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## Understanding How Problem Gambling Fits Into the Fraud Triangle

**November 12th to the 18th is International Fraud Awareness Week.** This is an important topic for anyone who is experiencing or knows someone who is suffering from compulsive gambling. Problem gambling is a progressive disorder. Without seeking recovery, it gets worse over time. When a disordered gambler gets to the point of being out of control and out of money, he or she may resort to committing illegal acts in order to finance continued gambling and feed the addiction.

The most common crimes related to problem gambling are financial in nature: embezzlement, check forgery, stealing credit cards, pawning/selling stolen goods, tax evasion, and insurance fraud, to name a few. **Dr. Steve Albrecht, a human resources, security management, and employee coaching expert, coined the term “Fraud Triangle” to model conditions that lead to a higher risk of fraud for organizations.** According to Albrecht, the fraud triangle states that “individuals are motivated to commit fraud when three elements come together”[1]:

- Opportunity
- Need or Pressure
- Rationalization

The individual suffering from gambling addiction is typically trusted by his or her family, friend, or employer and may have some form of access to their assets and accounts. Because of this, he or she has the **opportunity** to commit a financial crime. The compulsive gambler **needs** money to pay for basic living expenses and other household bills, maintain an image of prestige and above all, stay in the action with continued gambling. Thus they are pressured to obtain money by any means necessary. Finally, the problem gambler finds a way to **rationalize** his or her crime, usually by believing that the stolen money is just “borrowed” and will be paid back before anyone is the wiser.

This does not mean that disordered gamblers believe that what they are doing is right. Instead, **they believe that they will eventually win and pay it back.** Even if the rare chance that the gambler were to win enough money to pay it back, it is not uncommon for them to gamble their winnings in hopes of coming out ahead instead of taking the opportunity to break even! Likewise, once they start gambling, the addiction will not let them stop until they walk away with nothing.

Once again, the gambler throws themselves back into the cycle of losing money and committing fraud and other crimes to compensate. **As this addiction progresses to the later stages, and the gambler has told so many lies and stolen in so many different ways, they often cannot keep track anymore. Fearing the fallout of coming clean about their actions, they instead tend to put less effort into covering up their crimes as a result.**

Denial is common in all types of addictions and works to prevent the suffering individual from confronting the consequences of their behavior. Meanwhile, the problem gambler most likely experiences internal conflict about how to fix the problem. Disordered gamblers living in this cycle of fraud and theft can even feel relieved to be caught, because they are so desperate to talk about their distress and to stop living a criminal lifestyle.

*“If you tell the truth, you don’t have to remember anything.”*

– Mark Twain

The vicious cycle detailed here sheds light on why the FCCG’s Problem Gambling HelpLine number is **888-ADMIT-IT**. The simple fact is that the first step to getting help for problem gambling, even for loved ones, is admitting it.

The FCCG’s [Legal Resources & Assistance Programs](#) provide supports for both problem gamblers and loved ones facing legal consequences due to a gambling problem, and for legal, criminal justice, and judicial authorities, to identify and secure viable alternatives to incarceration alone, and provide the opportunity for rehabilitation to persons committing crimes as the result of a gambling addiction. [In FCCG’s A Chance for Change Recovery Workbook series](#) for Gamblers, Loved Ones and Senior Gamblers, Book #5 covers information and approaches for legal issues stemming from problem gambling. This is just one example of many legal resources available! If you or a loved one are struggling with the impacts of problem gambling, there is a safe place for you to speak with someone for help, no matter what has happened. Call or text **888-ADMIT-IT** or start a live chat on [gamblinghelp.org](#) to get connected to help and hope. The HelpLine offers free, confidential, and multilingual support for problem gambling to Floridians.

### References: 🔍

1. “Fraud Triangle.” National Whistleblower Center; [www.whistleblowers.org/fraud-triangle/](http://www.whistleblowers.org/fraud-triangle/). Accessed 6 Nov. 2023.