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Architect's computer image of GTECH headquarters superimposed on Richard Benjamin photo of Providence.

Nix GTECH-Lottomatica merger

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ON JULY 25, I attended a public forum at the Rhode Island Department of Administration. The forum was to hear testimony relevant to the proposed merger of GTECH Holdings Corp. and Lottomatica spA, of Italy. Before the merger can take place, a number of states, including Rhode Island, must sign off on the deal.

After hearing lawyers and accountants testify that their investigations had revealed no reason to object to the deal, and then hearing GTECH executives portray themselves as altruistic pillars of the community, the public was invited to comment. I was the only member of the public to do so.

After correcting the state for repeatedly saying, "We hired" the investigative team — the investigation of GTECH was entirely funded by GTECH, to the tune of at least \$2.5 million — this is what I said:

"Anything that strengthens the reach and influence of a company like GTECH is not in the best interest of the public, does not support the public good, and must therefore be resisted.

"GTECH is a parasite, a pariah, feeding off stupidity and desperation. How, on the one hand, can a government extol the virtues of education, yet exhort people to play the lottery — in effect, be stupid?

"The Preamble of the Constitution of the United States — that part of the document that lays out the broadest and most fundamental concerns of its creators — makes special note of the need to 'promote the general welfare.' Article Number I, Section 2, of the Rhode Island Constitution restates this concern by, in part, stating: 'All laws, therefore, should be made for the good of the whole.' It further goes on to state: 'The burdens of the state ought to be fairly distributed among its citizens.'

"Well, if part of the proceeds of a state lottery is deemed a tax of sorts, a burden, then where is the justice in levying that burden upon the uneducated of the state?

"How many of you in this room purchase lottery tickets with anything approaching the regularity needed to maintain a lottery system of any scale? None of you. Of course you don't, because you are too smart. Yet though it is not good enough for you, you are happy to foist it upon the rest of the citizenry — the suckers you are creating and maintaining.

"How many of you would encourage your children to purchase lottery tickets with their income, or aspire to jobs as croupiers or casino barmaids?

"As a state, we should be working to break our dependence upon lottery proceeds, and instead be seeking other ways to generate revenue that would at the same time serve the good of the whole. There are such ways. For example: What if the state purchased a seat on one of the stock exchanges and acted as a broker for the citizens of Rhode Island, encouraging them to actually invest their money, rather than, in all likelihood, throwing it away?

"A mere \$5 a week, if saved for one year, instead of being wasted on lottery tickets, would amount to \$260. With that money, at today's prices, you could purchase 12 shares of eBay, seven of Hewlett Packard or four of UPS — all strong American companies that, over time, will probably grow in value. Certainly, you would not lose your entire investment, as would be probable if the same money were used to purchase lottery tickets instead. The state's take in this would be not only the brokerage fees, but a citizenry with more money in their pockets and something to feel optimistic about — to say nothing of gaining a financial education, and a greater awareness of American business.

"Our goal must be to choke off parasitic, socially corrosive companies such as GTECH, and decidedly not strengthen their position, which is what the merger with Lottomatica would do.

"It is therefore my view that the GTECH-Lottomatica merger be disallowed, on the grounds that it does not promote the general welfare of our country or state, as expressed in both the constitutions of the United States and of the State of Rhode Island, and further, as expressed in the Constitution of Rhode Island, that it does not fairly distribute the burdens of the state, in that it targets the poor and uneducated in a process made fairly treasonous by the collusion of state government.

"It is the responsibility of this state government to not deal in duplicity, not make evil more robust, but, rather, to work diligently to raise the hopes and intelligence of its populace; to truly serve the general welfare of its citizens, so that the American Dream of life, liberty, and the pursuit of happiness can be realized by ever greater numbers — not by a few, such as Bruce Turner, the CEO of GTECH, who builds a mansion in Jamestown, whose wife dreams of her villa in Tuscany, all built off the backs of suckers — whose blurred view of the world has been encouraged by a government led by people who know better and who have a responsibility to do better."

Charles Pinning is a Providence-based writer.