 in South Dakota in '93 to 2.1 percent in Mississippi.
Doctor Shaffer's meta-analysis shows this, I think, on a more definitive scale, but my experience is that prevalence rates of problem and pathological gambling have increased over time. I won't go into all of the details, I think rather than read the numbers you can look at those in the testimony.

In terms of debates about gambling legalization, they can become very, very heated, both in the United States and my experience has been internationally as well. People are concerned with the impacts that the introduction of any new type of gambling are going to have on their communities.

One important finding that emerges from the research that I've done is that problem gamblers in the community are a heterogeneous group. About one third of them tend to be women, about one quarter are under the age of 30, and in most jurisdictions members of minority groups, either African Americans, Hispanics or American Indians, are over-represented amongst problem gamblers proportional to the general population.
However, when we look at individuals who enter problem gambling treatment programs, we find that until very recently the vast majority have been middle aged, middle class Caucasian men. Individuals in the community with gambling problems are significantly more likely than those in treatment to be female and non-Caucasian, as well as much younger. Problem gamblers in the community are also significantly less likely to have graduated from high school than those entering treatment.

Several researchers, including Henry Lesieur, have carried out work showing that gambling difficulties among those in treatment for gambling problems are often complicated by involvement with drugs or alcohol, and my work has addressed this issue among problem gamblers in the community.

In New Zealand, for example, we found that 60 percent of the individuals we identified as pathological gamblers in the community were engaged in hazardous or harmful alcohol use, according to criteria established by the World Health Organization.

We also found that pathological gamblers in
the community in New Zealand had significantly higher
rates of depression than non-problem gamblers.

In Alberta, all of the individuals that we
identified as pathological gamblers in the community
were classified as dangerously heavy alcohol
consumers, and half of them had at some time use
illicit drugs on a regular basis.

I think I'll skip the discussion that I
have here on gambling and self-esteem. There is an
article that I published recently that addressed an
issue in the literature that dealt with the notion
that pathological gamblers have been found to have
very low self-esteem, whereas, a number of
sociologists have done studies of regular gamblers in
the community and have found that most of them have
very high self-esteem. There was a study that we did
in Georgia where we were able to work up some idea of
an explanation for why this might be so, but I think
in terms of the interest of time I will skip that
discussion.

In the mid-1980s, a very narrow set of
questions was being asked about the prevalence of
problem and pathological gambling. Policymakers and program developers in different states simply wanted to know how many problem gamblers there were and what they looked like, in order to fund treatment programs and design treatment services for individuals with gambling problems.

At the end of the 1990s, the goals behind the conduct of prevalence research have become far more complex and audiences that attend to the results of this research have also expanded dramatically.

As members of this Commission, one of your responsibilities is to develop a strong factual base for state and local policymakers to use as they make decisions about legalizing new types of gambling, regulating existing types of gambling, and establishing services for individuals with gambling problems, and I just want to briefly discuss the ways that some other commissions and agencies charged with similar responsibilities at the state level or internationally have gone about this endeavor.

I'd like to start first by talking about a project that I'm involved with in Montana. The
Montana Legislature is a part-time body that meets for 90 days every two years, and in 1997 they hadn't quite caught up with you folks. They enacted a bill that called for as thorough and unbiased a study as possible of the economic importance of gambling in Montana, the adverse effects of gambling on some individuals and communities in Montana, and the total benefits and costs of gambling in the state.

The goals established by the Montana Gambling Study Commission are based on some questions that concern most citizens, whether they are pro or anti-gambling, questions like, who gambles, what comprises the gambling industry, what is the economic impact of gambling, how much tax revenue does gambling generate, and how are these funds distributed, what are the social impacts of gambling, who has a gambling problem and why.

The process by which we became involved in Montana was that we are a subcontractor, my organization is a subcontractor, with the primary organization being the Bureau of Business and Economic Research at the University of Montana.
In addition to a literature review to place Montana in regional, national and international context, we will be conducting a household survey to answer questions about who gambles in Montana, how much they gamble, and how many people have gambling-related difficulties. The household survey will largely replicate an earlier prevalence survey that I directed in Montana in 1992.

