

THE BRIEF CHINESE HISTORY OF GAMBLING

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Introduction

The global gambling industry is huge and is currently valued at one trillion U.S. dollars (c.f. Skeldon & Crabtree, 2003). Gambling has become a leading leisure activity in many countries. Today, popular games include state-run lotteries, electronic gaming machines (EGM), instant scratch-off tickets, sports betting, keno and charitable gambling. Defined by the Australia Productivity Commission (1999, p. 6) as “*staking money on uncertain events driven by chance*”, gambling is generally accepted by the modern society. It embraces the essence of risk taking in exchange for something of greater value. Gambling is a part of the human history and performed in many parts of the world today including China.

In fact, the very first accounts of gambling were recorded in China. According to a report by Access Asia Limited (2002), Keno (a form of gambling product) was first played in China since 3,000 years ago. The basis of many of today's favorite card games such as blackjack and poker are also thought to have been invented in China. Gambling was very popular in ancient China and throughout Chinese history despite the fact that it was under strict regulatory controls and ban.

Today, social gambling in the form of mahjong playing is commonplace in China and among Chinese overseas. Government-approved lottery games are also available to 95% of China's cities and counties, with a forecasted annual ticket sales approaching US\$20 billion by 2006 (Access Asia Limited, 2002). In addition, legal racetrack (i.e., horse) betting and casino gambling are available in Hong Kong and Macau respectively. Among all, Macau is perhaps one of the best gaming markets in the world, expected to rival Las Vegas as the biggest casino gaming city in the world by the end of 2005. Given the huge potential that China offers to the global gaming industry, further understanding of the Chinese history of gambling certainly deserves greater attention than it is currently given.

Origin of Gambling in China

Gambling started as a form of game and entertainment in ancient China. Historically, gambling had been very popular among the rich and the poor as well as all levels within the Chinese society. According to numerous accounts, the wagering of games of chance was founded around the period of Xia (2000-1500 B.C.) and Shang (1700-1027 B.C.) dynasties. In fact, the wagering of games was already popular among Chinese belonging to the high-class segment of the Shang society.

During the Spring and Autumn period (770-476 B.C.), from imperial officials to nomads, Chinese loved gambling and the variety of gambling game expanded. Improved economic conditions, especially in the cities, fueled the proliferation of gambling activities. This phenomenon also appeared during the Warring States period (475-221 B.C.), where gambling spread from inner cities to the rural countryside. During the Han dynasty (206 B.C.-A.D. 220), gambling for entertainment had become

a habit among many top imperial officials. Chinese history books recorded the punishment of a number of Han imperial officials for over-indulging in gambling. The culture of gambling among officials grew during this period, along with gambling in the lower-class segment of the Han society. The variety of games further expanded.

Many specialized gambling organizations started to appear during the Tang dynasty (A.D. 618-907). These organizations provided a venue for heavy gambling, causing social disorder and dissatisfaction among some Chinese. From A.D. 960 to A.D. 1279 (Song, Northern and Southern Song dynasties), gambling underwent further commercialization, along with the creation of many different forms of gambling games. With increasing prosperity, especially among cities in southern China, gambling proliferated. Some Chinese began to treat gambling as a form of livelihood, often involving the use of deception to win. In the period of Northern Song (A.D. 960-1127), the use of gambling as a promotional activities became popular. During Southern Song dynasty (A.D. 1120), a domino game called 'Xuan He Pai' was invented. This game, along with a card game (called 'Ma Diao Pai') invented during the Ming dynasty (A.D. 1368-1644), became the basis for the mahjong game that we know today.

Gambling among Chinese was also common during the Yuan dynasty despite its ban. Like in the earlier dynasties, even imperial officials themselves were heavily involved in gambling activities. In the Ming dynasty (A.D. 1368-1644), many gambling dens appeared in big and small cities. In big Ming cities, some Chinese relied on gambling as a profession and many rich Chinese (especially merchant) invested in their own gambling dens. Again, from Ming to Qing (A.D. 1644-1911) dynasties, many imperial officials were obsessed with gambling. Some Qing imperial officials saw gambling dens as a good source of tax revenue. Tempted by potentially huge monetary gains, some corrupt officials collaborated with triads that were involved in gambling (and drug smuggling) businesses. Gambling during these periods was mainly concentrated along the coast of China such as Guangdong and Fujian.

From the end of Qing to the founding of the People's Republic of China (since 1949), modern casinos were gradually being formed. At this period, Gambling had become even more public especially in foreigner-occupied special territories in cities like Shanghai. Some gambling dens offered new games from overseas to fulfill the gambling desires of the Chinese gamblers. During the war with the Japanese in the 1930s and 1940s, gambling was legalized in places like Shanghai where the Japanese occupied. After the war, the new government implemented strict ban on all forms of gambling and gambling activities subsided. The Cultural Revolution in the 1960s added a further blow to gambling activities around China.

Today, social gambling in the form of mahjong in China is common and public lottery games have proliferated. Gambling in the form of lottery has again been attributed to causing social disorder and problems in modern China. Besides lottery, there are also racetrack gambling in Macau and Hong Kong. Macau, in particular, is the only place in China where casino gambling is legalized. Today, besides the usual card games, popular table games in Chinese casinos include Pai Gow, Fan Tan, and Sic Bo.

According to a recent report by Access Asia Limited (2002), gambling is now favorably regarded by most Chinese as a national past time.

Gambling and Control

Many ancient Chinese imperial rulers believed that when gambling became an obsession, it would create serious social problems. Gambling was often associated to illegal triads or secret societies, corruption, and drugs. Hence, gambling had been under strict regulatory control and, often, ban throughout the history of China. To prevent widespread of social problems and to preserve order in the society, many imperial rulers banned gambling dens or any activities that allowed people to gather and place large gambling stakes. The purpose of these measures was to prevent these activities altogether as well as to show the public disdain for such activities.

Other rulers often employed traditional Chinese philosophy and education to influence the way Chinese commoners think about gambling. Gambling was painted as a morally 'bad' activity that should be avoided in order to preserve social order and integrity. Hence, a compulsive gambler in China is not considered a problem gambler. Such a person is more likely to be labeled by the Chinese as a 'bad' or 'undesirable' person rather than a 'sick' or 'mad' person by the Western countries. Confucius had a saying that '*a gentleman does not gamble*'. This yielded a significant influence on the rules and regulations laid down by many Chinese imperial rulers to restrict gambling. The earliest ban on gambling in China's history was in the Wei kingdom, during the Warring States period. In Wei, the penalty for commoners caught gambling was a monetary fine. However, penalty for heirs to royal titles was much harsher. Those royals caught would receive capital punishment, often in the form of caning. Repeated offenders would stand to lose their rights to become the heirs.

The rulers of Yuan, Ming and Qing dynasties implemented nation-wide gambling ban without much success. The punishment for offenders included caning, exile and even execution. Often, imperial officials themselves were heavily involved in gambling. Towards the end of Qing dynasty, wealthy merchant and investors were regular patrons of gambling dens. Perhaps, gambling control was most successfully implemented from the early years of the People's Republic of China to the Cultural Revolution in the 1960s and 1970s. Over these periods, gambling activities among Chinese practically ceased to exist.

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