

The Lottery and Social Despair in America

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<u>Inequality</u>

This mania, so generally condemned, has never been properly studied. No one has realized that it is the opium of the poor. Did not the lottery, the mightiest fairy in the world, work up magical hopes? The roll of the roulette wheel that made the gamblers glimpse masses of gold and delights did not last longer than a lightning flash; whereas the lottery spread the magnificent blaze of lightning over five whole days. Where is the social force today that, for forty sous, can make you happy for five days and bestow on you—at least in fancy—all the delights that civilization holds?

-Balzac, La Rabouilleuse, 1842

The jackpot in the US Powerball lottery has hit \$800 million, since there were no winners in Wednesday's drawing. In the current round, which began on December 2, over 431 million tickets have been sold, a figure substantially larger than America's population.

Go into any corner store in America and you will see workers of every age and race waiting in line to buy lottery tickets. With the current round, the lines are longer than ever. Americans spend over \$70 billion on lottery tickets each year. In West Virginia, America's second-poorest state, the average person spent \$658.46 on lottery tickets last year.

Powerball players pick six random numbers when they purchase their tickets, with a certain percentage of sales going to the jackpot. If no winning ticket is sold, the jackpot rolls over to the next round.

The totals for the Mega Millions and Powerball national lotteries have been growing every year. This year's jackpot has eclipsed 2012's record of \$656.5 million, the \$390 million payout in 2007 and the \$363 million prize in 2000. The jackpots have grown in direct proportion to ticket sales.

State-run gambling programs such as Powerball have been promoted by Democrats and Republicans alike as a solution to state budget shortfalls, even as the politicians slash taxes on corporations and wealthy individuals and gut social programs. From the standpoint of government revenue, lotteries and casinos are nothing more than a back-door regressive tax, soaking up money from the poor in proportion to the growth of social misery.

The boom in lotteries is global. Lottery sales grew 9.9 percent worldwide in 2014, after growing 4.9 percent in 2013.

Psychology Professor Kate Sweeny has noted that lottery sales grow when people feel a lack of control over their lives, particularly over their economic condition. "That feeling of selfcontrol is very important to psychological well-being," Sweeny says.

There is ample reason for American workers to feel they have no control over their lives. According a recent survey by Bankrate.com, more than half of Americans do not have enough cash to cover an unexpected expense of \$500 or more—roughly the price of four name-brand tires.

Some 62 percent of Americans have savings of less than \$1,000, and 21 percent do not have any savings at all. Most Americans are one medical emergency or one spell of unemployment from financial ruin.

For all the talk about "economic recovery" by the White House, the real financial state of most American households is far worse than before the 2008 financial crisis and recession. As of 2013, Americans were almost 40 percent poorer than they were in 2007, according to a recent survey by the Pew Research Center. While a large portion of the decline in household wealth is attributable to the collapse of the housing bubble, falling wages and chronic mass unemployment have played major roles.

The yearly income of a typical US household dropped by a massive 12 percent, or \$6,400, in the six years between 2007 and 2013, according to the Federal Reserve's latest survey of consumer finances. A large share of this decline has taken place during the so-called recovery presided over by the Obama administration.

In addition to becoming poorer, America has become much more economically polarized. According to a separate Pew survey, for the first time in more than four decades "middle-income households" no longer constitute the majority of American society. Instead, the majority of households are either low- or high-income. Pew called its findings "a demographic shift that could signal a tipping point" in American society.

"Is the lottery the new American dream?" asked *USA Today*, commenting on this month's Powerball jackpot. The observation is truer than the authors intended. For American workers, achieving the "American Dream" of a stable job and one's own home is becoming increasingly unrealizable.

Following more than 10 million foreclosures during the financial crisis, America's home ownership rate has hit the lowest level in two decades, and for young households, the rate of home ownership is the lowest it has been since the 1960s.

For the tens of millions of America's poor, and the more than 100 million on the threshold of poverty, the dream of winning the lottery has replaced the "American Dream" of living a decent life. A lottery ticket is a chance to escape to a fantasy world where money is not a constant, nagging worry, where one is not insulted and bullied at a low-wage job by bosses whose pay is matched only by their incompetence. The lottery is, as Balzac aptly described it, the "opium of the poor."

Using the same phrase to describe religion, Marx noted that the "illusory happiness of the people" provided by the solace of religion is, in fact, a silent protest and distorted "demand for their real happiness." It is the intolerable social conditions that compel masses of people to seek consolation in a lottery ticket that will propel them into revolutionary struggles.

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