

adopted the sophisticated promotional tools of commercial marketing. In 1997 alone, state lotteries spent \$400 million on advertising campaigns, some of which targeted people in impoverished neighborhoods.

Problem and Pathological Gambling

Today, the vast majority of Americans either gamble recreationally and experience no measurable side effects related to their gambling, or they choose not to gamble at all. Regrettably, some of them gamble in ways that harm themselves, their families, and their communities. The more that Americans are presented with opportunities to gamble, the more concern there is about problem and pathological gambling. While the prevalence and causes of problem and pathological gambling are not well understood, it is clear that millions of individuals fall into these categories. For whatever reason, they cannot control their urge to gamble, despite often horrific consequences. Commission members were frequently moved by the many testimonies from compulsive gamblers. They shared heart-wrenching personal stories of the social, legal, and financial damage they brought upon themselves and their families. Problem and pathological gambling affects not only the problem or pathological gambler and his or her family but also broader society. Such costs include unemployment benefits, welfare benefits, physical and mental health problems, theft, embezzlement, bankruptcy, suicide, domestic violence, and child abuse and neglect.

Unfortunately, public awareness of pathological gambling is a relatively new phenomenon. Only in recent years has the medical community's attention been drawn to the investigation and diagnosis of this problem. Furthermore, treatment programs for problem and pathological gambling are in their infancy.

Despite its impact on millions of Americans, including young people, very little research exists on pathological gambling. In response, the NGISC funded top research organizations to gather evidence on gambling and addictive behavior. One organization, the National Opinion Research Center (NORC) at the University of Chicago, was hired to collect new information on gambling behavior. They interviewed 2,417 adults via telephone, 530 adults in gambling facilities, and 534 adolescents via telephone. NORC collected information from 100 communities, contrasting those near gambling facilities with those

far away. Additionally, NORC conducted case studies in 10 of these communities in which they interviewed 7 or 8 community leaders regarding their perceptions. Another organization, the National Research Council (NRC) of the National Academy of Sciences, conducted a review of the available literature, which covered 4,000 gambling-related references, including 1,600 related specifically to problem or pathological gambling. Taken together, the NORC and NRC studies provide more hard research data and general information on pathological gambling than have ever before been available.

The greatest challenge in crafting a set of recommendations in response to the issue of pathological gambling concerns the debate on the precise definition and prevalence of the problem. There are many differences of opinion. The American Psychiatric Association (APA), considered an authoritative source on mental problems, has attempted to bring order to the labeling of gambling behaviors by creating diagnostic criteria for pathological gambling. APA describes pathological gambling as “persistent and recurrent maladaptive gambling behavior that disrupts personal, family, or vocational pursuits. The gambling pattern may be regular or episodic, and the course of the disorder is typically chronic.” With regard to pinpointing problem and pathological gambling prevalence, the core of the confusion stems from the timeline used in various studies. Such timelines range from “lifetime” to “past-year” measures. On the one hand, lifetime estimates run the risk of overestimating the problem and/or pathological behavior, because those estimates will include people who have gone into recovery and who no longer manifest the symptoms. On the other hand, past-year measures may underestimate the problem, because this number can include people who continue to manifest pathological gambling behaviors but who may not have met the APA diagnostic criteria within the past year. As a result, problem and pathological gambling estimates in 17 states where surveys have been conducted range from 1.7 all the way up to 7.3 percent of adults.

Perhaps most troubling to the NGISC was the challenge of estimating the costs involved in problem gambling. Clearly, the extent of personal consequences on the pathological gambler and his or her family may be severe, including domestic violence, child abuse, and financial hardships. The NORC study estimated that problem and pathological gamblers account for 15 xpercent of the dollars lost gam-

bling. But beyond dollar amounts, how does one quantify a divorce, a loss of life savings, or worse, a gambling-induced suicide?

Despite their differences on the definition of pathological gambling, its prevalence, and its costs, the members of the NGISC were unanimous in their conclusion that a serious pathological gambling problem exists and that it must be addressed aggressively by policymakers at all levels. Current responses to the problem include efforts by the National Council on Problem Gambling and ongoing research at various universities. Perhaps surprising to some, the largest source of funding for research on problem and pathological gambling is the commercial casino industry. In addition, the pari-mutuel industry, as well as several states and tribal governments, has made contributions to gambling treatment programs and other organizations that deal with mental health issues and addiction.

The NGISC stands firm in its conviction that further research on problem and pathological gambling must be conducted and it is important to aggressively seek to prevent and treat these disorders. Finally, the Commission believes that a major portion of the responsibility for addressing the problem of pathological gambling must be borne by the states that sponsor gambling.

Native American Tribal Gambling

The NGISC established a Subcommittee on Indian Gambling to supplement the full Commission's work in this area. Six formal hearings were held around the country and with the assistance of the National Indian Gaming Association (NIGA), the Subcommittee received testimony from 100 tribal members representing more than 50 tribes across the nation.

Large-scale Indian casino gambling is barely a decade old. Its origins trace back to 1987, when a landmark Supreme Court decision, in effect, limited the ability of the states to regulate commercial gambling on Indian reservations. In order to provide a regulatory framework for Indian gambling, Congress passed in 1988 the IGRA. The IGRA provides a statutory basis for the regulation of Indian gambling. It specifies several mechanisms and procedures, including the requirement that the revenues from gambling be used to promote the economic development and welfare of the tribe. For most forms of casino gambling—which the IGRA terms “Class III” gambling—the IGRA requires

tribes to negotiate a compact with the respective states. It is this legislative provision that has been a continuing source of controversy.

From 1988, when the IGRA was passed, to 1997, tribal gambling revenues grew more than thirtyfold, from \$212 million to \$6.7 billion. By comparison, the revenues from non-Indian casino gambling roughly doubled over the same period. As was the IGRA's intention, gambling revenues have proven to be a very important source of funding for many tribal governments, providing much-needed improvements to the health, education, and welfare of Native Americans on reservations across the United States. Nevertheless, Indian gambling has not been a panacea for the many economic and social problems that many Native Americans continue to face.

Under the U.S. Constitution and subsequent laws and treaties, Native Americans enjoy a unique form of sovereignty. However, two centuries of often contradictory federal court decisions and congressional legislation have kept the definition and boundaries of tribal sovereignty in flux. Differing perspectives on the nature and extent of that sovereignty—in particular, the relationship of Indian tribes to the state governments in which they reside—lie at the heart of nearly all disputes over Indian gambling. In the view of some observers, tribal sovereignty is extensive and at least on par with that of states. Others contend, however, that tribal sovereignty is far more restricted in scope. (The complex historical roots of these differing perspectives are discussed in detail in the Commission's *Final Report*.)

What is not disputed is the federal government's responsibility for the welfare of the Indian tribes and their members. The Supreme Court articulated this relationship to be a "trust relationship," like a "ward to his guardian." In this regard, the federal government's record has been poor. According to U.S. government figures, rates of poverty and unemployment among Native Americans are the highest of any ethnic group in the United States, while per capita income, education, home ownership, and similar indices are among the lowest.

Given the often-opposed viewpoints between tribes and state governments, IGRA's requirement that the two parties negotiate compacts for Class III gambling has been the source of mounting tension and stalemates. Many states complain that the federal government does not actively enforce the IGRA on the reservations and that the states are unable to enforce it on their own; that the IGRA requires