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Some Bets Are Off

The strangely selective and self-defeating crackdown on Internet gambling

Jacob Sullum

ON JULY 16, 2006, the CEO of BetOnSports.com attacked an anti-online gambling bill that the House of Representatives had overwhelmingly approved a few days before. “We want to be regulated,” David Carruthers wrote in the *Baltimore Sun*. “We want to be taxed. We want to be licensed. Instead of dealing with us constructively to address issues of mutual concern, these legislators prefer to pretend that they can control the Internet. Instead of protecting the public, they would rather waste time on public posturing to their partisan base.”

It wasn't hard to understand why Carruthers was upset. The bill, part of the “American Values Agenda” championed by House Republicans, would have classified him as a felon, subject to a five-year prison sentence for the crime of accepting bets from Americans. What Carruthers evidently did not realize was that the U.S. Justice Department *already* considered him a felon. On the very day his plea for legitimacy appeared in the *Sun*, Carruthers was arrested at the Dallas/Forth Worth International Airport during a layover between London and Costa Rica.

Carruthers, a native of Scotland, thought he was running “the largest online wagering company in the world.” But according to Catherine Hanaway, the U.S. attorney for the Eastern District of Missouri, he was running a racketeering conspiracy. Now awaiting trial in St. Louis, Carruthers faces up to 20 years in prison if convicted of racketeering or mail fraud, which he supposedly committed by advertising that BetOnSports was “legal and licensed.” Never mind that BetOnSports *was* legal and licensed in the U.K., where it was incorporated, and in Costa Rica, where its operations were based.

Although he had been a highly vocal and visible critic of U.S. gambling policies, Carruthers miscalculated just how determined prosecutors and politicians were to deny Americans the right to bet online. Opponents of Internet betting, including both paternalists afraid of human frailty and domestic gambling interests afraid of competition, are eager to prosecute businesses the rest of the world considers legitimate. They are prepared to go after not just the gambling sites themselves but also third-party payment processors, marketers, even media outlets that carry ads for online poker or sports betting. In doing so the prohibitionists are willing to risk the collapse of international trade agreements and saddle American financial institutions with the onerous burden of monitoring transactions for signs of “unlawful Internet gambling.” All in a vain attempt to stop Americans from doing online what they already do by the millions in convenience stores and delis, at racetracks and

casinos, and in poker games and football betting pools throughout the country.

‘The Crack Cocaine of Gambling’

The bill that Carruthers criticized on the day of his arrest was the Internet Gambling Prohibition and Enforcement Act, sponsored by Rep. Bob Goodlatte, a Republican who since 1993 has represented a northwestern Virginia district that includes Roanoke and Lynchburg (home of Jerry Falwell's Liberty University). Goodlatte had tried for years to ban online gambling, which he calls a “scourge on the Internet.” He was joined in that effort by other conservatives, including Sen. John Kyl (R-Ariz.), who calls Internet betting “the crack cocaine of gambling,” and former Rep. Jim Leach (R-Iowa), who says it “erodes family values.”

In 2006 Goodlatte's bill was combined with a Leach bill to become the Unlawful Internet Gambling Enforcement Act (UIGEA). The law was tacked onto an unrelated, supposedly urgent measure dealing with port security, which Congress passed just before adjourning for mid-term elections in 2006.

Unlike Goodlatte's original bill, the UIGEA does nothing to clarify or expand the Wire Act of 1961, which prohibits using “a wire communication facility” to accept bets “on any sporting event or contest.” The Wire Act applies only to people “engaged in the business of betting,” not individual gamblers. It also seems limited to sports betting, an interpretation endorsed by the U.S. Court of Appeals for the 5th Circuit in 2002. Although the Justice Department implausibly maintains that the Wire Act covers other forms of gambling as well, including poker and blackjack, all the defendants it has successfully prosecuted under the law were involved in sports betting. Even in those cases, the equation of the Internet with a “wire communication facility” is questionable, as is the extraterritorial application of the law to businesses with no U.S. presence.

While Goodlatte's original bill would have updated the Wire Act with the Internet in mind and extended it to cover other forms of online gambling, the UIGEA does neither. It makes accepting money in connection with “unlawful

Internet gambling” while “engaged in a gambling business” a federal crime punishable by up to five years in prison, but it leaves the definition of unlawful Internet gambling as fuzzy as ever. “It’s a mess,” says Nelson Rose, a professor at Whittier Law School and a leading expert on gambling law. “Nobody ever read it. There were no debates on it. It’s really a piece of garbage. It doesn’t clarify what’s legal and illegal, so the definition of what is an unlawful Internet gambling transaction depends on other federal or state laws.”

