

Basic Concepts of Sports Gambling: An Exploratory Review

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In this paper, the topic of sports gambling is explored. Sports gambling may range from the recreational to the pathological. Recreational gambling, the more common of the two, involves friends and co-workers placing friendly, small amount bets. Pathological gambling is associated with a nearly uncontrollable urge to gamble that leads to a number of social problems. Primary topics explored include an examination of legal and illegal forms of sports gambling, a distinction between “real” sports fans and sports gamblers, case studies of sports gambling, and gambling in college sports.

INTRODUCTION

There are numerous forms of gambling; including lotteries, bingo, casino and sport gambling. Most Americans have participated in some form of gambling whether it involves purchasing a lottery ticket, playing church bingo, placing a bet at the track (or at an OTB location), or making a bet with friends and/or fellow employees in office pools (Frey, 1996). Gambling among friends and co-workers is often called “recreational gambling.” A good example of recreational gambling involves two friends placing a “friendly” bet (e.g., \$10 or lunch.) on a ballgame. Most people are capable of making small bets without developing a gambling problem. Sporting events such as the Super Bowl will generate huge interest for gamblers. According to figures provided by the Gaming Control Board (of Nevada) sports gamblers wagered a record \$94.5 million at the state’s 176 licensed sports books for the 2006 Super Bowl. The sport books (gambling site locations) won \$8.8 million.

Since the passage of the “Indian Gaming Regulatory Act of 1988” the gambling industry is among the fastest growing in the United States. The proliferation of gaming outlets include Indian casinos, riverboat gambling, and the ever popular Nevada and Atlantic City commercial casinos. The gambling industry is also well aware of the large number of sports fans; many of whom are willing to place bets on sporting events. As a result, the explosion of gaming outlets throughout the country has extended into the realm of sports. For example, many

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states have installed a new generation of high-tech slot machines at race tracks and Off-Track Betting (OTB) parlors creating *racinos*—slots at raceways. Forty-three states have pari-mutuel wagering (dog and horse racing) and 35 states allow electronic gaming devices such as video poker and slot machines (Kuehn, 2005).

Sports Gambling

At major casinos, especially those found in Nevada and Atlantic City, gambling is not limited to card games, roulette wheels, slots, and dice; there are also sport books, where gamblers can legally place bets on a wide variety of sporting events. In 1992, Congress made almost all sports gambling illegal, believing that the substantial sums wagered on sporting events are potential threats to the integrity of the competition. Sport books in Nevada and Atlantic City were “grandfathered” (meaning they were exempted from the legislation) (Will, 2000). Sport gamblers can bet on individual ball games or a combination of games (parleys), car races, tennis matches, and so on. During the Super Bowl there are so many gambling options that people can even bet on the coin toss (heads or tails). The method that one uses to place sports bet depends on whether the gambler is betting legally or illegally. Legal sport gambling options include Off Track Betting (OTB) outlets and the wide variety of casinos that exist throughout the United States. If a gambler bets illegally, as most sports gamblers do, the wagering behaviors are altered radically as the gambler must find a bookie in order to place a bet. As Best and Luckenbill (1994) explain, whenever a good or service is forbidden but the demand for it continues, an illicit market will emerge. Placing a bet with a bookie is risky, primarily because of the criminal nature of such betting and the fact that the gambler has to trust the bookie to pay off a winning bet. Losing a bet to a bookie and being unable to pay off the debt is also risky and may result in physical harm.

As with most people around the world, Americans love to bet on sports—especially football. Although the National Football League does not like to hear it, many people believe that football is so much more popular than other sports in the United States because Americans love to gamble on it. Football creates a perfect

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environment for gamblers. The one-game-a-week format of football guarantees the importance of each game to players (and fans). Gamblers watch the point spreads to see if they change from the opening line at the beginning of the week to the closing line before game time. They keep track of injury reports just as “real” fans do. They keep an eye on the weather to see if that may interfere with “normal” playing conditions (e.g., strong winds may affect the passing game). The thrill of anticipation that builds each week among players and “real” fans also affects the gambler as he or she begins to anticipate a gambling rush. Despite some of these similarities, people who bet on games—sports gamblers—are very different from “real” sport fans.