The literature review and household survey represent two elements of a five-prong data collection effort. The other three elements include a survey of gambling firms in Montana, a survey of clients in Montana gambling treatment programs, as well as Gamblers Anonymous, and an analysis of the relationships between gambling, crime rates and gambling-related bankruptcies in the state.

The members of the Montana Gambling Commission believe that we will be able to provide them with the information they need through this process, to inform the citizens of Montana about both the positive and negative impacts of gambling in their state.
COMMISSIONER BIBLE: What's the timetable for that particular study?

DOCTOR VOLBERG: I'm sorry?

COMMISSIONER BIBLE: What's the timetable for that study?

DOCTOR VOLBERG: We are designing the questionnaire right now. The survey will be fielded probably early next week. It's going through a pilot test right now.

My recollection is that we do not have a final report to submit until September. I believe there's going to be public hearings in September and October, and that was when they wanted to have our report ready.

COMMISSIONER BIBLE: But, the research will be available then, it sounds like, during the life of this Commission.

DOCTOR VOLBERG: I believe -- oh, yes, oh, yes.

I'd like to just very briefly -- again, I'm not sure how I'm doing for time, but I want to leave enough time for questions, I'd like to talk about some
efforts that have been undertaken in some other
countries that are similar to what it is that you
folks are trying to do here. I'm very proud of these
efforts. It's always very exciting to work
internationally and cross-culturally. The first
project that I'd like to talk about is a very large
study, one of the largest that's ever been done, I
believe, that's being conducted in Sweden right now.
The study which will cost approximately $500,000.00
U.S., was funded by the Swedish Ministry of Finance
and the Swedish Ministry of Health and Social Welfare.
I should just mention that my colleagues on this
project are Doctor Sven Roenberg, I think I said that
right, who is a clinical psychologist and retired Dean
of the School of Social Work at the University of
Stockholm, and Doctor Max Abbott, a Psychiatric
Epidemiologist and Past President of the World
Federation for Mental Health.

The first phase of this study is a
telephone survey of 10,000 Swedish residents between
the ages of 15 and 74. The data are being collected
by Statistics Sweden, which is their version of the
U.S. Bureau of the Census, and we expect very good cooperation because of their involvement. I won't go into details about the information that we're collecting from them. The intriguing aspect of doing research in Sweden is that you don't have to ask anybody any demographic questions because they do an annual census, and there's a ton of information that's maintained in separate registers. You can get information about bankruptcies, about financial history, people's income levels over their working lifetime, there's a lot of information about health and criminal history that can also be obtained without actually asking someone a question over the telephone.

The Swedish survey involves a second phase of face-to-face interviews with 500 individuals in the community, and we have -- the strategy that we've taken is that we are going to interview everybody in the second phase that we identify as a problem or pathological gambler, in addition to about 100 individuals who do not have problems in the community.

The questionnaire for the face-to-face
interviews is in development now, and it reflects our interest in advancing knowledge of the roles played by personality and social setting in the development of gambling-related difficulties. The interviews for the second phase of the Swedish study are all going to be conducted by clinical psychologists, which will allow us to exclude other mental disorders that might lead people to gamble excessively, and there is a possible third phase, we are awaiting a decision on funding from the Swedish government, in which we will administer a brief treatment intervention to half of our problem gamblers and none to the other half, and then follow them up for a year to see if there's been any impact.

In New Zealand, Max Abbott and I received word very late last month that our proposal to conduct a replication of our 1991/92 two-phase study has been funded, and this project will cost approximately $400,000.00 U.S., to complete. The main purpose of the project is to assess changes in the prevalence of problem and pathological gambling since 1991, but the project also seeks to establish a framework for future
study of the social and economic impacts of gambling in New Zealand.

The first phase of the New Zealand replication is going to involve 6,000 respondents, with additional over-samples of Maori, Pacific Island and Asian groups. The data are going to be collected by Statistics New Zealand, which is, again, their version of the Census Bureau, and the sample size for the second phase of the New Zealand study is intended to be 500.