The UIGEA’s definition of unlawful Internet gambling explicitly excludes fantasy sports, in which participants create imaginary teams whose performance is judged by the real-life performance of the teams’ players. The law says these contests are OK as long as the prizes are determined in advance and the fantasy teams are not identical to any actual teams. The latter condition is aimed at preventing fantasy sports contests, which the professional sports leagues endorse, from morphing into actual sports betting, which they oppose. The leagues, which supported the UIGEA, are adamantly against broader legalization of sports betting, currently permitted only in Nevada, because they fear it would have a corrupting effect.

The UIGEA also includes an exemption for intrastate online gambling that is “expressly authorized” by state law, such as lotteries. Whether the law allows online participation in multistate lotteries such as Powerball is unclear. So is the legal status of interstate betting on horse racing via the Internet, offered by sites such as allhorseracing.com and youbet.com. The UIGEA includes an exemption for “any activity that is

allowed under the Interstate Horseracing Act of 1978.” Businesses that take off-track bets and the state governments that license them read that law as allowing online betting, but the Justice Department disagrees. The UIGEA explicitly declines to resolve the issue, saying “this subchapter shall not change which activities related to horseracing may or may not be allowed under Federal law.”

Since the Justice Department is not likely to prosecute the officials who run interstate lotteries or the state-licensed businesses that take horse racing bets, the upshot is that the UIGEA leaves unmolested two politically favored forms of gambling that happen to generate government revenue and campaign contributions. (The horse racing industry donated more than \$3 million in the run-up to the UIGEA, overwhelmingly to Republicans, including Goodlatte.) The law also lets brick-and-mortar casinos—another source of tax revenue and campaign money—offer remote gambling that does not cross state borders.

“No bill that would completely ban Internet gambling has advanced very far,” says Dan Walsh, director of government affairs at the Interactive Gaming Council, which represents online gambling companies. “It has to have exemptions, and when you have exemptions, you get caught in internecine fights between [Indian] tribes and commercial casinos, between horse racing and dog racing, between states that want to take lotteries online and convenience stores that don’t want the states to take lotteries online. The whole point of the bill is to stay out of those fights.”

Elliot Spitzer Doesn’t Want You to Pay for Fun

Although the UIGEA did not ban online gambling, it made life more complicated for operators of gambling websites. To begin with, it created a new federal charge, “acceptance of any financial instrument for unlawful Internet gambling,” and an additional penalty for people involved in gambling businesses that were already considered illegal. The Justice Department could have included this charge

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in its indictment of David Carruthers, adding five years to his potential sentence, if only the UIGEA had existed prior to his arrest.

By saying that unlawful Internet gambling includes betting prohibited by the state in which the bet “is initiated, received, or otherwise made,” the UIGEA also may have made it easier to prosecute people who accept online bets on things other than sports. About a dozen states explicitly ban online gambling, and “just about every state either has in their common law or in their state constitutions a flat prohibition on gambling that’s not expressly authorized,” says Behnam Dayanim, an attorney specializing in gambling issues at the Washington law firm Paul Hastings, which represents the Gibraltar-based online gambling company PartyGaming.

Prior to the UIGEA, other federal gambling statutes referred to state law, but none of them mentioned the Internet. Hence it was doubtful that Congress had authorized states to regulate interstate and foreign commerce, a federal power under the Constitution, by criminalizing the actions of website operators in other countries. An online casino also could argue that its acceptance of a bet from a gambler in, say, Salt Lake City occurred in Costa Rica (or wherever its server was located) and therefore did not violate Utah law.

“In one fell swoop, Congress destroyed both of those defenses,” says Dayanim. “As far as the locus [of the violation] goes, they’re saying it doesn’t matter for the purposes of UIGEA where the wager is occurring or where the business is located. And by referencing laws of a state in the definition of unlawful Internet gambling, Congress has said it’s deferring to state law on this.” It’s less clear, he adds, whether the UIGEA changed anyone’s liability under other federal laws, such as the Illegal Gambling Business Act or the Racketeer Influenced and Corrupt Organizations Act.

