

Let reality speak

The message is increasingly clear. The reality of egaming as a successful global business must shape the way governments and regulators frame the discussion about the future of this industry.

For the US government, it is time to face the facts. The issue is not whether it is possible to stop egaming – the issue is what are the most viable and effective ways to regulate a business that not only exists, but is growing, thriving, and clearly has a market niche to serve.

Who goes? You decide

Efforts in the US to criminalise the business or prohibit the freedom of individuals to enjoy this entertainment appear increasingly irrelevant and myopic. Instead of facing the undisputed reality that this business is here to stay, various US factions are continuing to protect their parochial self-interests and impose their own view of morality upon the world's citizens, deciding where, when and what sort of gambling is legal. But market forces are a formidable counterweight, and the recent World Trade Organisation (WTO) decision reinforces this reality.

The WTO ruling that overrode the US appeal speaks clearly. Any federal law banning egaming will violate US WTO obligations. This ruling is a vindication for all the players in this industry, because it affirms the day-to-day reality that no single government can stop a thriving global business.

In a classic case of David versus Goliath, the WTO ruling in favour of Antigua sends a strong message that further US attempts at criminalising online betting will violate international trade treaties. It is a message Senator John Kyl needs to start hearing as well.

Seven times unlucky

Word is out that the Senator is going to try for the eighth time to prohibit US citizens from participating in egaming. Seven times during the past 10 years the Senator has tried to initiate this legislation, and seven times he has failed. The message should be clear. His approach is the wrong strategy and has little bearing on reality. Although the legislation aims to be

based on moral generalities, the fact is that every attempt to legislate against egaming pulls in special interest groups who maintain the prohibition should not have an impact on them. So what is immoral for one group is suddenly morally correct for another. This time around, we hear the Congressional Horse Racing Caucus is working hard to ensure no legislation would possibly impact off-track betting. This sounds a lot like congressional 'horse trading' with no real effort at addressing the real issues of this multi-billion dollar global business.

Instead of focusing on yet another failed attempt to criminalise the 2,000-plus online gambling websites, US congress should be addressing ways to regulate this industry to protect consumers, safeguard the interests of minors and ensure the necessary elements of transparency.

The UK's efforts to regulate egaming are a strong counterpoint to US activities that pretend the industry is not a vital growing global business. One of the top priorities of the UK Gambling Bill is the protection of minors, and these elements in the legislation need to be reviewed by the US congress so actions focused on legitimately protecting consumers can be strengthened and moral hypocrisy can be minimised.

The right to game

When the discussion focuses on prohibition rather than regulation, everyone loses. Customers lose because their freedom to enjoy a form of entertainment is denied; governments lose because their access to potential tax revenues on this multi-billion dollar business is thwarted; responsible business people lose because their efforts to build a transparent, viable global enterprise are obstructed; and importantly the very people who legislators aim to protect by prohibition – youth – are left vulnerable, because history proves legislation outlawing egaming will never pass.

It is time to focus on reality. US legislators can take the responsible course of action by focusing on regulations that can protect individuals, eliminate illegal behaviours and recognise the growth and popularity of egaming.



David Carruthers, chief executive of BetonSports, argues the US position over online gambling is looking increasingly outdated