



## The Gambling Research Center of the University of Hohenheim

### Newsletter December 2017

#### Statement on the Bill of Hesse's Regional Government to Amend Hesse's Arcade Act

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Hesse's Arcade Act is to be amended to optimise implementation. The amendment primarily concerns social concepts of arcade operators and gambler exclusion.

In a statement regarding this bill, Prof. Becker recommends to increase the relevance of social concepts rather than decreasing it. Optimally, scientists who were not part of the drafting process, should evaluate the social concepts every two years. This is what regulation concerning online lotteries and online sports betting requires.

With respect to the current exclusion scheme, Prof. Becker sees room for improvement in several aspects. Firstly, all slot machines should be integrated into a tailor-made exclusion scheme. An exclusion scheme that works across types of games and federal states would be even better. Secondly, there should be more flexible options for exclusion periods as not only pathological gamblers make use of them. In addition, it should be easier to lift exclusions. The links between the exclusion scheme and the information system or, respectively, low-threshold offers, such as an exclusion advisor, must be improved. A study on the exclusion scheme or an on-going scientific evaluation could produce such improvements among other things.

Prof. Becker warns of increased slot machine gambling in pubs if arcades are closed on the grounds of the minimum distance rule and the ban on multiple concessions. Legislators should look into this problem as soon as possible.

*Sources:*

[Committee on Internal Affairs Hessen - Hearings](#)

#### Report on the Conference: "Addiction Prevention: Gambling in Practice"

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The conference "Addiction Prevention: Gambling in Practice" took place on 16 and 17 October in Frankfurt am Main. In his opening speech, Günther Zeltner of Evangelische Gemeinschaft



Stuttgart e. V. talked about views of different trades that are often emotionally charged: gambling providers, representatives of addiction treatment as well as providers of prevention training and social concepts. However, the primary focus should be on gambler protection.

In subsequent talks, Prof. Tilman Becker (Gambling Research Center) advocated, among other things, an exclusion scheme that works across different types of games, a self-exclusion scheme, and monitored payment processes to improve gambler protection. Anke Quack (Medical Center of the University of Mainz) presented results of a survey conducted among gamblers in casinos. Marita Enge of ClarCert GmbH reported that the main advantage to certificates lies in increased awareness of casino staff. Markus Fent (Working Group Suchtberatung Sigmaringen) summarised experiences gained in prevention training in his talk called “Casino Staff Addressing Strange Gamblers”. Andrea Stumpf (Spielbank Berlin) concluded her talk “Gambler Protection between Theory and Practice - a Report” with a quote by Moliere: “It is not only what we do, but also what we do not do, for which we are accountable.”

You can find the slides of the talks [here](#).

Sources:

[Addiction Prevention Games of Chance in practice \(talks\)](#)

[Report on the Conference “Lisbon Addictions 2017”](#)

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With about 450 presentations and more than 1,200 participants from over 70 different countries, Lisbon Addictions is probably the biggest conference on addiction in Europe. From 24 until 26 October, Researchers and policymakers reported about topics such as drugs, alcohol, games of chance, addiction to pharmaceuticals, addiction to tobacco, excessive use of smart phones, or channels of drugs distribution among many other things.

Many topics addressed games of chance. Prof. Dr. Ludwig Kraus of Institut für Therapieforschung (IFT) told of successful treatments of gamblers in Germany (“Trajectories of Gambling Behaviour and Gambling Problems in Outpatient Care – Results from an Ongoing Study”).

Andrea Wöhr represented the Gambling Research Center with her presentation “Females with Gambling Disorder: Characteristics and Obstacles for Treatment”.

Organisers announced that slides will be made available online. However, the exact date has remained unknown.



Sources:



## Lisbon Addictions 2017

### Report on the “International Conference on Pathological Gambling and Behavioral Addictions”

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The “5<sup>th</sup> International Conference on Pathological Gambling and Behavioral Addictions” took place on 20 and 21 November in Warsaw. The conference was of particular appeal as researchers and practitioners from countries such as Poland, Russia, Croatia, or the Czech Republic took part. These countries normally receive rather little attention from Germany. In total, about 160 of them attended the conference. It became clear that although they are from different countries, they are often facing the same issues (e.g. prevention at school, comorbidities, therapeutical approaches, etc.) and are choosing the same approaches to solve them. A pleasant atmosphere paved the way to exchange between participants.

Andrea Wöhr represented the Gambling Research Center with her presentation on female gamblers.

