**America’s gambling boom should be celebrated, not feared**

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A craze for betting is sweeping over America. This year Americans are on track to wager nearly $150bn on sports, having bet a paltry $7bn in 2018. Another $80bn is being wagered in online casinos; in the few weeks when election gambling was legal before the presidential vote, hundreds of millions of dollars were placed on the outcome. Even physical casinos are spreading. Soon the island of Manhattan could have its own casino towering over Times Square.

As our [Briefing](https://www.economist.com/briefing/2024/12/05/gambling-is-growing-like-gangbusters-in-america) this week explains, the revolution has been unleashed by the overturning of bans, the rise of always-available betting apps and a booming economy. It is turning gambling into a mammoth business. Americans may wager as much as $630bn online by the end of the decade, quadrupling gambling companies’ revenues from sports-betting and virtual casinos. Earlier this year the market capitalisation of Flutter, a company that owns online betting platforms including FanDuel, the biggest sports-betting site in America, overtook the biggest behemoth in physical casinos, Las Vegas Sands. Gambling is changing the nature of sports, too, invigorating fans and enlivening broadcasting. Last year espn, the sports network owned by Disney, launched its own betting app.

What to make of this upsurge? One view is that it is a worrying sign. Many people see gambling as a vice that ensnares the poor. For them, taking a punt is an indicator of economic immiseration, and the loosening of prohibitions is a mistake that must be corrected as soon as possible. In fact, much about today’s gambling boom should be celebrated as an expansion of people’s freedom to lead their lives as they choose.

In part America’s boom reflects the fact that it is catching up with the rest of the world. For decades Uncle Sam confined gambling to casinos, which themselves were restricted to Las Vegas, tribal reservations or riverboats. America’s attitudes to sex, drugs, alcohol and gambling are shaped by its puritanical past. In many states, liquor cannot be sold before church wraps up on Sunday. Hollywood long followed a morality code, which barred depictions of illegal drugs or “licentious” nudity and warned film-makers not to make criminals appear sympathetic.

But court rulings in recent years have paved the way for states to legalise and regulate gambling. Many of them, thirsty for new revenue streams, have flocked to gambling as a money-spinner. In 2018 sports-betting was legal only in Nevada. Now it is permitted, with some restrictions, in 38 states. By contrast, sports-betting has long been legal in Australia, Canada and much of Europe and South America. It has been legal in Britain since the 1960s.

Another reason for the boom is technology. The ability to bet using your smartphone, and from the stadium or comfort of your own sofa, has boosted bookmakers and online casinos everywhere. Through apps, bookies can offer punters countless types of bet, from play-by-play wagers, to how many fouls a team will commit or yards a player will gain. These can be combined and bundled up into “parlays”, which pay out only if all bets come good. Even as online-gambling revenues have soared by 40% year on year in America, they are growing by double digits in places as varied as the Philippines and Poland.

Considering gambling’s seedy, unsavoury reputation, it is tempting to write all this off as unhealthy and dangerous. And it is true that, for some, gambling is a ruinous addiction. However, whereas state lotteries are disproportionally played by the poor, the new forms of gambling are less regressive. Sports punters are mostly relatively well-off young men. According to one survey 44% of them earn more than $100,000 a year, compared with 28% of full-time workers.

And sports-betting is a far cry from sitting at a machine, alone, feeding quarters into a slot. It is often a communal activity. Unlike roulette, a game of luck in which everyone understands that the house always wins, it can be a skill. Other vices that America enjoys and taxes, like alcohol, are responsible for more catastrophic harm.

It is also true that America has a habit of rushing into liberalisation before it has put enough guardrails in place. Just look at Oregon’s experiment in drug decriminalisation, which led to a worrying spike in overdose deaths, because the framework and funding for addiction treatment had not yet been established. However, the lesson from other countries is not to ban gambling altogether, but to regulate its harms. Some countries place restrictions on how accounts must be funded (via bank account, not credit card) and on when and how gambling companies can advertise.

The gambling industry itself could do more to quell fears about its practices. Its approach to customer selection means that good players are quickly identified and their stakes limited to a few dollars or even pennies. Being more open about that practice, or even relying on it less, would do a lot to dispel fears that the odds are stacked against the player.

However, trying to shut gambling down again would probably leave America worse off. In China the Communist Party has long [waged war on all forms of gambling](https://www.economist.com/finance-and-economics/2024/12/05/xi-jinpings-campaign-against-gambling-is-a-failure) outside Macau and Hong Kong, but today it is struggling more than ever to suppress the industry. Criminalising gambling would deprive tens of millions of people of entertainment and drive the most compulsive bettors underground, where they would be more vulnerable to abuse.

**All aflutter**

The boom in betting is worth celebrating. One reason is that gambling in casinos becomes more popular in a strong economy—unlike participation in state lotteries, long tolerated in America, which tends to rise in downturns.

The more important reason, however, is that the boom is a consequence of people’s enjoyment. In surveys 40% of Americans say they bet on sports—and the share would be higher still if all states legalised it. Freedom is not only measured by speech and political liberty, but also by the ability to spend your money as you wish.■