

## What Happens in Miller County...

There is a slow debate going on over the permitting and location of casinos here in Massachusetts. In the headlines recently, I notice that pro-casino politicians are “admitting” that casinos are associated with crime, as if this was some carefully guarded secret. Now, there are many reasons that one might oppose (or defend) casinos or other institutions that permit ostensibly vicious activities. The pattern of those arguments is one that interests me at many different levels. It is a conversation that extends all the way from struggles for the most basic human liberties to such bizarre, seemingly devil's-advocate positions as the legalization of blackmail. For better or for worse, every inch of freedom has had a signpost on it saying “Now you've gone too far! Here be dragons...”

But right now I want to do what I do worst, and focus on only one particular aspect of this debate. The notion that casinos are *associated with* external social problems—prostitution, extortion, etc.—is conceptually independent of the question of whether the internal activity of casinos (gambling) is a social problem. Jewellery stores and pawnshops are also associated with crimes, but hardly anyone would suggest that there is something inherently wrong with selling earrings or buying used saxophones. This distinction is easily lost in the rhetoric around vice crimes, which often insists that both the primary activity and the secondary effects are problematic. From the other side of the aisle, it can be lost in the rebuttal that *neither* the primary or secondary effects are problematic. If you argue that legalized gambling encourages prostitution, many will quickly respond that prostitution should be legalized as well. Which is as may be, but that sort of argument quickly begins to sprawl beyond what we can easily keep track of.

My interest here is on a specific question: are the secondary effects of “vice establishments” dependent on their concentration? I think this question is often overlooked in the relevant debates. When a society begins experimenting with some kind of formalized permissiveness, it usually does so in very focused ways. Massachusetts is discussing the legal permitting of two casinos, which we imagine (no doubt correctly) will be massive, highly concentrated dens of sin. We'll also be legalizing slot machines at our four existing racetracks: taking existing centers of gambling and making them more intensive. Even this proposal is being discussed as “convenience gambling.” Of course, we already have *actual* convenience gambling—you can buy lottery tickets in almost every convenience store in Massachusetts. But at the moment, we can only imagine two options: no access to slot machines, or highly concentrated access to slot machines. The idea of having slot machines everywhere—as in England, say—is not even within the scope of debate.

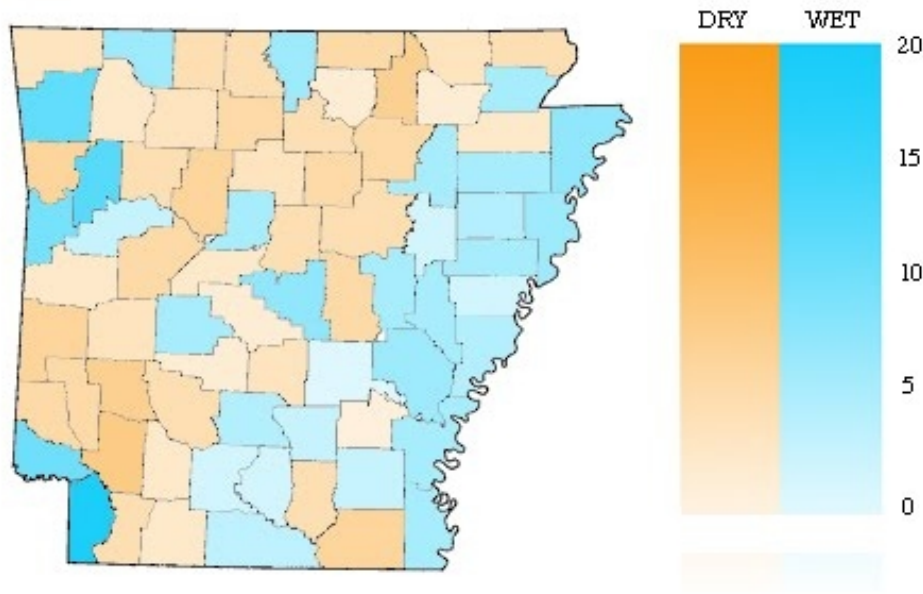
Possibly, possibly, this narrowing of the scope of discussion blinds us to certain comparisons.

To take a famous example, in 1986 Switzerland created the experimental Platzspitz for heroin users in Zürich. The park attracted drug users from all over Europe, and was accused of creating a highly crimogenic environment (above and beyond heroin use). The Platzspitz was closed in 1992 after constant protest from the locals. This story is frequently told in the US as an admonition to those who want to legalize, well, anything. What is [less well known](#) is that Switzerland subsequently created many “injection rooms” all over the country. These remain controversial, of course, because the primary activity is shooting heroin. But they are off the street, supervised, and not concentrated in one place. They do not seem to be causing the *secondary* problems associated with Platzspitz.