### Statement on our own Behalf

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In mid-October 2017, the Gambling Research Center at the University of Hohenheim welcomed a new member to its staff. Mr Marius Wuketich will provide the Research Center with his expertise. Mr Wuketich completed his Bachelor's degree in Social Sciences. He then obtained his Master's degree in Empirical Political and Social Research at the University of Stuttgart. Between April 2015 and October 2017, Mr Wuketich worked in the departments "Political Systems and Political Sociology" and "Sociology and Empirical Social Research" at the University of Stuttgart. His work at the Research Center has primarily focused on a social science approach towards problems in gambling research, which researchers had rather neglected so far.



## National Court Rulings

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In two rulings on 27 October 2017, the Federal Administrative Court in Leipzig clarified issues pertaining to the online ban of three types of games (BVerwG 8 C 14.16) and online sports betting without concessions (BVerwG 8 C 18.16).

In the first trial (BVerwG 8 C 14.16), firms based in Malta and Gibraltar took legal action against a respective prohibition order through all court instances. These firms illegally provided three different types of games (casino games, scratchcard games, and poker games) online. The Federal Administrative Court ruled that despite the partial liberalisation of online distribution channels for sports betting and lotteries, banning online distribution is in accordance with the German constitution as well as the European freedom of services.

In the second ruling (BVerwG 8 C 18.16), the Federal Administrative Court decided that the respective ban on online sports betting without concessions was lawful. The court thus ruled that concession for providers that offer online sports betting are lawful under national and European law and that providers located in other parts of the EU are not discriminated.

This judgement is in line with rulings of several supreme courts in Germany. Earlier this year on 7 March 2017, the Federal Constitutional Court dismissed the constitutional objection (1 BvR 1314/12, 1 BvR 1874/13, 1 BvR 1694/13, 1 BvR 1630/12) regarding restrictions of federal state law in arcades. The four complainants lodged a constitutional complaint against provisions of state law regulating arcades (including, among other things, the minimum distance rule, the distance rule for children and youth facilities, permanent presence of supervisors, maximum number of machines) on the grounds of restrictions on freedom of occupation (Article 12 Basic Law) and the principle of equality (Article 3 Basic Law). The court decided that tighter regulations intervene into basic rights of operators. However, these regulations effectively protect gamblers in arcades, children, and youth from addiction. For this reason, benefits to the common good prevail.

*Sources:*

[Press Statement by the Federal Administrative Court](#)

[Press Statement by the Federal Administrative Court](#)

## Current State of the Second Amendment of the German Interstate Treaty on Gambling

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The current state of the Second Amendment of the German Interstate Treaty on Gambling has remained unknown. Hesse pronounced general doubts with respect to the drafting of a new



German Interstate Treaty on Gambling. Whether North Rhine Westphalia and Rhineland Palatinate will ratify the amendment, is still undecided.

In Schleswig-Holstein, however, the situation is clear. The current coalition government consists of Christian Democrats, the Greens, and the Liberal Democratic Party. Their coalition agreement says they will reject the Second Amendment of the German Interstate Treaty on Gambling. Moreover, the Regional Government wants to liase with other federal states to look for a solution that is in accordance with European law. It should include both sports betting and online games of chance which have been illegal so far. We have to wait and see how these exciting developments continue. It seems realistic that the Amendment of the German Interstate Treaty on Gambling will not enter into force at its current stage.

*Sources:*

[Deutschlandfunk](#)

[Coalition Agreement of Schleswig-Holstein](#)

[Federal Parliament of Schleswig-Holstein](#)

[Legal Tribune Online](#)

## Relevance of an Effective Gambling Commission

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The UK Gambling Commission recently demonstrated that an effective regulatory authority can counteract illegal practices of gambling providers. As the provider “888” had ignored over 7,000 self-excluded gamblers for months, the firm was sentenced to pay a record fee amounting to 7.8 million pounds in August 2017.

The Gambling Commission blames the firm of neglecting its social responsibilities with regards to gamblers at risk. The firm, however, says that due to technical issues, self-excluded gamblers were able to pay 3.5 million pounds into their gambling accounts and continue gambling for 13 months. Further blaim falls on the firm for ignoring obvious signs of problematic gambling behaviour, such as a considerable amount of bets or daily gambling for several hours. Next to fees, the firm must now undergo checks on consumer protection which are conducted by independent third parties.

The UK advertising watchdog is also observing two other British providers of games of chance, namely, Ladbrokes and SkyBet. All three companies allegedly advertised fake profits to solve financial problems. The respective advertisements were taken out by affiliate agencies. Firms reject any direct involvement. The advertising watchdog forced firms to remove all advertisements. In the future, firms face severe penalties if they do not clearly label similar advertisements as such.

