This paper compares the development of gambling in Britain during the late 17th and 18th centuries with the emergence of gambling in Nevada during the late 19th and early 20th centuries. Drawing on the existence of similar themes and ideas in different contexts, the author demonstrates several benefits of comparative studies of gambling. Focusing principally on gambling games played with cards and dice, this paper begins by examining approaches to taxing gaming before moving on to consider regulatory strategies.

Keywords: gambling, gaming, Nevada, Great Britain

Only a handful of scholars have written long-term histories of gambling and an even smaller number have attempted to make historical comparisons between different countries. But gambling has a long history, and one that is not confined to a particular continent or time period. In this paper I hope to demonstrate some of the benefits of looking at the history of gambling through a (very) wide lens, by comparing the development of gambling in Britain during the late seventeenth and eighteenth centuries with the emergence of gambling in Nevada during the late nineteenth and early twentieth centuries. Of course, I am not saying that we should attempt to draw direct parallels between two cases that are separated by such a substantial chronological and spatial divide; rather what I hope to show is the existence of similar themes and ideas in different contexts. Focusing principally on gambling games played with cards and dice, this paper begins by examining approaches to taxing gaming before moving on to consider regulatory strategies.
Taking a gamble on tax

Historically, taxing gambling has posed both moral and legal problems, for how can the state be seen to profit from an activity that is frequently condemned as immoral and is partly or wholly illegal?

In England 1711 marked the beginning of a centralised and systematic tax on gaming. However, this was not a tax on gaming per se, but on the instruments of gaming, namely cards and dice. By the 1680s, gambling at card games was so popular that over one million packs of cards were being produced every year (we don't have figures for dice) and therefore gaming presented a substantial potential revenue stream, if it could be tapped effectively. At this time the majority of gaming was technically illegal (more on which later) and so a system of licensing could not be adopted. And in the absence of licensed premises, not to mention the huge logistical challenge in a pre-industrial state, it was impossible to tax the turnover from gaming. Thus taxing each pack of cards and bale of dice at point of manufacture, with the additional cost to the manufacturer being passed on to the consumer, was the most—and only—practical option. The problem was that playing card making was a lowly occupation and manufacturers only realised a small profit on each pack of cards. So when the cardmakers faced a twenty-four fold tax increase in 1711, something had to give. Some went out of business; others managed to pay the new taxes because the demand for cards remained high. A third, smaller, group engaged in tax fraud by forging the government stamps that showed the tax had been paid. This was lucrative, but very risky: in 1743 Thomas Hill was sentenced to death for selling 'four or five thousand' packs of cards with counterfeit tax stamps. In Nevada, by contrast, people who wanted to operate gambling games paid for licenses, which had to be approved by the local authorities: the cost of the license usually depended on the number of games requested, and I will discuss the process in more detail below. Only legal games could be licensed (there was a list) and, before 1931, there were times when all gambling was criminalised, most famously in 1910 (though these strictures were gradually relaxed during the following years).

What are the wider implications of these approaches? In England, a small amount of tax had in fact been levied on cards before 1711; but it was so small that the revenue generated was negligible. The explosion of card games during the seventeenth century and the massive expansion of the playing card industry meant that taxing gaming systematically could now be profitable. But it was the economic context of the early 1700s that resulted in the new, much higher, centralised tax on cards actually being implemented. In short, England was fighting extremely expensive wars in continental Europe and the government needed the money: this pattern of increasing the tax on cards (and other items) was repeated during both the Seven Years War (1756-63) and the American War of Independence.