What’s the difference between a “real” sports fan and a fan of sports gambling? The primary answers center on issues of loyalty, identity and commitment. Loyalty, by definition, generates interest, partiality, and identification with the object of a fan’s loyalty, rather than with a team’s competitors. A minimal requirement of loyalty is the maintenance of the relationship, and requires the rejection of alternatives that undermine the principle bond (Fletcher, 1993). Thus, a loyal lover will not be seduced by another, and a loyal sports fan will continue his or her allegiance to the team even when the team is not successful. Sport gamblers do not enjoy this feeling of loyalty; they will abandon a team as soon as they start losing money on them. Backman and Crompton (1991) state that loyalty refers to committed behavior that is manifested by the propensity to participate in a particular recreational community. Sports fans accomplish this through cheering for a team with fellow fans. Duncan (1983) claims that team loyalties developed over the course of many years provide fans with a sense of roots and stability which is often missing in modern society. The game itself offers fans a feeling of continuity, resolution and closure. This can even be multi-generational, with children continuing to root for teams they first learned about from their parents. Sports gamblers miss out on all of this. The term “commitment” often is used as a synonym for the term “loyalty” (Buchanan, 1985). Commitment involves an emotional attachment to the object of loyalty (the team). Committed sports fans remain loyal to a team, whereas sports gamblers are quick to abandon a team that loses them money. Since sports

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gamblers do not have a team that they can remain loyal to, they also do not identify with teams like real fans do. Identity involves those aspects of one's life that are deemed as essential to the character and maintenance of self.

Without identification to a consistent and favorite team, sports gamblers do not experience the effects of "basking in reflected glory" (BIRG) because of their low level of identification, loyalty, commitment, and allegiance to a team. Seldom do they have the opportunity to use the phrase "We Won!" This is something reserved for real fans. One could argue, however, that sports gamblers may BIRG in a financial manner, which is a much different variation of traditional sport sociology interpretations of BIRGing. Beyond experiencing BIRG, fans may also "cut off reflective failure" (CORF) as a coping device to distance oneself from a perceived failure. In regards to sports gambling, the gambler will abandon teams that lose money for them (CORF), while real sports fans remain loyal to the team regardless of outcome.

The manner in which sport gamblers and real fans watch a game is also different. Sport gamblers are cheering merely for a final score that covers their bet. That is, they cheer for/against a point spread. Sports fans are primarily concerned with whether or not their team wins, the margin of victory is a secondary concern—at best. Real sport fans cheer with real passion and a sense of identity to the team. Real fans also experience much more of a "rush" when their favorite team wins than gamblers do when they pick the right team to cover the spread. Real fans do not like being around sports gamblers. Real fans especially dislike a sports gambler who is cheering against a team that they are loyal to. Real fans do not care about a gambler's bet on a game and they certainly do not care how much money they have on the game. Real sport fans endure far more pain when their team loses than someone who merely lost a bet. Conversely, a real sports fan will always enjoy the fruits of victory more than a sport gambler who simply collects on a bet.

In short, real sports fans are loyal to their team, win or lose. Sports gamblers are loyal only to a team that "covers" the point spread. Real fans do not care about "point spreads" they only care about "W's" (wins) and "L's" (loses). Sports gamblers abandon a team as soon as they start losing money for them.

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Gambling on sport is not restricted to those “outside” the game. Professional sports leagues have fought throughout the twentieth century and continuing into the twenty-first century to eliminate gambling from their industry. Professional sports have been involved in many gambling scandals. In 1919, it was the World Series scandal featuring the Chicago White Sox (“Black Sox”) and allegations that the Sox’s threw the series because of gambling’s influence on such key players as “Shoeless” Joe Jackson. Then-Commissioner Kenesaw Mountain Landis perceived the scandal as an outbreak of a lingering disease—gambling—and he vowed to wipe it out. Landis banned any player he suspected of gambling and he once imposed a lifetime ban on a player who allegedly associated with gamblers (Curry and Jiobu, 1984). As of 2006, NFL commissioner Paul Tagliabue is continuing professional football’s attempt to disassociate itself from sports gambling. “That was his reasoning when the NFL refused to accept TV advertising for Las Vegas Tourism during the Super Bowl. But Las Vegas oddsmakers and the NFL go together like beer and pizza, and gambling is the biggest reason the NFL has become the most popular professional sport in North America” (Cowan, 2005:C5).

