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Gambling and National Life

An Address delivered by Mr. J. H. Hofmeyr, M.L.A.,
in the Selborne Hall, Johannesburg,
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I am glad to be able to participate in this meeting, which has been called to combat a great national evil. I am glad because there are few, if any, evils so widespread in South Africa to-day as is gambling, and probably none which is doing so much insidiously to undermine our national character. But I am glad, also, because I welcome this effort of the Churches to awaken and mobilise public opinion. I could wish that a sustained effort had been made by the Churches in this direction long before to-day; I could wish it had not been the case that many of our Churches are hampered in their approach to this evil by their own responsibility in the matter.

Indictment of Some Churches.

It is well that one should speak frankly on an occasion such as this. And I feel that I must say in all friendliness and in all sincerity that the Churches which have allowed raffles at Church bazaars and other forms of gambling cannot disclaim their measure of responsibility.

To-day here in South Africa we are faced with a rising tide in this gambling spirit. Gambling is indulged in by rapidly increasing numbers each year. The ease with which lottery tickets can be acquired, the extent to which they are acquired, are matters of common knowledge—the law is constantly, almost flagrantly violated. And in common fairness we must not fail to mention among the causes of this state of affairs the subtle influence of the Church raffle, the breaking down of healthy scruples and inhibitions at the very places where they should be maintained. If I may use Biblical language, some of our Churches have harboured the accursed thing—they cannot wash their hands in innocence when they look out and see the place which gambling holds in our national life to-day.

Gambling the Enemy of Human Progress.

My purpose to-night is to regard gambling not so much from the individual as from the social and national points of view, and looking at it in its broader aspects, I ask myself first the question: Does it or does it not make for human progress? How has humanity advanced? It has advanced because of the steady triumph of mind over matter, of reason over chance. The savage is a helpless creature, the sport of nature, of the elements, of any chance calamity. The civilised man is able in a large measure to control nature, to bend the material world to his will. Reason against blind chance, that has been the struggle through the ages, and human progress has been measured by the extent of the victory of reason in that struggle.

Now what happens in gambling? I have heard men say that, when property is exchanged as a result of gambling, since it is not acquired as a free gift or at a price, its acquisition is of a nature similar to theft. I am not sure that that view is tenable. For after all the loser in gambling does get something for his money. He gets the thrill, the excitement, the pleasurable anticipation. If he is robbed, it is only in the sense in which the man who spends his money in a drinking bout is robbed.

Reason Surrendered to Chance by Gamblers.

For my argument it is enough to say that in gambling the acquisition of property takes place on the principle of chance, and that the participants deliberately surrender their reason and their will to the arbitrament of chance. By so doing they not merely sap their own character and enfeeble their manhood, but they range themselves on the side of chance against reason in that struggle to which I referred. And the nation which allows gambling to become a national habit is checking its progress, is embarking on a course which, if pressed to its logical conclusion, can only end in decline, dissolution, and a reversion towards barbarism. Gambling not merely weakens the character of the individual, it assails the principle which is fundamental to human progress and human civilisation. No community which prides itself on being a rational community dare venture to encourage it.

Risks in Life Controlled by Reason, Not by Chance.

I have attacked gambling because it exalts chance as against reason. I know some will be saying: Ah, but you can't get away from chance in human life. Business is a lottery, farming is a lottery, marriage is a lottery. And it is the risk that appeals to us, in sport, in aviation, in mountaineering. The desire to take risks is a worthy quality, it brings out the best that is in us, it contributes to human progress. Yes, all that is true. But, after all, what attracts us is not the risk itself, but the challenge to neutralise this risk by the exercise of reason. The farmer has to face the vagaries of nature. If he is a good farmer, he does not allow them to work their will on him. He seeks to anticipate them, to make provision against them. The mountaineer boldly faces the dangers of scaling some dizzy peak; but he does not, like the gambler, leave everything to chance; if he did, he would probably start by fuddling his brain with liquor. No, he makes his preparations as full and complete as he can; consciously and deliberately he applies himself to the winning of a victory over the risks and the chances. That is *not* the spirit of the gambler. Chance *is* an ever-present element in human life, but it is there to be overcome, not to be surrendered to.

Gambling the Enemy of Industry.