As well as the laws against gaming in England there were sustained religious and moral objections to gambling as numerous contemporary tracts and pamphlets illustrate. Yet these factors did not stop gaming, through the tax on playing cards and dice, from becoming a substantial source of revenue for the government. Some justification was provided by the argument that card manufacturing was a legitimate industry (cards, after all, didn't have to be used for gambling games, although most were); likewise, it was argued that cards and dice were not 'necessary' items and were therefore ripe for taxation. This didn't really solve the moral/tax dichotomy, but what is interesting is that by the eighteenth century an earlier argument suggesting that high taxes on cards and dice would prevent the poor from gambling (thus backing up the anti-gaming legislation) had disappeared from official rhetoric.
In Nevada, perhaps the weightiest and most repeated argument for allowing gaming was that licensing brought in much-needed revenue and that, more broadly, gaming would create business opportunities and growth. Yet in the early years of the twentieth century a highly organised and sustained campaign against gaming, driven by moral concerns, successfully undermined the economic pro-gaming argument. In fact, argued the anti-gambling lobby, the combined costs of policing and losses to members of the local community were greater than the revenue raised from licensing. Moreover, in the economic climate of 1909/10 it was asserted that the 'the assessed valuation from mining and agricultural activities was high enough so that license revenues were no longer needed'. For a time, therefore, anti-gambling arguments held sway: as late as 1925 there was a 'lack of enthusiasm for “open gambling”', while in 1927 two thirds of the committee members of the Las Vegas Chamber of Commerce remained opposed to it. But at the same time, it should be noted, the City of Las Vegas continued to raise money from gaming licenses: between October 1927 and October 1928 some $3500 was collected, whereas a year later this had increased to $7300. Licenses were still restricted to a narrow range of social games (see below), a situation that was far removed from the 'wide open' legislation that would be passed only a few years later. But what caused this additional step? Although 'gamblers and the operators of economically allied business' had long desired 'wide open' gambling, it was the wider economic context of the Great Depression that persuaded 'a larger economic (and political) interest group, the Nevada business community, and a relatively small one consisting of the state’s local governments' that they would benefit from such a significant change in the law. Thus in 1931, 'wide-open' gambling came to Nevada and the rest, as they say, is history. What I want to emphasise here is that although moral concerns continued to be raised about gambling in England and Nevada, we can see in both cases that these concerns were ultimately outweighed by economic conditions and, subsequently, the revenue that could be generated from taxing gambling.

Regulatory strategies

Since the sixteenth century, England had adopted a policy of prohibition as regards gambling; though this depended largely on who you were. The key Act was passed in 1541, and it stipulated: 'That no Manner of Artificer or Craftsman of any Handicraft or Occupation, Husbandman, Apprentice, Labourer, Servant at Husbandry, Journeyman, or Servant of Artificer, mariners, Fishermen, Watermen, or any Serving-man shall... play at the Tables, Tennis, Dice, Cards, Bowls, Clash, Coyting, Logating, or any other unlawful Game out of Christmas'. That the criteria were social and occupational status demonstrates clearly that the government wished to prevent people who were dependant on waged work and the poor in general from playing at cards, dice and other games: this is not an unfamiliar perspective, even today. At the same time, operating and 'resorting to' a gaming house were made offences, by whomever they were committed. The purpose of the gaming house legislation was to dissuade large numbers of (in the eyes of the legislators) idle, and potentially disorderly, people gathering together to play games; importantly, legislators also sought to prevent gaming from becoming a commercial or profit-making activity. Further laws passed during the seventeenth and eighteenth centuries forbade particular games (irrespective of social status), imposed strict penalties for cheating, and imposed limits on the amount of money players could stake at any one time. Punishments included both fines and imprisonment, with proprietors subject to tougher sentences than players.
to occur during times of moral panic, or when illegal gaming houses were causing disorder, or when reforming individuals or groups took a concerted stand against illegal gaming.\textsuperscript{18}

This was because most gaming was probably fairly low key and not a major priority in the eyes of the authorities. The exception was highly specialized gaming houses. Though rare, these illegal institutions emerged in England in the early decades of the eighteenth century. They had multiple tables, offered banking games, and were open to anyone who could afford to play (these were not the exclusive clubs patronised by the aristocracy and political elites). Specialized gaming houses therefore flaunted the anti-gaming laws and embodied reformers’ and justices’ fears about vice, crime, and disorder; accordingly, the authorities tried to close them down. But this could be difficult and dangerous: in 1721 a group of constables were attacked by a mob when they arrived at Vandernan’s gaming house in Covent Garden, London.\textsuperscript{19}