Nelson Rose disagrees with Dayanim’s reading of the UIGEA, saying “the only thing this statute did is it created a

new federal crime of being in a gambling business and accepting money for an unlawful Internet gambling transaction.” Until the Justice Department tries to prosecute someone with no involvement in sports betting for violating the UIGEA, it won’t be clear who’s right. So far there have been no prosecutions under the new law.

Assuming that foreign operators of gambling websites avoid layovers in the U.S., the biggest problem the UIGEA created for them is its chilling effect on the processing of online bets. Under UIGEA regulations proposed by the Treasury Department, U.S. financial institutions will have to adopt “policies and procedures” that are “reasonably designed” to block transactions associated with unlawful Internet gambling. But neither the UIGEA nor the Treasury Department will say precisely which transactions those are. Given the uncertainty, the safest course for banks is to avoid any sort of online gambling, whether clearly illegal, arguably illegal, or clearly legal.

Even before the UIGEA, most U.S. credit card issuers had stopped processing online gambling transactions under pressure from state and federal prosecutors. PayPal, the online payment processor, picked up much of the slack, but in 2002 it reached deals with New York Attorney General Eliot Spitzer and the U.S. Justice Department under which it promised to eschew online gamblers. Spitzer, who got into some trouble of his own involving payments for illegal recreational activities after he was elected governor, said “this case shows that we intend to stop any company who facilitates illegal gambling transactions.” PayPal paid New York \$200,000 in “disgorged profits, costs of investigation, and penalties,” a pittance compared to the \$10 million the com-

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pany shelled out to settle federal charges that it had violated the PATRIOT Act by transmitting funds derived from criminal activity.

Neteller, a payment processor based in the Isle of Man, stepped into the breach left by PayPal until January 2007, when company founders Stephen Lawrence and John Lefebvre, both Canadians, were arrested in the U.S. on charges of conspiracy and money laundering. Like Carruthers, they faced prison sentences of up to 20 years for helping Americans place bets via the Internet, a line of work the FBI called “a colossal criminal enterprise masquerading as legitimate business.” Last June, Lawrence pleaded guilty to one count of conspiracy, which carries a maximum sentence of five years; Lefebvre is still awaiting trial. After the arrests, Neteller abruptly abandoned the U.S. market.

Money Wandering

Despite the UIGEA and the Justice Department’s threats, several options remain for Americans who are determined to brave Bob Goodlatte’s disapproval by playing poker or placing sports bets online. “Overseas banks, because they’re not covered by the statute or the proposed regs, are going to look at this as a great opportunity to sell credit cards to Americans,” says Rose. Other methods include foreign-based e-wallets, e-checks, cashier’s checks, money orders, faux phone cards, foreign bank accounts, and payments to overseas intermediaries that do not sound like gambling operations.

“People have been setting up payment processors in all sorts of weird locations, including Russia, specifically to process gambling transactions,” says Jim Murphy, a professional sports bettor. “They’re basically just names to get money to the sports book, but instead of sending it to, say, 5Dimes Sportsbook in Costa Rica, you’re sending it to ABC Investment Consultants or ABC Shipping International in Costa Rica.”

Even an ordinary paper check in the mail will



do in a pinch, since the Treasury Department has decided it would be too onerous to demand that banks scrutinize every handwritten payee’s name for gambling connections. “I don’t know of anybody who’s had serious difficulty in actually providing payment to an online operator,” says Joseph Kelly, a professor of business law at SUNY-Buffalo and co-editor of the journal *Gaming Law Review*.

At the same time, driving online gambling transactions underground increases the potential for fraud and money laundering, two problems Goodlatte and his allies claimed to be concerned about. “It forces people who want to play to find alternative means of funding their accounts rather than just using the most transparent system of all, the U.S. banking system,” says John Pappas, executive director of the pro-legalization Poker Players Alliance. “What we’d like to see is a regulated system that provides consumer protections.”

Passage of the UIGEA, combined with the BetOnSports and Neteller arrests, scared publicly traded gambling companies such as PartyGaming and 888.com out of the U.S.

market. But scores of privately held operations, including Bodog, Poker Stars, Full Tilt, and Ultimate Bet, remained. “There still are a number of very reputable sites serving the U.S. market,” says Pappas, and “the people who were playing on the publicly traded sites have simply migrated to these other sites.”

