

How Gambling Effects Sports

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Gambling and Sports

Sports betting has been revolutionary to taxpayers across America. Since being legalized in most states, bettors across the country have been able to make and lose large amounts of money quickly. As sports betting has gained more ground, literally, more sports organizations have been open to allowing fans to bet on their players and game scenarios. Some organizations have been caught for fixing the outcomes, such as the UFC (Thai, 2023). Should there be more restrictions on sports betting in America? Should there be legal action taken against organizations who partner with Vegas for their own financial interests? There are clear patterns with discovering that concerning matches and competitions that may have been fixed so that the companies can earn more money. Where do we go from here?

Sports betting actually has an ancient history. To understand where betting is going, we must also know how it has developed, and understand that this is not a new thing. Sports betting dates back over 2,000 years ago to ancient Greece, where people placed wagers on athletes during the Olympics. Surprisingly, there was even betting at the very first Olympic games (Davis, 2023). Ancient Rome also had their fair share of betting, as they would place wagers on “gladiatorial games, chariot races, and other public spectacles” (Davis, 2023). Some emperors did not approve of this leisure, however it continued. The way betting was done then would set a vision for how betting is even done today.

Time passes and we transition into a new sport, horse racing, a pastime popular particularly with the ruling class in the UK and France (Davis, 2023). Horse racing would become popular during the 18th century then revolutionized with pool betting which made it

more accessible to everyone rather than just the ruling class. We now have yearly competitions such as Saratoga and Louisville both hosting large derbies every summer. Horse racing is where people would meet bookies, better known as bookmakers. This was an illegal method where people would present their money to this person to place bets at events, especially horse racing. Bookmakers became more popular in the 20th century, expanding the sports that were bet on such as boxing and football (Davis, 2023). Over time, betting shops in the UK would be legalized in their “Betting and Gaming Act” in the 1960’s. Finally, we begin to see betting go digital. Online betting surged in 2018, making up 37% of the betting market (Davis, 2023). This would lead to the addition of game-time or real-time betting, allowing bettors to place wagers after the initiation of a competition. Over 70% of online betting is in-play, which has caused a large growth of the gambling market estimated to be \$114.21 billion from 2020 to by 2024 concludes (Davis, 2023). Sports betting continues to grow, with the markets in hopes of legalization in all 50 states, especially with the rise of eSports expected to be a factor in sports betting.

Between 2019 and 2024 it is agreed that as the market has matured, it has been a rough road. The morality of sports has been threatened, according to NFL commissioner Roger Goodell. Sports betting is a “matter of integrity” Paul Tagliabue, NFL commissioner in 1991, was quoted as saying (Purdum, 2019). Perhaps it says something that the integrity was in question in 1991 and what Tagliabue would think now. There are multiple other concerns about sports betting though, that are outside the integrity of the sport itself. For example, there is political resistance, a lack of help and support for addicts which are increasing, the revenue being a form of tax income for states, controversies over errors in lines and numbers with international sports, and limitations or bans especially for athletes themselves. Returning to the idea of integrity, in 2019, NBA commissioner Adam Silver reached an agreement with MGM, followed

by the Baltimore Ravens, Dallas Cowboys, Las Vegas Raiders, New Orleans Saints, and New York Jets. The New England Patriots alongside owner Robert Kraft also a year prior in 2018, reached an agreement with DraftKings, one of the original mobile sports betting powerhouses. It is important to keep in mind that there was a time where these owners and leagues once considered sports betting companies their enemies (Purdum, 2019).

Aside from the direct impact on sports, what about the bettors themselves? Research has shown a negative impact of sports betting on people. First, there is obviously significant financial debt. The average debt by men who gamble is between \$55,000 and \$90,000, and by women who gamble an average of \$15,000 in debt (Sacher, 2023). Studies show that gambling effects more than just the gambler too. A study done by Springer Open showed that intimate partners of gamblers often lose trust easier in their partner, along with developing feelings of resentment (Sacher, 2023). Lastly, gambling has a negative effect on mental health of participants. It is shown that gamblers often present stress and anxiety that are financially related. They are also susceptible to mental health issues such as depression and suicidal thoughts, and also experience withdrawal from social activities, isolation, and loneliness. One in every five gamblers attempt suicide, which is “20 times the rate of non-gamblers,” (Sacher, 2023). It is clear that limits must be set, and there needs to be more help available for those experiencing addiction as it opens the door for many other consequences in life.