Although the NFL claims it doesn’t want to be associated with sports gambling it forces its teams to provide detailed injury reports each week (by Thursday morning), information vital to those who are betting on football and trying to anticipate how well each team will perform. The media promotes gambling by discussing betting lines and point spreads and describing in great detail the weather at game sites. Nearly all newspapers post the point spreads of football, basketball, baseball and hockey games. It comes as no surprise to sports fans that gambling is a big part of sports; surely league officials are also aware of this reality.

Professional sports leagues are most concerned about athletes who are involved in gambling and those who actually gamble. This type of behavior is considered one of the most unacceptable forms of sport deviance. Athletes involved in gambling range from the peripheral to the direct involvement. Tennis star Andre Agassi provides us with an example of peripheral gambling involvement. In June 2005, Agassi, a Las Vegas native, allowed his name and image to be emblazoned on slot machines throughout Nevada. Press releases (from KVBC – Las Vegas and

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ABC – Las Vegas) revealed that Agassi explanation was a little hesitant, being a professional athlete, about his association with gaming and wagering. But because of his connection to Las Vegas, a city he is so tied to, he felt that a slot machine with his image on it was a perfect fit for a boy from Las Vegas. A portion of the proceeds from the Agassi slot machines will be donated to his foundation—which has raised over \$50 million dollars through its annual “Grand Slam for Children” events.

Former MLB great Pete Rose provides us with an example of direct gambling involvement. While managing the Cincinnati Reds, Rose was accused of betting on games. Baseball Commissioner Peter Ueberroth and his successor A. Bartlett Giamatti initiated a formal investigation, which was run by attorney John Dowd. In 1989 the Dowd Report claimed that in 1987 Rose had bet on no fewer than 52 Reds games, at a minimum of \$10,000.00 a game. To bet on a single game would have been enough to cause his expulsion from baseball. While strenuously denying this, Rose voluntarily accepted a permanent place on baseball’s ineligible list. In his 2004 autobiography, melodramatically entitled *My Prison Without Bars*, he finally admitted that he did indeed bet on Reds games, but stated he had never bet against the Reds (which would have made him liable for criminal prosecution). Rose, is the all-time MLB leader in hits but was placed on the “ineligible list” for Hall of Fame induction due to his alleged gambling on sports.

Gambling in College Sports

Gambling is also a problem in collegiate sports. The Men’s NCAA Basketball Tournament, known as “March Madness” represents the second largest annual gambling event in the United States (wagering on the Super Bowl is number one). Nevada sports book took in roughly \$90 million for the 63-game tournament. Illegal wagering on the 2005 March Madness was estimated at \$2.5 billion. Beyond the money gambled on the Men’s Basketball tournament, including the common office pool that is available at most work sites in the United States, Challenger, Gray & Christmas, a New York outplacement firm, estimates the country loses about \$1.5 billion a year in loss productivity due to March Madness (Hannagan, 2004). The

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NCAA is concerned about the gambling and works with several Las Vegas sport books directors in an attempt to identify suspicious betting activities. It was the Nevada sport books that showed suspicious patterns of wagering on Arizona State University (ASU) basketball games that in turn led to the discovery of the 1994 point-shaving scandal involving some ASU players. This pattern could only have been detected with legalized book making. The NCAA does not mind sports gambling in Nevada sports books but do not want it to spread. The NCAA has also begun running background checks on officials as part of its antigambling efforts.