So.

For a long time, I've been interested in the hypothesis that experiments in tightly concentrated permissiveness tend to absorb deviant behavior from the surrounding area. Or indeed, from the entire world: what happens in Las Vegas might stay in Las Vegas, but people fly in from Australia and England and Saudi Arabia to make sure it happens there. The same is true of Bangkok, or Amsterdam, and so forth. At the very least, this may invalidate these locations as useful laboratories for the effects

of that permissiveness. Putting injection rooms all over Switzerland did *not* turn the country into one huge Platzspitz, any more than the slot machines in British pubs turn the UK into one huge Las Vegas. This is a difficult hypothesis to test, in part because there are relatively few experiments in permissiveness. Moreover, the social ills associated with these experiments are usually of a sort that has many possible causes. The best I can do, on short notice, is look at Arkansas.



Arrests for public drunkenness per 1000 people, by county. 2002 data.

Arkansas provides a sort of lab bench for one version of this question. About half the counties in the state are dry. Moreover, there are several dry counties more or less surrounded by wet counties, and several wet counties more or less surrounded by dry counties. (There are also a few local anomalies inside this pattern, which I'm ignoring.) Since the 19<sup>th</sup> century, when many of the dry laws date from, retail alcohol sales have been blamed for a huge number of localized public secondary ills. Of these, the most immediate is public drunkenness. Arrests for public drunkenness are also a relatively *precise* metric of the secondary effects of alcohol sales. If a guy is running a short con in Atlantic City, we might blame that on legal gambling in some ambient way. But if a guy is passing out in the gutter in Texarkana, we can almost certainly draw a causal link to the local liquor stores.

So. In the most recent data that I can find, the arrest rate for public drunkenness per 1000 people averaged 3.89 in the “islanded” dry counties of Arkansas, and 3.85 in the other dry counties. The difference is tiny and not significant. However, the island wet counties—which are, in a sense, miniature versions of concentrated permissiveness—have an arrest rate of 8.15. (Significant at 0.004 or better). The other wet counties have an arrest rate of only 4.68, which is not significantly different from the dry counties.

This piqued my curiosity a bit, so I came up with a rather clumsy variable: what percent of the adjacent counties are dry? (I know, I know, that questions like this are better addressed by real GIS. But this isn't an in-depth study. It's scratching an itch.) As it turns out, the wet/dry status of the surrounding counties in Arkansas is a (very modest) predictor of any given county's arrest rate for drunkenness. The county's own policy is a better predictor (6% of variance rather than 4%) but...in the wrong direction.

That's right: there is a slight *positive* correlation between banning liquor sales and public drunkenness.

Taken together, that seemed to warrant a prisoner's-dilemma hypothesis. We can imagine that each county is playing for a payout in terms of reduced public drunkenness. *Cooperating*, in the classic PD terminology, means allowing liquor sales. *Defecting* means going dry. A county that cooperates is betrayed if 60% or more of the surrounding counties defect. The best payout (1.0) is received if a given county defects while most of the surrounding counties cooperate: the dry county surrounded by liquor stores. The worst payout (0.0) is received if the county remains wet while surrounded by dry counties: the Las Vegas or Platzspitz scenario.

At a range of payout ratios for the two intermediate scenarios, this model explains 26% of variance in the observed arrest rates: it is more than four times as predictive as simply referring to the local law. If this is true, and generalizable, it has interesting implications. There is a vast and heady literature on the virtues of self-government, ranging from bumper-sticker platitudes to Nozick's minarchist tome. It is easy enough to think of public policy as being entirely atomizable. In fact, when I think of Marcos' phrase "a world in which many worlds will fit," this is precisely what I imagine: a meta-polity in which one commune can be run like Thélème and the one down the street can be run like a boot camp, and so on and so forth. Putting a massive casino right down the street from a suburb that doesn't allow off-track-betting or poker night at the bar is another version of this same fantasy.

And perhaps it is a valuable fantasy...there is certainly much more here to discuss. But it seems important to note that public policies are interdependent, and can cooperate or conflict. Not, by itself, a revolutionary concept. But one that is too often glossed over in discussions of autonomy. Or, as in Massachusetts today, when we are measuring how much vice we can fit into how small an area.