A contributor to all this stress, anxiety, and even depression is certainly the money lost. The big companies do not care about your mental health, nor your money lost, especially since the two can go together. Here is where the corruption comes in. At a recent NBA tip-off, first game on the night, saw the Los Angeles Lakers at the Denver Nuggets. Jokic, averaging 25.7 points per game in the 2022-2023 season, had an over/under set at 9.5 points. LeBron James,

averaged 27.2, and had an over/under of 8.5 for opening night. These are known as bad lines. A 13-minute mistake that cost people hundreds of dollars, with the largest wager being \$500 with a payout of “\$575,436.82” (Purdum, 2024). Pat McAfee, a sports analyst, and former Punter for the Indianapolis Colts noticed the error and decided to place a “\$100 seven-leg parlay with 1,500-1 odds,” a payout of \$150,000 (Purdum, 2024). McAfee never saw the money he won, nor the money he had bet. Neither did anyone else. The wager was placed on DraftKings, who receives odds from third-party providers for the over/unders. Indiana was the only state permitted to void the bets, and they never revealed how much money in bets was voided.

Mistakes like this one are so bad and so common bettors have formed communities to call out errors by bookmakers. The bookmakers will settle to void bad lines but ban the individual from ever betting on their site again. We can make an educated guess that bad lines may be intentional. Afterall, since 2019 most sports leagues and their teams have partnered with betting companies to make more money. Massachusetts after a commission had to come together in discussing the issue, decided to return bettors three-times the stakes they had placed. This is not something Massachusetts wanted to do. Because of so many “palpable errors,” it is recommended people have relationships built with bookmakers are more valuable than online betting, despite online betting making up 93.8% of sports wagers placed in 2023 (Purdum, 2023).

There is more than just the effect on bettors that make us question the integrity of sports betting. It is fair to ask, “what do athletes know that we do not?” Not just athletes themselves, but even staff. “A former Jacksonville Jaguars employee was sentenced to 6 ½ years in prison after pleading guilty to stealing \$22 million from the team and wagering with it on FanDuel and DraftKings” (Thai, 2024). At the professional level, players are being handed large suspensions, where at least 12 players in the NFL have been suspended due to violating the league’s gambling

policy since 2018, and three of these players were from the Detroit Lions in June 2023 (Thai, 2024). Do athletes or staff know something that we do not? There is a clear lack of integrity involved in sport, and even the NCAA President seems to agree.

NCAA President Charlie Baker, prior to the Sweet 16 of the Men's NCAA Basketball tournament called for a ban on college prop betting. Proposition bets are wagers in which are unrelated to the final score of a competition. For example, the over/under of a player's 3-point shots made. Baker's request is a ban on prop bets in states with legal sports betting. Baker's claim is based on the lack of integrity amid sports betting, saying

Sports betting issues are on the rise across the country with prop bets continuing to threaten the integrity and competition and leading to student athletes and professional athletes getting harassed. The NCAA has been working with states to deal with these threats and many are responding by banning college prop bets, (ESPN News Service, 2024).

This comes following the report ESPN had issued about the Toronto Raptors being involved in betting irregularities with their forward Jontay Porter, who would leave a game early to guarantee the under prop in a betting line. Not once, but twice (ESPN News Services, 2024).

The NCAA is severely concerned about their students, especially student-athletes participating in sports betting. NCAA legislation prohibits athletes and coaches from participating in sports betting as well as "sharing information concerning their team that could be used for gambling purposes," (Woodruff, 2023). It is on the NCAA's website that "Sports wagering has the potential to undermine the integrity of sports contests and jeopardizes the well-being of student-athletes and the intercollegiate athletic community," going on to say, "it also demeans the competition and competitors alike by spreading a message that is contrary to the

purpose and meaning of ‘sport’” (Woodruff, 2023). The same gambling rules “apply to conference office staff members, institutional athletic staff members, and nonathletic department institutional staff members who have responsibilities within or over the athletics department” (Woodruff, 2023). So, what happens when this is violated?

Noah Shannon has experienced the consequences first-hand from giving into the temptation that is sports betting. The Iowa Hawkeyes Defensive Tackle was a part of an 11-player investigation from the NCAA. He is a sixth-year player who was suspended for a year. The senior had wagered “on another team at Iowa, but not his squad” (Howe, 2023). The investigation and suspension(s) were conducted and given in August of 2023. However, the story did not end there for Shannon. According to the NCAA bylaws implemented in 2018, student-athletes who receive a suspension for sports betting are allowed an appeal. Iowa coach Kirk Ferentz knew they were going to appeal immediately. Ferentz felt for Shannon after all of his hard work and the previous two seasons being named honorable mention all-conference. Ferentz came to Shannon’s defense saying “He has not committed a crime. You could commit crimes and get a lot less punishment, which seems kind of funny in a lot of ways” (Howe, 2023). Ferentz attempted to appeal with Shannon, defending his character, knowing he had given much towards the program, just hoping Shannon would get the opportunity to finish (Howe, 2023). The Defensive Tackle’s suspension appeal was denied by the NCAA in September of 2023, stirring confusion from the coaches as to why. This ultimately ended Noah Shannon’s collegiate career (Baumgartner, 2023).

