

Germany: Gambling Addicts Cause Costs of 326 Million Euro

Study of the Gambling Research Center of the University of Hohenheim is the first to state figures on the follow-up costs according to WHO guidelines

Unemployment, social decline and costs for treatment: A study of the University of Hohenheim estimates the follow-up costs caused by gambling addiction to be 326 million euro (for Germany, in 2008). 225 million euro are due to slot machines; lotteries are responsible for about three million euro. Prof. Dr. Tilman Becker, head of the Gambling Research Center, calculated the figures according to the standards of the World Health Organisation (WHO). However, the social costs of gambling addiction are only a small part of the social costs caused by the consumption of tobacco and alcohol.

The study „Soziale Kosten des Glücksspiels“ (*Social Costs of Gambling*) gives estimates on the financial consequences of gambling addiction in Germany according to WHO standards. The head of the University of Hohenheim's Gambling Research Center, Prof. Dr. Tilman Becker, identifies three groups of problematic and pathological gamblers. "There are pathological gamblers who undergo inpatient treatment as well as others who undergo outpatient treatment. Other problem and pathological gamblers do not undergo any treatment at all." The number of pathological patients who were treated as in- or outpatients in 2008 is estimated to be as high as 1,100 and 7,300 resp. (according to the data of the German addiction aid "Deutsche Suchthilfe"). Based on data from various epidemiological surveys, the total number of problem and pathological gamblers in Germany is estimated to be 238,500.

152 Million Euro for Treatment, Acquisitive Crime and Courts

Prof. Becker splits the social costs of gambling in Germany for 2008 into direct and indirect costs: "The direct costs amount to 152 million euro, the indirect costs to 174 million euro." Direct costs include costs for inpatient (17 million euro) and outpatient treatment (24 million euro) of pathological gamblers, acquisitive crime (30 million euro), as well as 18 million euro for courts and criminal prosecution. Additional costs are caused by the administrative overhead for unemployment (12 million euro), divorces (16 million euro), player protection (26 million euro) and prevention research (9 million euro). The costs for debt counseling are considerably lower than one million euro.

Job Losses and Absences Cause Costs of 174 Million Euro

The indirect costs which amount to 174 million euro include job losses due to gambling (85 million euro). Other indirect costs are caused by gamblers missing workdays (75 million euro), and reduced labor productivity (14 million euro). The indirect costs may however, according to the assumptions made and the methodological procedure, be slightly lower or higher.

Highest Costs Caused By Slot Machines

In his study, Prof. Becker assigns the costs to the individual forms of gambling. According to his estimates, slot machines (outside casinos) are responsible for most of the social costs: 225 million euro each year. Other forms of gambling are far behind: Slot machines in casinos lead to follow-up costs of 36 million euro each year; casino games to almost 31 million euro. This number includes the turnovers of "terrestrial" casinos and internet casinos as well as poker games. Sports betting causes costs of about 30 million euro.

Lotteries: Low Addiction Factor

Last on the list are lotteries. Prof. Becker: "Lotteries cause social costs of slightly more than three million euro." This sum amounts to almost one percent of the social costs of gambling in Germany. However, the social costs of gambling are only a minor fraction if compared to the social costs caused by the consumption of tobacco and alcohol. According to other scientists, the estimates range from 20 to 50 billion euro for the consumption of tobacco, and from 20 to 30 billion euro for the consumption of alcohol.