There don’t seem to be any firm numbers on how online gambling revenue—estimated at \$12 billion worldwide in 2006, about half of it from the U.S.—has been affected by the new crackdown. In February 2007, right after the UIGEA took effect, the Associated Press cited “industry observers” who estimated that online betting was “down by as much as 50 percent” worldwide. Since that would mean American betting had been completely eliminated, it seems implausible. In any case, business seems to have bounced back. “Every anecdotal response I’ve gotten is that there was a [downward] blip at first but that things are pretty much back to normal,” Kelly says.

For companies driven out of the American market, of course, the number of U.S. customers has fallen to zero. Some, such as PartyGaming, have entered into negotiations with the U.S. Justice Department to avoid civil and criminal charges based on their pre-UIGEA actions. By admitting wrongdoing, paying fines, and agreeing to asset forfeitures, they can eliminate the threat of lawsuits and prosecution while positioning themselves to re-enter the U.S. market should the legal environment become more hospitable.

The Mouse That Gambled

Not all of the foreign-based companies banished by the Justice Department’s threats have taken it lying down. The most conspicuous act of resistance was a World Trade Organization (WTO) complaint filed in 2003 by the tiny Caribbean nation of Antigua and Barbuda, home to 69,000 people and dozens of online gambling companies. Antigua argued that the United States was violating its WTO commitments by allowing some forms of domestic online gam-

bling, including bets on horse races, while trying to stop foreign companies from serving American gamblers. Although the complaint seemed quixotic at first, in 2004 an arbitration panel agreed that America’s gambling policies amounted to a discriminatory trade barrier, a finding that was upheld on appeal a year later. Showing a comical lack of self-awareness, Goodlatte called the ruling “appalling,” saying, “It cannot be allowed to stand that another nation can impose its values on the U.S.”

The WTO said Antigua was entitled to compensatory sanctions, and Antigua asked for \$3.4 billion a year, an estimate of the revenue businesses there would lose as a result of being excluded from the American market. It also suggested that, given the relative sizes of the two countries, the sanctions take the form of permission to disregard U.S. intellectual property rights, which would allow it to recoup its losses in the gambling market by selling unlicensed CDs, DVDs, and software. Last December a WTO arbitration panel agreed but limited the proceeds to \$21 million a year, 42 times the \$500,000 proposed by the U.S. but less than one-hundredth the figure suggested by Antigua. Mark Mendel, Antigua’s lawyer, called the award “absurdly low.”

But Antigua isn’t done. To comply with its trade agreements, the U.S. government could open its online gambling market to foreign companies, the option preferred by Antigua. Alternatively, it could impose a blanket ban on all forms of online gambling, which would eliminate the discriminatory treatment of foreign companies. Instead it has announced its intention to withdraw its trade commitment covering remote gambling. In other words, rather than changing

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its gambling laws so they comport with its trade commitments, the U.S. has said it will change its trade commitments so they comport with its gambling laws. Rep. Shelley Berkley (D-Nev.), who wants to study the feasibility of legalizing and regulating online gambling, calls this move “the trade equivalent of taking our ball and going home.”

In January, Antigua, joined by Costa Rica, asked the WTO to arbitrate the dispute regarding America’s unilateral revision of its trade commitments. The arbitration process could put the kibosh to deals the U.S. reached in December with the European Union, Canada, and Japan, each of which was inspired by Antigua to file its own gambling-related trade complaint. Under those deals, the U.S. promised broader access to several American service sectors in exchange for cutting remote gambling out of its trade agreements. But now that Antigua and Costa Rica have revived the issue, WTO rules say parties that have reached settlements can reconsider them. Macau and India, which have filed gambling-related WTO complaints that have not yet been resolved, could tag along as well. Meanwhile, at the urging of the Remote Gambling Association, a trade group, the E.U. is looking into the possibility of filing a new WTO complaint arguing that the U.S. government is violating its trade commitments by treating foreign businesses involved in online gambling like criminal gangs, as illustrated by the BetOnSports and Neteller cases.

Antigua’s WTO victory could play a role in those cases. A brief filed last year on behalf of BetOnSports founder Gary Kaplan (who was indicted along with David Carruthers) argues that the U.S. government’s prosecution of Kaplan violates legally binding trade agreements. The brief cites the *Charming Betsy* doctrine, which derives from an 1804 Supreme Court case involving a schooner of that name: “Where fairly possible, a United States statute is to be construed so as not to conflict with international law or with an international agreement of the United States.”

