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**Testimony of Dr. Guy Clark, Chairman
of the National Coalition Against Gambling Expansion**

**House Judiciary Committee
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As Chairman of the National Coalition Against Gambling Expansion, I appreciate the invitation to submit testimony regarding the issue of gambling expansion and the proposed legislation presently before this Committee.

We strongly oppose this legislation because we believe these land claims should go through the Bureau of Indian Affairs. There should be no short cuts by attempting to win the favor of Congress.

But more importantly, my remaining comments will extend beyond the specific questions of land claims before you this morning. Because the driving force behind these land claims is the desire for more gambling expansion.

Many of you will agree that nearly all of the debate around gambling expansion in this country, whether in Michigan or anywhere else, consistently focuses on questions about “jobs” and “revenue.”

But what is remarkable about all of this frenzied discussion about jobs and revenue is that virtually no one ever stops for a minute and examines the product itself.

Because this is a debate not about just any kind of gambling. It’s not about Friday night poker games with the guys at work or buying a square in the Super Bowl office pool. This fight is about exploitative gambling - combating those who prey on human weakness for profit.

America is on an exploitative gambling binge. What started forty-five years ago with a lottery ticket has evolved into addiction delivery systems. There are now more than a dozen pathological gambling states and many others heading there fast.

Today, the purest form of exploitative gambling is machine gambling with close to 800,000 slot machines and video poker games in operation in this country – that’s one

machine for every 395 Americans. And, it's these machines that generate most of the profits for the casino trade.

What makes these electronic gambling machines exploitative? According to Dr. Natasha Schull at MIT, when you look at what these algorithms inside the machines are doing, it's a high tech version of "weighting the deck" or "loading the dice." Using loaded dice in gambling is cheating and is illegal.

The goal of the technology behind these electronic loaded dice is no secret: how to get people to play longer, faster and more intensively. Every feature of the machine- the mathematical structure, visual graphics, sound dynamics, seating and screen ergonomics- is geared, in the language of the casino trade, to get gamblers to "play to extinction" – which means until their money is gone. What the user is seeing is not an accurate representation of what's happening inside the machine.

In my own state of New Mexico, Konami, one of the largest slot machine manufacturers, recently admitted to using subliminal technology in its machines by deceptively flashing jackpot symbols at players. I know you are well aware that many social scientists have done extensive research on subliminal perception and its motivational power.

A modern slot machine doesn't have a handle to pull or use reels – they use buttons and video screens. Instead of coins, they take player consumer cards. And instead of a few games per minute, hundreds can be played.

Instead of actual reels, they have virtual reels that rely on complicated algorithms and virtual reel mapping, concepts that few people in the casino trade itself understand – much less policy makers and citizens considering these machines in their own communities.

But despite the exploitative nature of these machines, there are still many people who say aren't people playing these machines "voluntarily?"

All of you are familiar with consumer loyalty cards. Nearly all of the supermarkets and drug stores offer them. They use these cards to track consumers. The casino trade has taken this marketing research technology to a whole new level. Anyone comforted by the idea that playing the slots is voluntary should spend a day with those who work for the casino trade.

People are targeted based on factors such as how *fast* they play a slot machine, information that can be collected through their "Player's Rewards card" because many players use these cards directly in the machine. The faster someone plays, the more likely they are to play out of control. And the faster you play (i.e. more out of control you are), the more you are offered incentives like free slot play as well as free meals and hotel rooms.

The casino trade's message is "most people gamble without a problem" declaring that "only" 5% of the general population has a problem. To put it in real numbers, that's one out of every twenty people. But the real question for everyone in this country to be asking is: "What is the percentage of problem gambling behaviour, not among the general population, but of the gamblers who play electronic gambling machines once a month or more?" Because having these machines locally is very different than having to travel to Las Vegas or drive several hours to play them. Instead of going 2-3 times a year to play the machines, now tens of millions of people are able to play the machines weekly.

The facts show that more than fifty percent of regular electronic gambling machine players are experiencing harm. That's of those who play once or more per month. It's not telling it straight to say that "most people gamble without a problem" because the vast majority of people don't play slots or haven't yet played long enough or frequent enough to experience the imminent harm. And, it's these problem gamblers who are the money makers. More than 80% of the revenues come from 20% of the players.

Yes, there are a few other things in our society that are exploitative but our government aims to protect us from exploitative and predatory things. The major difference here is that many of our own state governments are a virtual partner in the exploitation. In every other instance, our government prosecutes such practices.

The time has arrived for a national solution to America's gambling binge and it begins with a thorough and transparent investigation into the electronic gambling machines that are driving the casino trade's massive expansion.

It's time this country put the chance back in gambling.

Sincerely,

Dr. Guy Clark, Chairman
National Coalition Against Gambling Expansion