The stark realities of enforcing anti-gaming laws brings us to Nevada. Between the mid-nineteenth century and 1931 there were repeated oscillations in the gaming laws.\textsuperscript{20} As a result of legislation passed in 1861 and 1865, gambling was outlawed on principally moral grounds (consider my opening quotation). As in England, though, total prohibition ‘remained unenforced and unenforceable’.\textsuperscript{21} It was for this reason that measures providing for licensing and control were proposed in Nevada, though these were blocked until 1869. Thereafter, and in spite of opposition—note, for instance, the ‘Act to Prohibit the Winning of Money from Persons who have No Right to Gamble it Away’—various types of gaming remained legal.\textsuperscript{22}

In the early twentieth century there were, as Earl has documented, fierce debates between pro- and anti-gambling lobbies, with the latter securing an outright ban on all gambling commencing on 1 October 1910.

The 1909 law (in force from 1910) is worthy of remark for its impressively tough stance. To quote Moody’s summary:

Any violation of the ... provisions was to be punished as a felony, with the convicted lawbreaker going to state prison for from one to five years. Also, any individual who knowingly permitted a prohibited activity to be carried on in a building or part of the building owned or rented by that individual was liable to the same punishment. Possession of any gambling equipment, such as a deck of cards, was to be punished with a fine or a one- to six-months’ term in the county jail, or both.\textsuperscript{23}

As we have already seen, measures like these were too strict to be effective and too difficult to enforce. Even in seventeenth century England people were free to play some games: not so in 1910 Nevada. However, over the next few years the 1909 law was gradually watered down. Moody discusses this at length, but there are two key points that I would like to emphasize here. Firstly, the various amendments to the 1909 law in 1911, 1913, and 1915 made the legal situation extremely complex to the extent that it is debatable if players (or indeed officials) would have known exactly where they stood as regards particular gambling practices. Secondly, a crucial distinction was made between ‘social’ and banking games: the former were generally permitted, whereas the latter were not. In 1911, games such as whist and bridge were permitted; and by 1913 ‘Poker, stud-horse poker, five hundred, solo and whist, where the deal alternated and no
percentage was taken by the house or operator, were specifically exempted from the gambling prohibition’.24 Players of social games were not given a completely free hand, however, for playing for stakes of more than $2 was forbidden.25

A brief excursus about the distinction between ‘social’ games and (variously) banking, percentage, or ‘mercantile’ games might be worthwhile here, for this distinction was not new.26 In eighteenth century England fast-paced, high stakes, banking games like faro that were largely or purely reliant on chance were heavily criticised because they were seen to lead to rapid and large losses and turned gaming from a ‘private, non-profit making, and occasional activity’ into a commercial enterprise.27 In contrast, games of cards played for small stakes, often in domestic surroundings, and among family and friends generally escaped criticism. Whist, which became a favourite among eighteenth-century middle class players, is a perfect example of the type of game that commentators described as ‘sociable and harmless’. In fact, whist was so popular in ‘polite’ middling circles that it made the fortune of Edmond Hoyle, who wrote a series of best-selling guides to the game and also offered lessons (hence the phrase ‘according to Hoyle’, although, ironically, we know little about the man himself).28 Whist was not always respectable; indeed, its predecessor, whisk, was considered ‘vulgar’ until it was refined in the early decades of the eighteenth century.29 The example of whist, and faro, and the changing legal status of games in early twentieth century Nevada invites us to think about how the nature of gambling games and how (and by whom) they are consumed affects the perception and regulation of those games.