The authors warn that disregarding this principle could have serious international repercussions. “If the United States can today continue

to enforce criminal legislation that is not only violative of binding international law norms but that has been definitely condemned by tribunals to whose rulings we have pledged to adhere,” they note, “there is nothing to prevent other countries from following the same course when faced with WTO rulings favorable to the United States and unfavorable to them.”

New York University law professor Joseph Weiler, an international trade expert who advises law firms whose clients could be prosecuted for helping Americans gamble online, took up the same theme in testimony to the House Judiciary Committee last fall. “There is no question that under international law the ban on remote betting by providers situated in WTO countries is illegal,” he said. “Despite this illegality, the executive branch has persisted in indicting and prosecuting individuals and corporations whose activities should have been protected by the binding international obligations.”

That policy, Weiler warned, “is detrimental to the reputation of the United States as a champion of the rule of law” and “is an invitation to other countries...to withdraw commitments rather than honor them.” Should China one day decide it no longer wants to respect U.S. copyrights, or should the E.U. decide to exclude U.S. agricultural products, the United States could not reasonably object to such unilateral revision of trade agreements, given the precedent it is setting in the area of gambling.

Abetting Betting

The international implications of the online gambling crackdown extend beyond trade. According to the U.S. Justice Department, anyone who operates a gambling website that’s accessible to Americans, even if it’s based in a jurisdiction where the business is legal and licensed, is criminally liable in the United States. If he should happen to visit or pass through the U.S., he is subject to arrest, prosecution, and imprisonment.

How would Washington react if an American visiting Tehran or Beijing received similar treatment because he had posted material on a U.S.-based website that authorities in Iran or China deemed indecent or subversive? How would it view a request for the extradition of such a “criminal”? “This is a very dangerous precedent,” says attorney Behnam Dayanim, “because it sets the stage for that kind of activity, and to the extent we object we would be subject to charges of hypocrisy.”

A week after David Carruthers’ arrest, London’s *Daily Telegraph* quoted “a source close to PartyGaming” who said,

“If they start doing this they risk behaving like China.” He was referring to the Chinese government’s effort to prevent Chinese citizens from visiting websites it considers objectionable, an effort in which it had enlisted the assistance of U.S.-based search engines, to the consternation of American politicians. “The U.S. Congress that was appalled by Google’s supine attitude,” the *Telegraph* noted, “is the same Congress that overwhelmingly passed an anti-online gambling bill last week.”

The comparison with Chinese censorship is not so far-fetched, especially when you consider that the U.S. government has threatened to prosecute people merely for providing information about online gambling. In June 2003 Deputy Assistant Attorney General John Malcolm sent a letter to media trade groups warning that their members could be breaking the law by accepting ads for gambling websites. Under the Justice Department’s theory, running the ads could amount to “aiding and abetting” illegal gambling, a crime punishable by up to two years in prison.

“It was our attempt to be as gentle as we could,” a Justice Department spokesman told *The National Law Journal* in 2005. “We were letting them know that accepting advertising from an Internet gambling firm is against the law and it could be used in an aiding and abetting statute....A lot of that pressure has worked.” This intimidation campaign has spurred cable TV channels, radio stations, magazines, search engines, and billboard companies to stop carrying ads for gambling websites.

To people who view online gambling as a legitimate business, the U.S. government’s insistence that citizens of other countries help it protect American gamblers from themselves is all the more galling because the moralism underlying it is so inconsistent. Last fall Massachusetts Gov. Deval Patrick produced a particularly glaring example of politicians’ gambling hypocrisy when he proposed a bill that would authorize three casinos in the state while at the same time banning Internet betting. Under Patrick’s bill,

people who place online bets, including casual poker players and sports bettors, could be punished by up to two years in jail and a \$25,000 fine. The idea, it seems, is to protect the casinos from competition and thereby maximize the revenue they generate for the state through license fees and taxes. Similarly, a Washington state law enacted in 2006 treats most online gamblers as felons, subject to penalties of up to five years in prison and a \$10,000 fine, but exempts state-sanctioned horse racing.

Protectionism helps explain why, despite all the railing against online gambling by politicians like Bob Goodlatte and John Kyl, the bill that finally passed Congress left the law ambiguous. “For me this is more about driving foreign traders out of action so Nevada and Vegas don’t lose out on business in the future,” a London lawyer told the *Sunday Telegraph* last year. “The moves being made now give the U.S. time to sort out the legalization of online gaming and give the Vegas brands time to establish [themselves] online.”