Gambling then is inimical to human progress—it is destructive also of national welfare. What is the root of the prosperity of a nation? What but the integrity and industry of its people. But in the get-rich-quick atmosphere of gambling, the spirit of hard, solid industry is bound to languish. I am not, of course, now speaking of the man who gambles in a small way. But as the gambling disease catches hold of its victim, as he comes to concentrate on his determination to secure wealth, work of a solid, painstaking character is bound to become distasteful to him, honest industry is subverted, inefficiency is promoted, and national life is bound to suffer. On the other effects of gambling of a more personal kind—the dishonesty which is resorted to to make up gambling losses, the non-payment of accounts—I am not going to enlarge. I will content myself with the question whether it is possible to find a chamber of commerce anywhere which favours the expansion rather than the restriction of the facilities for gambling. The commercial instability from which a gambling community suffers is a very potent enemy of national prosperity.

Gambling the Enemy of Thrift.

Lastly in this broad general view of gambling, I want to make this point. We constantly speak of thrift as one of the virtues most to be commended from the national point of view. Thrift is the basis of self-reliance and independence, just as it is the condition of happiness and prosperity. But the thrifty man does not only secure his individual prosperity—he also makes important contributions to national welfare. It is thrift that provides the capital resources which are the basis of national development. When we build a railway, when we establish an industry, it is certain people's thrift which makes it possible. Had there been no thrift, had everyone always lived up to the limits of his income, there would have been no gold mines working on the Witwatersrand to-day.

Here in South Africa we are for the most part descendants of thrifty, careful folk—cautious, conservative Voortrekkers and their ancestors on the one side, canny Scots and careful English yeomen on the other. But to-day we cannot pride ourselves on being a thrifty people. In this respect we compare but poorly with other lands. The figures of our savings banks and our insurance companies do not show us up very favourably. It has come to be a tradition with us to live up to our means, and just a little bit beyond. And that is, I fear, sapping the fibre and undermining the solidity of our people. And the greatest enemy of that spirit of thrift, the weakening of which is a national calamity, is this very gambling spirit. We are spending to-day on lottery tickets and in gambling of all sorts money which ought to be going to ensure our individual prosperity and be kept available for works of national development. When we lose money in gambling—and on balance a community of gamblers always does lose, because it has to maintain the unproductive middleman—the loss is absolute. When we win, there is an irresistible tendency towards the expenditure of the money thus won, and not its conservation. The government which enunciates a policy of encouraging thrift, as ours has done, the Parliament which accepts that policy, as ours has done, the Press which applauds it, as ours has done, cannot, if it would be consistent, take any step towards the extension of facilities for gambling.

The Lure of the State Lottery.

So far I have spoken of gambling in general terms; let me go on to speak of one or two specific forms of it, which are constantly commended to us as being more than ordinarily advantageous, or less than ordinarily objectionable. We hear

much in these days of State lotteries. They are commended to us on the ground that the State will benefit financially by the institution of a lottery, and will be enabled to reduce taxation—that is always something which has a blessed sound in our ears—they are commended to us on the ground that the majority of people in South Africa is said to be in favour of them; they are commended to us because of the vast sums of money which are, we are told, going out of the country to-day for the purchase of lottery tickets.

First, let me say this. If gambling is unsound and detrimental to national welfare, as I have sought to show it to be, then it is unsound, even in the form of State lotteries, despite their relative attractiveness. A State lottery may be well controlled, it may be free from abuse, it may produce revenue for the State, but it is still gambling, and therefore it is open to all the criticisms which I have mentioned against gambling as such.

Men tell us of the vast sums of money which are going out of the country to-day. They never tell us of the considerable sums that come back. I would not be surprised to learn that last year more money came back in prizes than went out for lottery tickets. But if we allow, as I think we should, that on balance there is an outflow of money, it still remains to be proved that the institution of a State lottery will check the outflow of money to relatively more attractive lotteries outside our borders.

We are told that the majority of the people wants a State lottery. I am prepared to admit that there is a large number of very vocal people who want it. It is possible that the majority of people in our urban centres wants it. But I will deny, without any doubt or hesitation, that it is desired by the majority of the people of this country taken as a whole. And I will assert that as far as the rural population of South Africa is concerned—and the rural population is still in a majority in South Africa—there are not many rural districts where it will not be found that there is an 80 per cent. majority against the institution of a State lottery.

State Lotteries Not the Solution.