The acceptability of social games in Nevada was affirmed in 1919 when the state attorney general permitted the licensing of card rooms for social games. Controlling gaming through licensing, he reasoned, would be preferable to the immediate post-1910 situation when much gambling had apparently been pushed underground by the tough laws;30 moreover, the authorities would be able to raise money from issuing licenses. Las Vegas was quick to get in on the act and we can use the City Commission Minutes to calculate how many licenses were issued between 1919 and 1931.

(see Figure 1, page 8)

The Minutes also reveal the licensing process. First, a potential licensee had to fill in the relevant paperwork: license applications were rejected if this were not done properly.31 Then, the license had to be approved by both the Police and Fire Commissioner, otherwise, as C. R. Evans discovered, it would be denied.32 Applications usually had to specify which games were to be played—if the Commissioners didn’t know exactly what a game entailed they would request clarification before granting a license.33 Licenses had to be renewed quarterly: in 1929, for example, it cost $150 per quarter for 2 tables, $250 per quarter for 3 tables, and $450 per quarter for 5 tables.34 The size of the fees caused some complaints as the following letter dating from 17 April 1920 illustrates:

We the undersigned, citizens and business men of the City of Las Vegas, believe that the present ordinance of the City of Las Vegas, governing the licensing of gambling, is excessive: in that the business done in Las Vegas does not justify the collection of one hundred and fifty dollars per quarter. And unfair and unjust: in that its collection at so much per house, discriminates against such places of
business which can only afford to conduct one or two tables as against such as can afford to conduct four or five tables. Therefore: We the undersigned petition that the present ordinance be modified to reduce the license and the same to be collected at so much per table, instead of at so much per house.


Nevertheless, several of these petitioners held gaming licenses more or less continuously between 1920 and 1930.

As we have seen, until 1931 certain games were banned outright, including the banking games faro and roulette (actually, this is very reminiscent of eighteenth-century English legislation that prohibited several ‘dangerous’ games: faro, ace of hearts, basset, and hazard). But after 1931 this was no longer the case. Licenses still had to be applied for, but there were hardly any restrictions on the games that could be offered. There were also some significant changes to the licensing process.

It is conventional wisdom that after 1931 operators of what we might call ‘mercantile’ games (‘faro, monte, roulette, keno, fan-tan, twenty-one, black jack, seven-and-a-half, big injun, klondlyke, craps ... or any banking or percentage game played with cards, dice, or any mechanical device or machine, for money [etc.]’*) were required to pay a license fee of $50 per game per month ‘payable for three months in advance ... to the Sheriff’.* Similarly, licensees of ‘social’ card games, that is, ‘stud and draw poker, bridge, whist, solo and pangingue [played] for money’ paid a rate of $25 per table per month. But what only a careful reading of the Las Vegas City Commission Minutes and the City Ordinances reveals, and what has previously gone unnoticed by scholars, is that the City of Las Vegas charged additional fees on top of those dictated by the state legislature. Indeed, Ordinance 165 stipulated that licensees of the aforementioned social games were required to pay an extra $2.5 per game per month, while operators of the mercantile games had to pay an extra $5 per game per month ‘in addition to [the license fees] collected by the Sheriff of Clark County’.

Secondly, new restrictions were placed on the number of gaming licenses (for table games, rather than slots) that could be issued in Las Vegas. Initially, there was a maximum of six: further applications for licenses were denied on the basis that ‘public interest requires that no additional licenses ... are reasonably necessary for the accommodation of the public’. When making decisions the Board of Commissioners adhered consistently to two main criteria: the concentration and proximity of existing gaming houses; and the infrastructure—especially regarding policing—that was needed to support them. A few months later, in July, the Board agreed ‘there is a need and demand for seven ... gaming licenses’. Shortly after this decision a new precedent was set. Roy Grimes and L. A. Williams were initially refused a license because the maximum of seven had already been granted. Undeterred, Grimes and Williams proposed that they would pay for a ‘city policeman’ for ‘at least eight hours each day’ if the Board granted their license. An agreement was duly reached with Grimes and Williams paying an extra $100 on top of the standard license fee; clearly the two men felt the business opportunity was worth the substantial additional costs. Occasionally, licenses were suspended if the premises were causing a nuisance. In January 1934, for instance, it was reported that the Big Four was:

...a place where idle, dissolute and itinerant persons congregate and resort; and it appearing to the Board that the
condition in said place arising from the congregating therein of such persons is detrimental to the morals of the City of Las Vegas and conducive of insanitary conditions; and whereas it is the opinion of the Board of City Commissioners for the reason aforesaid, that the said Big Four is not a desirable or proper place for the conduct of gambling games...46

Because England followed a policy of prohibition whereas Nevada adopted, for the most part, a system of licensing, there are inherent differences across my case studies. But there are also some points of overlap. The first, it seems to me, is that full prohibition tends to push organized gambling underground. True, gaming as carried out in alehouses and similar establishments in the seventeenth and eighteenth centuries was so prevalent that it can hardly be described as being ‘underground’, despite its illegality. But when we look at the types of games—usually banking—and institutions—usually specialized but illegal/unlicensed gaming houses—that the authorities were really worried about and made more of an effort to suppress, my point about prohibition holds. Second, historically players have been prepared to risk severe penalties in the pursuit of (illegal) gambling.47 Third, there has long been a distinction between social and mercantile games that has influenced the way in which gambling games and the institutions providing them have been perceived and regulated. Finally, it is clear that effectively enforcing even partial anti-gambling legislation requires considerable resources and manpower, something which neither eighteenth-century England nor early twentieth-century Nevada had.

Conclusion
After 1931 a much wider range of games was legally available in Las Vegas and I would like to begin this concluding section with a few comments about faro. Faro was invented in France in the 1600s and arrived in Britain in the 1700s. In England faro was associated with the social and political elites: as a fast-paced, high participation, chance-based game faro quickly earned a reputation for being ‘dangerous’.48 Faro banks ran into tens of thousands of pounds (millions in today’s money) and wealthy players won and lost fortunes on the turn of a single card.49 As mentioned, faro was banned in England in 1738, though this did little to end the craze.50 Ultimately it was not until the ‘Faro’s Daughters’ scandal of the 1790s, which damaged the reputation of several aristocratic women, that faro began to lose its fashionable hue.51 Faro was probably brought across the Atlantic by the French in the early nineteenth century (the distinctive faro table appears to have originated in America) and in this new climate it became much more socially inclusive.52 Faro was well known in Nevada and appears in the records on which this paper is based: indeed, it was one of the banking games that was consistently legislated against before 1931, an indication, perhaps, that it had retained at least some of its ‘dangerous’ allure. Strangely, faro was a casualty of ‘wide open’ gaming, possibly because (as in eighteenth century England) it had become too associated with cheating or maybe because ‘as the industry became more established ... the selection of games narrowed appreciably’.53 The example of faro (which is only one of many) suggests that tracking the cultural transmission of popular games and the way in which they were adapted in different socio-economic and cultural contexts might form a useful strand in wider comparative histories of gambling.

A short paper such as this is bound to be impressionistic and is certainly not without methodological problems. But what I hope to have shown is that comparative approaches to the history of gambling have the potential to shed light on the debates and issues that shaped attitudes and policies to gambling in the past, and may continue to do so in the future.54
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Figure 1: Licences Issued, 1919-1930

Source: Las Vegas City Commission Minutes, Books 1-2
Note: 1919 only covers period 22 Oct.- 31 Dec.
Notes


2 The Stamp Act of 1710, in force from July 1711.


4 For detail of the process, see Tosney ‘Gaming’, ch. 1.


6 For example, between 1734 and 1744 almost £100,000 was raised from taxing playing cards: see Nicholas Tosney, ‘The playing card trade in early modern England’, Historical Research (forthcoming).