The American Gaming Association, which represents brick-and-mortar casinos, was officially neutral on the UIGEA, and it is not backing a bill sponsored by Rep. Barney Frank (D-Mass.), chairman of the House Financial Services Committee, that would create a federal system of licensing and registration for online gambling businesses while allowing states to restrict or prohibit Internet betting within their borders. But the association “strongly supports” a bill sponsored by Nevada’s Rep. Berkley that would commission a one-year National Research Council study of how best to regulate online gambling, including an examination of methods used to

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block bets by minors and discourage excessive betting.

“They want an objective study,” says Kelly, the law professor. “They’ve got to make the case before the American people. They’ve got to convince some of their own members....Then the American Gaming Association, I think, would push for regulation.”

Since legal gambling sites have been up and running for years in various countries, it’s not clear why such a study is needed. Excluding minors is, in essence, a matter of identity verification, something that commercial websites ranging from banks to booksellers routinely do. The methods, which include passwords and inquiries about personal information, are not 100 percent effective, but they work well enough for millions of online businesses to function profitably. Gambling sites have a strong incentive to avoid unauthorized transactions, because they bear the burden of charge-backs if a customer turns out to be a kid with a purloined credit card. Preventing bets by self-identified problem gamblers is also a matter of identity verification, and gambling sites use other methods, such as rules against multiple accounts and preset limits on the size or frequency of bets, to discourage excessive gambling.

‘Some Human Beings Enjoy Doing It’

Opponents of online gambling nevertheless warn that legalization would lure millions of Americans into an addiction that will wipe out their savings, break up their families, and drive them to theft and suicide. “Gambling is not a victimless activity,” Goodlatte told the House Judiciary Committee in November. “Online gambling can result in addiction, bankruptcy, divorce, crime, and moral decline...the costs of which must ultimately be borne by society.... Financial ruin and tragedy are not uncommon among online bettors.”

Actually, they are. In a study sponsored by the Austrian gambling business bwin.com and reported in the *Journal of Gambling Studies* last year, researchers at Harvard Medical School examined the gambling patterns of more than 40,000 online sports bettors for eight months and

found that less than 1 percent qualified as “heavily involved bettors” with large losses. A 2007 survey by the British Gambling Commission found that 6 percent of people who had placed sports bets online and 7 percent of people who had placed other kinds of online bets in the previous year qualified as “problem gamblers,” based on American Psychiatric Association criteria. That does not mean they faced “financial ruin and tragedy”; it means they reported at least three of 10 gambling-related problems, such as “chasing losses,” “a preoccupation with gambling,” “a need to gamble with increasing amounts of money,” and “being restless or irritable when trying to stop gambling.” Notably, the overall rate of problem gambling in the U.K. remained unchanged between 1999 and 2007, despite the rise (and legalization) of Internet betting.

Opponents of online gambling focus on extreme cases and imply they’re typical. A June 2007 hearing on Internet gambling held by the House Financial Services Committee featured testimony by an Ohio minister whose college-age son robbed a bank to pay off the debts he incurred while playing online poker. The research firm Ipsos estimates that 15 million Americans play online poker for money; most of them do not end up robbing banks. According to industry data collected by the Poker Players Alliance, the average online player spends \$10 to \$20 a week. Players like these are neither winning nor losing large amounts of money; they are mainly having fun, a concept that Bob Goodlatte seems to have trouble comprehending.

Barney Frank, by contrast, gets it. In July 2006, during the congressional debate over the UIGEA, Jim Leach averred that “there is nothing in Internet gambling that adds to the GDP or makes America more competitive in the world.” Frank took exception to Leach’s argument:

“If an adult in this country, with his or her own money, wants to engage in an activity that harms no one, how dare we prohibit it because it doesn’t add to the GDP or it has no macroeconomic benefit? Are we all to take home calculators and, until we have satisfied the gentleman from Iowa that we are being socially useful, we abstain from recreational activities that we choose?...People have said, ‘What is the value of gambling?’ Here is the value: Some human beings enjoy doing it. Shouldn’t that be our principle? If individuals like doing something and they harm no one, we will allow them to do it, even if other people disapprove of what they do.” ■

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