And then we are told of the financial benefits which will accrue to the State. But those who use that argument lose out of sight this fact. If the State in South Africa were to decide in favour of a lottery it will be faced with a dilemma. Either it will have to seek to check the outflow of money to the foreign lotteries by entering into direct competition with them—and in that event the financial advantage will not be very great—or it will have to take no account of the foreign lotteries and run its own lottery without any competitive motive to enrich its own coffers. If then the State is to reap a substantial financial advantage, it can only do so by increasing the amount of gambling indulged in by its citizens. All it will have done will be to make gambling legal and respectable, and to induce its citizens to participate. In the amount of gambling there must be an increase, and in so far as gambling is an evil the State must suffer. That suffering, which affects the commercial prosperity and the financial stability of the State, as well as the moral welfare of its citizens, must far outweigh any direct financial benefit which may be achieved.

State Lotteries Tried and Abandoned.

But after all, this question of State lotteries is no new thing. It has been tried out, it has been tried out thoroughly, it has been tried out again and again. In England the State lottery goes back to the 17th century. Throughout the 18th century the State lottery was an annual event, often producing more than a million of money for the national exchequer. Then a hundred years ago the House of Commons took stock of the position in the light of all the experiences which had been gained. A Select Committee was appointed, and it found that the disadvantages of a State lottery far outweighed the advantages, and as a result lotteries were banned in 1823. The experience of Great Britain was also the experience of the United States. First individual States banned the lottery, then Congress took national action. Switzerland, Sweden and other lands followed suit, and since the Great War Holland has abandoned the State lottery which it had conducted for a considerable period. And so we can say that the State lottery has been abundantly tried out, and it has failed, so much so that the Minister of Public Works could describe it the other day as the financial expedient of a bankrupt State.

Why Not Premium Bonds?

But it will be said: If not a State lottery, why not Premium Bonds? In the latter case, at least your capital is assured—you merely accept a lower rate of interest and gamble with the difference between that and the normal rate. Now it will be obvious at once that the prizes must be far less attractive than in the case of a State lottery. As a means of combating foreign lotteries the institution



of Premium Bonds would therefore be ludicrously inadequate. It would come to be therefore merely an additional means of gambling superimposed upon the old, and by virtue of the State's sanction encouraging the citizens to gamble freely. The only real advantage is that it is a safe method of gambling, but that merely means, on the side of the individual, that it provides an easy means of access to the slippery path which so often leads to ruin. And from the State's point of view it is simply an unstable compromise with the State lottery. It accepts the State lottery principle, but it is a compromise because it limits its application to a portion of the interest money, leaving the capital secured; and it is unstable, because once embarked upon it can only lead to the institution of a State lottery. The pressure to make the prizes more attractive will grow, the effects of competition will work in the same direction, and in the long run the State will be forced back upon a lottery pure and simple. The State will have gained nothing from its compromise with what, by the very fact of that compromise, it has admitted to be an evil.

Premium Bonds Rejected for War Finance.

One point more in this connection. At the end of the Great War, when the financing of war expenditure was coming to be a matter of great difficulty, a Parliamentary Committee was appointed in England to consider the issue of premium bonds as an alternative to war loans. Upon that Committee there served some of the most eminent financiers and economists in Great Britain. That Committee, despite the terrific strain which the war imposed, came unanimously to the decision to advise against Premium Bonds or a State lottery in any form. In the light of that decision and of the still more recent decision of Holland which I have mentioned, we in South Africa may well be content to let ourselves be guided in this matter by the wisdom, based on experience, of our two mother countries.

Enlightenment of Public Opinion Required.

I have tried to show that gambling, from the national point of view, is an evil in itself. I have tried to show that the most attractive forms of it are open to criticism. Yet the fact remains that the evil is deeply seated in our midst, that it becomes increasingly difficult to combat. And if I am asked how it is to be dealt with, I will frankly admit that the mere enforcement of the law is not going to be enough. The Minister of Justice has indicated his determination to make the law as effective as possible—let us welcome that, let us do all we can to strengthen his hands. But more will be required. Before all else is needed the enlightenment of public opinion on these questions. It is not easy for the State to go far ahead of public opinion. It is necessarily limited by the relative lack of enlightenment of the public conscience. The more enlightenment is secured, the more the State can do. In that work of enlightenment the Churches can play a great part. I hope sincerely that they will not fail, and that this meeting also will be found to have made its contribution to that end.

