

Casino expansion would further state's decline

Posted: Saturday, May 27, 2017 8:00 am

By **Bob Steele and Tony Hwang**

The state Senate voted Tuesday to authorize the Mashantucket Pequot and Mohegan tribes to jointly develop the state's first off-reservation casino.

The bill, which would allow the tribes to open an East Windsor casino, goes to the House, which could approve it, kill it, or pass a competing bill backed by MGM designed to draw bids from any casino developer interested in opening a Fairfield County casino.

Opening a casino in East Windsor or Fairfield County would require legalizing commercial casino gambling in Connecticut, potentially open the door to a new wave of legalized gambling in the state, and further damage the state's troubled economy.

The most remarkable aspect of the East Windsor proposal is that it has gotten as far as it has on the basis of a highly controversial economic impact study commissioned by the tribes that touts the casino's potential economic benefits while downplaying or ignoring economic and social costs.

Indeed, the study's author told the legislature there was no feasible way to measure societal costs, such as debt, bankruptcies, broken families, and crime — a claim independent experts reject.

MGM's own economic study ridicules the tribes' East Windsor casino projections and ignores the economic and social costs to Fairfield County of its own proposal. Moreover, neither approach acknowledges the growing body of research on the negative impact of casinos.

Each proposal would expand casino gambling by making it more readily available to hundreds of thousands of state residents.

The East Windsor proposal is targeted at Connecticut people, while the opening of three casinos in metropolitan New York and the likelihood of more has sharply reduced Bridgeport's prospects for attracting New York gamblers.

As a result, taxes and jobs produced by both proposed casinos would be paid for overwhelmingly by gambling losses of state residents, leaving them with less to spend on other areas of the economy and, according to economists, merely redistributing

existing money within the state without creating economic growth. Citing increasing cannibalization of one casino by another, the Nelson Rockefeller Institute of Government is warning states that while new casinos may generate short-run increases in public revenue, those revenues can quickly decline.

On the social cost side, a 2009 state-sponsored study reported a steep increase in the number of residents seeking treatment for gambling addiction after the state's casinos arrived, as well as a 400 percent increase in arrests for embezzlement, a rate of increase 10 times the national average.

A 2012 book by Natasha Schull, *Addiction by Design*, exposed the increasing addictiveness of today's slot machines. A 2015 study from Western Connecticut State University documented an increase in violent crimes in towns surrounding Foxwoods and Mohegan Sun after the casinos arrived, despite a sharp drop nationally and in Connecticut. The UConn School of Medicine has cautioned that the growing gambling epidemic is hitting lower socio-economic groups hard and the resulting societal costs are being borne by employers, social service agencies, and the health care system.

A report from the nonpartisan Institute for American Values concludes that local and regional casinos drain wealth from communities, weaken nearby businesses, hurt property values, and reduce civic participation, family stability, and other forms of social capital. Factoring in all costs and benefits, economist Earl Grinols has calculated that the long-term costs of casinos typically outweigh their benefits by more than 3-1.

The doubtful constitutionality of giving the tribes exclusive rights to a commercial casino, the refusal to permit a town referendum on the East Windsor casino, and continuing questions on whether the East Windsor casino could affect the tribes' profit-sharing obligations to the state are reason enough for the House to vote down the East Windsor bill.

But moving forward with casino expansion without requiring a comprehensive, independent study of its economic and social impact is reckless and indefensible. It surely does not qualify as part of a carefully considered plan for moving Connecticut forward.

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