*Sources:*



[Advertising Standards Authority](#)  
[Gambling Commission UK](#)

## [Switzerland Adopts New Federal Gambling Act and Excludes Foreign Online Casinos](#)

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The Swiss Parliament adopted a new law on 29 September 2017. The law combines the former Casino Act with the Lottery Act into a Federal Gambling Act.

The law introduces tax obligations for profits exceeding 1 million Swiss franc. Moreover, it allows national casino providers to offer online games of chance (for example, poker, blackjack, and roulette). Foreign providers, however, are excluded from the Swiss online gambling market. To implement the law, Switzerland plans network barring. As expected, consumerists and also youth organisations (Jungfreisinnige and Young Greens) mount resistance to these interventions into the Swiss communication infrastructure. They fear that these may mark the beginning of further network barrings in other areas. Gambling trade associations are also setting up commotion over the new law. The signature deadline for advocates of a referendum on the law expires on 18 January 2018. We expect it to be successful.

*Sources:*

[Federal Law on Gambling](#)

[Press statement by the Swiss Parliament](#)

[Referendum on Network Barring through the Federal Gambling Act](#)

## [German Banks involved in Illegal Gambling Funding](#)

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The recently published Paradise Papers unveiled, among other things, dubious business practices of German banks and initiated public debates. Media reports in connection with the Paradise Papers accuse several German credit institutions and payment providers of dealings with foreign online gambling providers thereby breaking German law.

More precisely, they point the finger at several banks for accepting money for illegal games of chance in forms of payments into betting accounts. Other banks administer accounts of foreign gambling providers, which they use to pay out to German gamblers. The Ministry of the Interior of Lower Saxony and a string of criminal law experts say that from a legal perspective, those activities may be illegal. If these claims are justified, banks may face criminal prosecution due to aiding and abetting illegal gambling and possibly money laundering. Many local credit institutions already denied these accusations and emphasised that they adhered to current law.



The German Gambling Supervisory Authorities provide an openly accessible online whitelist for all economic actors and thus credit institutions informing them about legal German providers of games of chance. Consequently, all providers not part of the list are illegal and all financial transactions on behalf of these companies are subject to prosecution. It is strictly necessary that the respective regulatory bodies stop these practices that had been used for years.

*Sources:*

**Press Statement DLTB**

**Stuttgarter Zeitung**

**Süddeutsche Zeitung**

**White List of the Gambling Supervisory Authorities of the Federal States**

**ZEIT Online**

## **Payment Providers Recover Gambling Losses Made in Online Casinos**

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The Lenné Law Firm from Leverkusen informs us that, given the circumstances, gambling losses made in online casinos must be recovered by payment providers (credit card companies, Paypal, Giropay, Sofortüberweisung.de, etc.). As these online casinos are illegal under German law and payment providers thus become responsible for payments of illegal games of chance (see report on Paradise Papers), consumers are entitled to compensations. In one case, Daniel Kutz, a lawyer working for Lenné, could avert a request for payment by Paypal amounting to 41,000 euros. His client lost this amount on a single weekend when playing online roulette. He continuously payed into his gambler account by means of Paypal.

*For more information and sample letters to file requests, see the relevant pages of the law firm.*

**Lenné Law Firm**

**Case Report**





## Research

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*Publications presented in this new section merely represent the views of their respective authors. Publications were chosen to provide recipients with insights into the current scientific discourse. We intend to neutrally summarise current scientific publications.*

### **A Meta-analytical Synthesis and Examination of Pathological and Problem Gambling Rates and Associated Moderators Among College Students, 1987–2016**

A meta-analytical analysis by Donald E. Nowack sheds light on a population which so far has not been focused on with respect to problematic and/or pathological gambling behaviour, namely, students. The study shows that the number of university students showcasing problematic gambling behaviour is at about 10.2%. The number of pathological gamblers adds up to 6.1%. During the last 30 years, the prevalence rate has constantly remained very stable. However, compared to all other populations, students show the highest risk regarding the development of strange or pathological gambling behaviour. Non-white male students are at a significantly higher risk of developing gambling disorders. The meta-analysis encompasses 72 single populations from between 1986 and 2017 with a sample of 41,989 university students from across the globe.