There is of course, question to how coaches should go about handling these situations. Punishment may teach something but it does not fully contribute to a better, well-rounded person. The coaches’ interests are not only in building and developing players, but developing

them as people as well. There is a lack of emphasis of personability in player-coach relationships. Consequences are due to be issued for such actions within sports betting, however we must ask how we can help the person grow. A great initial step would be a personal conversation with the athlete to understand what motivated their decisions, if there are things going on that have led them to try and attain money quickly, peer pressure to try betting, or other factors. Next, there must be clarity as to the next steps. These next steps will contain some sort of consequence for one's actions. It would also be beneficial for help to be offered in some fashion, to assist the person in breaking these habits as well as what good stewardship of money looks like. This may include diving deeper into the root of why this person decided to place bets on sports, and if there is help needed in that area mentally. It may not be a coaches' complete duty to assist in any mental health aspects, or deeper roots of one's decision making. However, it is their duty to direct them to the help needed or working with them to partner with any sort of help available.

America has been populated with bettors for years, and it is only increasing. Many bettors would disagree that betting has negative effects and is problematic. The sports betting organizations would also obviously disagree, as they as well as state governments benefit quite positively. Organizations and even leagues have good reason in advocating for sports betting. "It generates revenue through increased fan engagement and viewership. Sponsorships and advertising deals also increase as sports become more popular. Licensing agreements with sports betting operators provide financial benefits for leagues and teams" (Algamus, 2023). Sports organizations can thrive without the collaboration of sports betting; however, they would rather not rid of all their financial progress in revenue because

“The legalization of sports betting in numerous countries has created new opportunities for collaboration between sports organizations and betting companies, generating additional income. This integration has also sparked increased fan engagement and interest in games, as spectators now have a financial stake in the outcomes” (Algamus, 2023).

One cannot talk about the financial gain of sports betting without questioning the integrity of the results and wonder if competitions are fixed. The ethical dilemma, which in the big picture puts coaches, athletic office staff, organization owners, league owners, and players in a difficult position. Many have been on the end of hate from fans for not performing according to betting lines, affecting the revenue of sports, and negatively affecting the mental health of players as well.

A call to action is in place. For example, the NCAA has launched their own campaign called “Draw the Line.” The purpose in this campaign is to educate student-athletes on the effects of sports betting “while also addressing problem gambling for all who consume and participate in college sports” (“NCAA launches,” 2024). Draw the Line is also targeted towards regular college students as there is a social media presence. The NCAA within this campaign will provide a “membership toolkit for member schools and conferences to access resources that extend the campaign to their campuses” (“NCAA launches,” 2024). It is critical that student-athletes are informed on the impact they experience from sports betting. Bettors often harass student-athletes and officials, being the main reason for advocacy of change in state legislature. One goal that Charlie Baker, the NCAA President, has in mind is the ability “to refer serious threats to law enforcement” (“NCAA launches,” 2024). Many of the 38 states who have created legislation on sports betting, do not include language about robust protections nor provisions for integrity. The NCAA continues to push for protection against harassment and coercion, while

working to “protect the integrity of NCAA competition” (“NCAA launches,” 2024). There has been results occurring from these efforts, for example in Ohio. In the state of Ohio, “student-athletes, campus leaders and the national office worked with gaming regulators to prohibit player-specific prop bets. Since Ohio's move, West Virginia, New Mexico, and Maryland have taken steps to protect student-athletes from sports betting harassment” (“NCAA launches,” 2024). This is a great step in the right direction in leading out in protecting student-athletes from the dangerous impacts of sports betting among those who do not understand the mind and work-ethic of student-athletes, nor athletes in general.

In conclusion, coaches, athletic staff, office staff, schools, conferences, and organizations must be informed on the negative mental affects as well as the detrimental financial affects sports betting has on student-athletes and professional athletes. Schools, coaches, and conferences must make a continual effort to inform student-athletes of rules regarding sports betting, both NCAA and through state legislatures. The NCAA’s “Draw the Line” should also continue, working towards legal harassment protections in state legislature in all 38 states that have legalized sports betting. This means continually meeting and working closely with state representatives on the behalf of all student-athletes. Sports betting certainly jeopardizes the integrity of every collegiate and professional sport. It has a detrimental mental health effect on players as they worry about bettors placing prop bets on them and feeling the pressure to “hit” the bets. Other initiatives such as the Signify Initiative on social media should continue to monitor social media harassment. Lastly, it can be argued that the NCAA, as well as professional sports organizations should re-evaluate the consequence intensity pertaining to athletes participating in sports betting. While it is reasonable to not allow athletes at collegiate and professional levels to place bets in pursuit of keeping the integrity of the sports, perhaps the punishments are too severe. Considerations

should be taking place about the consequences of sports betting. It may be reasonable to say one-year or career ending suspensions are not necessary for an athlete to learn from their mistakes. It is important for all people to learn from their mistakes, especially athletes as they are role models to kids, athletes, and their communities. However, some punishments that end careers of collegiate athletes may be too severe, especially when accumulating more years of eligibility due to circumstances such as injuries. It can be agreed it is important that coaches and organizations have proper conversations and consequences laid out for athletes, while also keeping in mind people need help to break harmful habits rather than just being punished.

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