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# Problem gambling and embezzlement

## An exploratory study

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# Aims

**To explore the character and extent of gambling-related embezzlement and theft of money in the workplace**

**Suggest preventive measures**

**Frequency × Harm = Priority in prevention**

**Bonuses:**

- Adds new knowledge of problem gambling
- Theoretically interesting

# The study

**Financed by the Public Health Agency of Sweden**

**One year, part time (exploratory)**

**Multi-method**

**(media study, interviews, statistics, literature reviews)**

# Results from the media study

Swedish newspapers, 2009 - 2014

No. of cases	Professional category	Male / Female / Unknown sex	Sum embezzled (average)	Sum embezzled (median)	Months (average)	Months (median)
17	Responsible for economy, financial or other manager at public authority, municipal office or private company (other than store and restaurant)	11/5/1	2 923 000	430 000	25	14
15	Treasurer or other position of trust in non-profit organization (political party, charity, trade union, sports association or housing cooperative)	7/8/0	874 000	473 000	32	36
13	Manager or employee in store or restaurant	9/2/2	702 000	115 000	14	8
6	Bank manager (mid-level)	6/0/0	6 340 000	6 719 000	58	66
4	Other (journalist, bus driver, unknown)	2/1/1	432 000	326 000	13	13
55	<i>Total</i>	35/16/4	2 060 000	400 000	28	17

Quantitative data from the media study: number of cases, professional category, sex, average and median values of the sums embezzled or stolen (rounded off to thousands of SEK, 2 missing values), and average and median length in month of embezzling or stealing (11 missing values).

# Typical severe case, all phases

Media study & interviews with councilors, therapists and recovered problem gamblers

1. A "normal" and honest person
2. Employed since long – a faithful servant raised above all suspicion
3. Has always liked to gamble or begins with a new form of gambling
4. Starts to have a gambling problem (hidden)
5. Gambles away own money, may take loans to gamble, might be in desperate need of money
6. Starts to "borrow" money in the workplace; hopes for big wins that will put everything right; may pay back some money; "juggling" money
7. Embezzles or steals more and more money in the workplace, it becomes routine
8. The greater the shame and guilt, the more difficult to tell anyone about the problem and seek help
9. It becomes increasingly difficult to cover up the crimes, stress is severe
10. The crimes are discovered; the gambler confesses immediately (relief)
11. Discharged from work, sometimes reported to the police and brought to trial
12. In the worse case: unemployed, huge debts, pay damages to employer, divorce, spend time in jail, difficulties finding a new job

# Four interacting processes

1. The idea that gambling will solve economic problems – which instead makes the problems worse (*cyclical*)
2. The more gambling, lies and crimes, the greater the shame, which reinforce Process 1 (*cyclical*)
3. Uses gambling to cope with stress and anxiety – which increases anxiety and leads to even more gambling (*cyclical*)
4. Rationalization of embezzlement as “borrowing”, then sometimes as a victimless crime – a progressive moral decay (*linear & irreversible*)

***The systemic character of the four interacting systems is striking. The system appears stronger than individual risk factors for problem gambling (psychiatric & psychological)***

# Useful theory

In addition to theories commonly used in gambling studies

## *White collar crime*

Edwin Sutherland (1949)

## *Why honest people steal*

Virgil Petersen (1947)

## *Other people's money: A study in the social psychology of embezzlement*

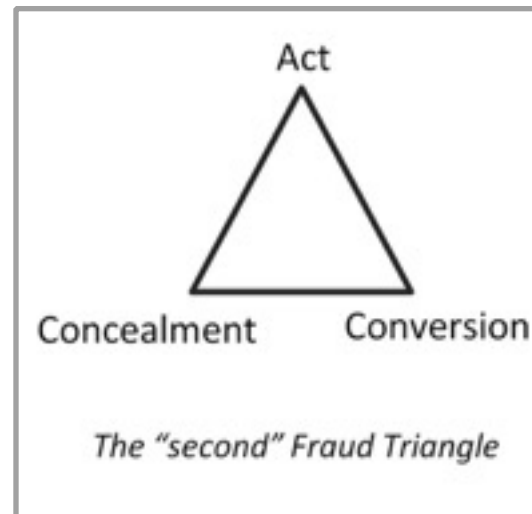
Donald Cressey (1973)

## *Women who embezzle or defraud: A study of co*

Dorothy Zietz (1971)

## *The Chase: Gambler*

Henry Lesieur (1955)



# Prevalence

**About 10% of help seeking problem gamblers have embezzled or committed similar crimes in the workplace (other studies, in other countries: 22% - 37%)**

**About one third of help seeking embezzlers have been reported to the police**

**Probably a couple of cases each week in Sweden (difficult to estimate)**



# Prevention and intervention

of any kind of gambling-related harm in the workplace

## Substance use and gambling policy

One single policy that includes gambling, action plan, statement on consequences of not following the policy, a living document, the ALNA-model

## Knowledge about problem gambling

Prevalence, characteristics, stigma, shame, consequences for employer and employees

## Attention to indicators of gambling-related harm

25-30 possible indicators, yet often difficult to detect harmful gambling

## Control function

Block access to gambling from workplace computers, double verification of transactions, the "second" fraud triangle

## Reacting to harmful gambling in the workplace

Action plan, asking questions, being clear about the workplace policy, confronting suspected embezzlers, crime policy

## Rehabilitation and treatment

Change of work tasks, specific surveillance of problem gamblers, requirement of undergoing treatment, warning and zero-tolerance (or discharged and reported to the police)

The background of the slide is a dark blue, semi-transparent image. On the left side, there is a blurred view of a roulette table with its grid and betting numbers. On the right side, there is a blurred view of a roulette wheel with its numbered pockets and a ball.

The anthropology of gambling  
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