9 T.N.A.: P.R.O., SP 16/408/2 (1638).


12 Earl, ‘Veiling’, 197

13 Moody, ‘Early years of casino gambling’, pp. 31-2 (quote at p. 32); Department of Special Collections, Lied Library, University of Nevada Las Vegas, Las Vegas Chamber of Commerce Minutes, box 1, folder 3, p. 372 (1 March 1927).

14 Department of Special Collections, Lied Library, University of Nevada Las Vegas, Las Vegas City Commission Minutes Book 2, pp. 290-396 and Book 3, pp. 1-41. Hereafter LVCCM, followed by book number, page number, and date. The LVCCM are an excellent resource for scholars interested in the day-to-day running of early Las Vegas.


16 33 Hen. 8, c. 9, s. 16 (1541).

17 33 Hen. 8, c. 9, s. 11 (1541).

18 Tosney, ‘Gaming’, ch. 2


20 On 1910-1920, see Moody, ‘Early years of casino gambling’, pp. 22-9
21 Earl, 'Veiling', 177.
22 Earl, 'Veiling', 178.
23 Moody, 'Early years of casino gambling', p. 21.
24 Moody, 'Early years of casino gambling', p. 25. The 'playing or conducting of any other game' remained a felony.
25 This was a strategy that had been adopted in seventeenth and eighteenth century England with the intention of limiting players' potential losses.
26 Schwartz uses the term 'mercantile', which is a useful catch-all: Roll the Bones, p. 355.
28 Several eighteenth-century editions of Hoyle’s Treatises are held by the Department of Special Collections, Lied Library, University of Nevada Las Vegas.
29 See Tosney, Gaming, pp. 229-42.
30 See Earl, 'Veiling', 204.
31 See e.g. LVCCM 3, p. 118 (15 October 1930) and p.120 (23 October 1930).
32 LVCCM 3, p. 78 (14 March 1930). For other examples, see LVCCM 3, p. 1 (14 May 1929), and p. 7 (20 May 1929).
33 See e.g. LVCCM 3, p. 206 (14 October 1931) ‘Tango Derby’.
34 See e.g. LVCCM 2, pp. 386-7 (15 April 1929).
35 LVCCM 1, p. 272 (7 April 1920).
36 LVCCM 1-3, passim.
37 12 Geo. 2, c. 28, s. 2 (1738).
38 One exception was keno, which caused some legal wrangling in the early 1930s: see LVCCM 3, pp. 217 (31 December 1931), 221 (25 January 1932), 224 (16 February 1932).
39 ‘An Act concerning slot machines, gambling games and gambling devices...’ (19 March 1931), Statutes of Nevada.
40 ‘An Act concerning slot machines, gambling games and gambling devices...’ (19 March 1931), Statutes of Nevada.
41 Las Vegas City Ordinance 165 (30 March 1931). A complete set of City Ordinances is held at the Department of Special Collections, Lied Library, University of Nevada Las Vegas.
42 LVCCM 3, p.164 (17 April 1931) and Las Vegas City Ordinance 165. Quote from LVCCM 3 (17 April 1931), p. 165.
43 For example, in 1933 the application of Cap Orr to operate two card games at 107 South 1st Street was denied ‘being that there is sufficient gaming houses in the block where the said Cap Orr wished to operate’: LVCCM 3, p. 272 (12 January 1933).
44 LVCCM 3, p. 183 (6 July 1931).
45 LVCCM 3, p. 185 (10 July 1931).
46 See LVCCM 3, p. 312 (8 January 1934).

47 E.g., in Nevada, as above; in England (for illegally playing faro), a £50 fine or six months imprisonment if the offender could not pay. Only the wealthiest players would have been able to afford such a large sum.


49 See the excellent Measuring Worth project at [http://www.measuringworth.com/aboutus.html](http://www.measuringworth.com/aboutus.html)

50 12 Geo. 2, c. 28, s. 2 (1738).


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