*Sources:*

[Journal of Gambling Studies](#)

### **The Role of Social and Cognitive Factors in Individual Gambling: An Empirical Study on College Students**

The current study by Sarti and Trienti criticises that many conventional studies analysing determination factors of gambling behaviour used an insufficient explanatory model. Most empirical studies have only used cognitive theories for their explanations. These say that people falling into cognitive fallacies such as bad comprehension of odds (e.g. bad odds to win lotteries) and low self-control become gamblers. By means of an online survey, the authors asked 2,000 bachelor students from Northern Italy. They show that social variables like perceived acceptance, media presence of gambling, and peer behaviour influence engagement with gambling stronger than cognitive factors. The different statistical models could explain 32% (gambling intensity) or 54% (inclination towards gambling) of the variance of dependent variables. Compared to the often used cognitive explanatory models, the link between psychological factors and social variables seems to provide better grounds for explanation.

*Sources:*

[Social Science Research](#)





## Harm Reduction in Gambling: A Systematic Review of Industry Strategies

The current article by Tanner et al. compares politically imposed strategies of the gambling industry. A systematic review of the literature helps to learn about the most helpful strategy to minimise potential damage to consumers of electronic slot machines. The review does thus not concern individual possibilities for gamblers (e.g. self-exclusion) but political and regulatory measures. The authors found 27 relevant studies and analysed a multitude of respective strategies with respect to effectiveness. According to the review, the most effective strategy to decrease gambling time, money spending, and thus damage to gamblers are pop-up notifications, stake limits, removal of ATMs, slot machines not accepting large bank notes, reduced operating times, displays showing clocks and money, and smoking bans. Future regulatory efforts pertaining to slot machines should consider these aspects. Further experiments on the effectiveness of these measures should be conducted.

Sources:

**Addiction Research & Theory**

## Neural Substrates of Cue Reactivity and Craving in Gambling Disorder

Limbrich-Oldfield et al. published their paper in early 2017. They ask whether so-called cue reactivity plays a role in gambling addiction like it does in substance-related addictions. Cue reactivity implies the desire a drug addict feels when seeing injecting equipment. The underlying theory says that this exposure triggers the “reward centre” in their brain. In brains of addicts, this region becomes more active. For their analysis, the authors recruited 20 men between 25 and 60 who were at level 8 or higher on the “Problem Gambling Severity Index” and by this definition, pathological gamblers. The control group consisted of 22 volunteers. Both groups were shown gambling-related and neutral pictures, respectively. Their reactions were recorded by means of self reports (desire) and functional magnetic resonance imaging (fMRI). The group consisting of pathological gamblers reported about a stronger desire when seeing gambling-related images compared to neutral images. For this group, the fMRI shows stronger activities in the reward centre (“nucleus accumbens”) and its respective connections to other brain regions when seeing gambling-related imagery. The control group showed the opposite effect, namely, enhanced activity when seeing neutral pictures.

Sources:

**Translational Psychiatry**

**Associations Between National Gambling Policies and Disordered Gambling Prevalence Rates within Europe.**



Already published in 2014, Planzer, Gray and Shaffer shed light on, among other things, a crucial question. It concerns the influence of different regulatory approaches on the extent of damage caused by gambling. The authors categorised regulatory requirements into five categories (type of gambling licencing, ban on gambling, minimum age, regulation of advertising, and extent of legal types of gambling). They surveyed 51 European experts and connected these categories with the 12 month prevalence rates of the respective countries. Their empirical results are not satisfactory especially due to missing data. They could only find significant results with regards to regulation of advertising. According to the study, online gambling advertisements championing social responsibility decrease the amount of problematic gamblers. The study reveals a research deficit on the effectiveness of different regulatory approaches and a concomitant lack of data to even analyse them. Future regulatory measures should consider this and evaluate their respective effectiveness.

*Sources:*

**[International Journal of Law and Psychiatry, 27 \(2014\), 217-229.](#)**



## Dates

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11-14 September 2018

### **12<sup>th</sup> European Conference on Gambling Studies and Policy Issues**

Organisers: European Association for the Study of Gambling  
La Valletta, Malta

23-25 April 2018

### **ICBA 2018 - 5th International Conference on Behavioral Addictions**

Organisers: University of Duisburg Essen, Hannover Medical School, ISSBA  
Cologne

21-22 March 2018

### **Symposium on Gambling**

Organisers: Gambling Research Center  
University of Hohenheim

22-25 May 2018

### **23<sup>th</sup> Hamburg Addiction Therapy Forum**

Organisers: University of Hamburg  
Hamburg

11-14 September 2018

### **12<sup>th</sup> European Conference on Gambling Studies and Policy Issues**

Organisers: European Association for the Study of Gambling  
La Valletta, Malta



## Impressum:

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Thank you for your interest.

We look forward to recommendations regarding current publications and events.

The Gambling Research Center Team

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