The most interesting element of the New Zealand study, I believe, is a longitudinal component. We are going to follow up individuals who participated in the second phase of our survey in 1992, and our interest is to see whether these individuals have changed their gambling involvement over that time, whether there have been changes in their gambling-related difficulties, and if there is evidence of natural recovery among them. To my knowledge, this is the first prospective longitudinal study of gambling-related difficulties that has been done in a community.
I hope I've been able to give you some idea in these remarks of how gambling prevalence research has changed since the mid-1980s. Like legal gambling, which has expanded rapidly, the objectives of these studies have expanded and the complexity of the projects has increased exponentially. I've been privileged to participate in many of these projects and have enjoyed the challenges involved in meeting the practical needs of government, while at the same time trying to push the field in some new and interesting directions.

I believe we are at a crossroads in the development of the field of gambling research. If funding for gambling research remains at the state level, it will be impossible to carry out some of the types of research that the country now needs. No state government to date has been willing to fund a project to fully develop a new instrument to identify gambling-related difficulties. No state government to date has been willing to fund longitudinal research to examine the etiology of gambling-related difficulties in the community. To date, only one state government,
Texas, has allocated the resources needed to identify problem gambling prevalence rates with full epidemiological precision, and only a few state governments have funded surveys of adolescent gambling in addition to adult surveys.

I think it's worth noting that in the past year for every one dollar that state governments have spent on problem gambling programs, at least $37.00 has been spent on development, advertising and promotion of gambling products in the United States.

I believe the National Gambling Impact Study Commission can provide leadership in the area of gambling research, guided by those like myself, Howard Shaffer and Henry Lesieur, whose voices are being heard through you.

Thank you very much.

CHAIRMAN JAMES: Thank you very much, Doctor Volberg.

Questions?

COMMISSIONER BIBLE: I have a general question. You've obviously had an opportunity to take a look at our research agenda.
DOCTOR VOLBERG: Yes, I have.

COMMISSIONER BIBLE: Are we on the right track?

DOCTOR VOLBERG: I have not had an opportunity to look at it in detail. I have seen that there is a telephone survey that's going to be done. I think that the notion of targeting samples is very good, but, again, I haven't seen it in detail so I probably can't comment.

CHAIRMAN JAMES: Any other questions for Doctor Volberg?

COMMISSIONER BIBLE: One different question, you do mention some surveying of adolescent or youthful gamblers. How accurate, in your opinion, are those surveys? It just seems to me if you ask somebody who is under age if they participated in adult behavior they are going to say yes.

DOCTOR VOLBERG: They tend to say yes?

COMMISSIONER BIBLE: I would think.

DOCTOR VOLBERG: We have done a number of adolescent surveys, and there's many other surveys that have been done by other researchers. All of them
show very consistently whether they are done in a high
school setting or whether we do them by telephone.
All of them showed that adolescents do a lot of
different kinds of gambling, not just the legal types
which are illegal for them because of the age issue,
but a lot of types of gambling that are illegal as
well.

CHAIRMAN JAMES: Commissioner Lanni.

COMMISSIONER LANNI: As a follow-up to
that, do you have any statistical research as to what
the percentage is of each of those forms of gaming of
adolescents, illegal and legal, and what forms of
illegal?

DOCTOR VOLBERG: I think Howard Shaffer
actually probably, having just completed the meta-
analysis, and having taken a look at all of the
adolescent studies that had been done through 1994, is
probably in a better position to answer that than I
am.

DOCTOR SHAFFER: I think we've provided you
with some materials. There's a table in this meta-
analysis that actually summarizes the experience that
young people have had with each type of gambling.

COMMISSIONER LANNI: No, I was actually
asking Doctor Volberg if she had had any experience in
her research or studies to have that definition, but
you've answered that by saying Doctor Shaffer, you
defer to him on that subject.

DOCTOR VOLBERG: I believe -- I deferred
because he has done a meta-analysis and has looked
across a lot of different jurisdictions. I've done
three or four adolescent studies, and we have found
that they have involvement in a lot of different types
of gambling. Gambling with family members seems to be
the way that many of them are introduced to gambling.
They are very likely to wager on card, dice, domino
games with their friends. It's an issue that becomes
-- in my opinion, it becomes particularly cogent for
young male adolescents when they hit about 15 or 16,
gambling becomes very much a part of their culture.

COMMISSIONER LANNI: Thank you.

COMMISSIONER DOBSON: Thank you, Doctor
Volberg.

Doctor Shaffer.