

Research reports

Is there a need for personal gambling licences?

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Licensing is currently the most popular option among regulators for controlling gambling operations. However, approximately 20% of operators are still public monopolies. Many forms of gambling (especially lotteries) are government operated even in countries with a licensing system. This creates an inherent conflict of interest, given that government is supposed to protect the well-being of its citizenry and to reap the benefits of gambling at the same time. At least in the gambling monopoly, however, addressing the unavoidable harm that results from gambling should be a priority. Industry self-regulation and reliance on “responsible gambling” rely too much on individuals to control their own gambling. It is suggested in this contribution that it is possible to provide more comprehensive consumer protection, recognising both the duty of governments to take care of their own citizens and the fact that industry self-regulation is not enough. Pre-commitment cards have been tested in various contexts, and have shown promise in terms of providing tools for individuals to restrict their own gambling. However, given the known shortcomings such as allowing the use of other cards that are not one’s own, and other venues, it is clear that in themselves they do not guarantee effective prevention. Personal licensing is therefore explored as a move forward in this literature-based discussion. Although the system may be applicable to other contexts, the focus is on the Nordic countries. Given that the underlying justification for gambling monopolies is to control gambling-related harm, in the cases of Finland and Norway licensing could be combined with loyalty cards introduced by monopoly operators. This would provide a feasible alternative to current practices of responsible gambling.

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