Most alarming to the NCAA is the number of athletes who gamble. In 2005, the NCAA released the results of their study on gambling which showed that 35 percent of male athletes and 10 percent of female athletes had gambled on college sports during the previous year (Tuley, 2005). The NCAA requires that all athletes (at every level) sign a form that they will not gamble on sports. In its Bylaws of Ethical Conduct the NCAA Manual (2005) details its rules regarding gambling activities (Article 10.3). Staff members of a member conference, staff members of the athletics department of a member institution and student-athletes shall not knowingly:

- (a) Provide information to individuals involved in organized gambling activities concerning intercollegiate athletics competition;
- (b) Solicit a bet on any intercollegiate team;
- (c) Accept a bet on any team representing the institution;
- (d) Solicit or accept a bet on any intercollegiate competition for any item (e.g., cash, shirt, dinner) that has tangible value; or
- (e) Participants in any gambling activity that involves intercollegiate athletics or professional athletics, through a bookmaker, a parlay card or any other method employed by organized gambling (pp.47-48).

Athletes in violation of this bylaw are subject to sanctions, which include losing all remaining regular-season and postseason eligibility in all sports and may be ineligible for any further intercollegiate competition.

Conclusion

It has become increasingly common for people of all ages and social-economic backgrounds to gamble on sports. Most sports gamblers start by placing “friendly” bets with their peers. Many youngsters notice that their parents and other older relatives find it perfectly acceptable to purchase lottery tickets. These subtle forms of gambling increase over time and become normalized by such television programs as “Texas Hold ‘Em” aired on ESPN. Office workers and blue-collar workers alike are apt to gamble in various pools, especially for major sporting events. Sports gamblers acknowledge an attitude that the game is “more exciting” when there is a bet placed on its outcome. In contrast, the “true” sports fan finds excitement from the sporting event itself.

In most cases, gambling on sports does not lead to significant problems. However, gamblers do face potential downfalls. For example, gamblers should realize that the “house” always has the edge—just look at the billion dollar hotel casinos in Las Vegas for visible evidence. Athletes who gamble risk suspension and termination from future sports involvement.

Sports gamblers risk a pathological addiction to gambling. Pathological gambling is classified as an “impulse control disorder” (Shaffer, 2003). Research has shown that the prevalence of problem and pathological gambling has grown in states where the availability of gambling has increased and that pathological gambling is more common among males, youths, and minority populations (Volberg, 1994, 1996). (Note: Lesieur [1998] distinguishes a “problem gambler” as someone who has less serious problems than a pathological gambler). Western New York, for example, has all the trappings of a bettor’s paradise—professional sports teams, casinos, numerous OTB parlors, easy access to the state lottery—and it has a documented increase in the number of problem and pathological gamblers (Auer, 2003). In the Buffalo area, it is casino gambling that attracts the greatest number of pathological gamblers.

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Pathological gamblers face several social and economic costs. Many may declare bankruptcy, and for others their gambling-related debts are often extreme. The pathological gambler's financial burden is extended to the family. The mortgage, the rent, gas, electric and other bills may be paid late or not at all. The pathological gambler's employment can also be hampered, either by missing work or arriving late, leaving early or sneaking out to place a bet. Between 69-76 percent of pathological gamblers report having missed time from work due to gambling (Ladouceur, Boisvert, Pepin, Loranger and Sylvain, 1994). Pathological gambling may lead to a number of illegal activities such as embezzling at work, forging checks, bouncing checks to cover gambling debts, lying on tax returns, committing fraud, and initiating a host of other illegal activities. Furthermore, the stress from gambling may lead to depression and anxiety, and impulsivity (Shaffer, 2003). In extreme cases the pathological gambler may commit suicide when debts reach an extreme level.

There is some hope for pathological gamblers—"Gamblers Anonymous", for instance, is an organization specifically designed to assist them break their gambling habit. Patterned after the Alcoholics Anonymous program, Gamblers Anonymous is designed to help identify pathological gamblers and then to help them combat their deviant obsession. However, critics of expanded legalized gambling worry that the abundance of gambling opportunities and the expanded legalized gambling available in the United States may lead us to a nation of "one large chapter of Gamblers Anonymous" (*The Post-Standard*, 5/26/04: A-12).

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