

Special Focus

Dreaming Big – Drowning in Credit

Gamblers are very optimistic. Regardless of the tremendous odds against them, they happily pump money into an almost limitless number of betting venues. But, when they become addicted to wagering, optimism warps into an obsession that radically obscures their inner reality. For these compulsive gamblers, their certainty of winning becomes fact in their minds and the proven unpredictability of successful betting is ignored. This illusion of control is what leads to financial and personal catastrophe.

As distorted as such thinking is, the availability of easy credit to gamble compounds this problem at an incredibly rapid rate. Credit for a compulsive gambler is like seeing a green light at every cross street and thinking there is no speed limit through town. Without money actually changing hands, an aura of permissiveness exists that makes it almost impossible for these addicted people to gauge what they've spent until it's too late. According to the National Research Council, the average compulsive gambler spends \$1,000 - \$5,000 a month betting and most have an overall debt of \$75,000 - \$150,000 with multiple credit cards bearing a large part of the total.

Easy access to credit cards in our society, unsolicited even to college students, also does nothing but feed the fires of



addiction burning within compulsive gamblers. Combine that availability with the advent of Internet gaming at home or at work for example and you have a prescription for instant, unbridled gratification that can fry gamblers' finances at truly alarming rates.

But it isn't only the credit card companies that bear this responsibility. Some members of the gambling industry also make it a practice to extend credit to their customers. In fact, billions of dollars in such loans are made annually. As the availability of credit in many cases adds to the woes of compulsive gamblers, it would be prudent for credit card companies and gambling operators to consider their contribution to the problem and implement steps to mitigate adverse impacts.

Over the Cliff into Bankruptcy

Simply put, unless they stop betting early enough, compulsive gamblers and their families eventually endure the devastation of financial ruin. People who wager obsessively, even given the terrible odds against success, end up depleting their assets and often the assets of others. Mix with all of that today's easy availability to credit and these individuals have created their own ticking time bomb just waiting to explode.

Unfortunately, many compulsive gamblers become so burdened with debt that bankruptcy ends up looking like the only way out. In a study commissioned

by the banking industry, SMR Research Corporation investigated financial insolvency in America. What SMR discovered was that legalized gambling is not only the fastest growing cause, but also the third leading cause of bankruptcies in the United States. The results of another national study showed that 20% of all bankruptcies are gambling related.

In the Sunshine State, records of calls by gamblers to the Florida Council on Compulsive Gambling's 24-hour HelpLine show that substantial financial loss and overextended debt were the primary reasons for contact. Those

records also confirmed the national studies by showing that 20% of the callers answering a particular question had filed for bankruptcy at least once. Sadly, the desperation of those callers was demonstrated when 20% of them also admitted having contemplated suicide and 7% said they had actually attempted to kill themselves.

On the bright side however, early intervention in the compulsive gambling process through support groups, certified problem gambling counselors and knowledgeable financial advisors can greatly reduce the gambler's stress and even possibly avoid bankruptcy altogether.