

Reportercast May 2023: on crypto gambling with Philip Newall and Maira Andrade

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Matei Rosca: Hello people and welcome to the new season of Reportercast. We were on a break to get some feedback and that work is still ongoing but so much has been happening that we just couldn't stay away any longer. The format of Reportercast will change a little, we will soon bring out a short weekly wrap up of the main two or three news items in global financial crime and corruption and their intersection with human rights and politics. The big monthly interview with someone who has made their mark in this field will continue as before, and in this case, we've got two people who made their mark. So there we are. But today we have a brilliant topic, one that remains obscure but is increasingly important both socially and for the finance sector, crypto gambling. I got into it last year covering a company called Stake.com, which is huge in crypto gambling and also sponsors football teams such as Everton and Watford at one point, Formula One, contact sports and others. It is also endorsed by the celebrity rapper Drake. I did two investigations into it, one on reporter.London and the other one in The Guardian with Rob Davies, The Guardian reporter, highlighting deceptive marketing practices, lack of accountability and poor controls against dirty money as well as other allegations, all of which the company has denied and the regulators did nothing about but as I dug into this company, I found that if anything, the crypto gambling industry as a whole has the same problems and in some cases they are a lot worse. So here we have two top academics from the University of Bristol Philip Newall, and from the University of East London Maira Andrade, they have researched and written an excellent peer reviewed paper and other articles about this subject, which I would argue are groundbreaking in terms of their findings and the depth of the research. And I think they deserve more attention. Today they are going to discuss this work and the way forward for policy as the consumer is targeted by this industry. We're going to talk about the so-called government white paper on gambling, just proposals for regulations of gambling, which came out last week, I think. And it did so after multi-year delays. Welcome to Reportercast. Thank you for taking the time.

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Philip Newall: Hello.

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Maira Andrade: It's great to be here. Yes.

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MR: And so can you talk about yourselves? Firstly, and what do you do for a living? What kind of academic work you do how you got interested in crypto gambling specifically? And I suppose what? What attracted you to the world of gambling in general, given that I think you're a psychologist?

02:57

PN: Yeah, sure. I'll, I'll go first, if that's all right, Maira. So I am currently a lecturer at the University of Bristol. I've been an academic studying gambling for about 10 years now. And I was actually interested in gambling for a fair bit before that before I got into academic research. So I got in into into the world of gambling around 2003 or so. There are there are two main reasons why I find gambling research just so interesting to be involved in. Firstly, it's something that changes very quickly. And you know, crypto gambling is a nice example of this in the, you know, crypto gambling, and just a few years has gone from something which is just, you know, a few simplified toy games on the internet that, you know, only Uber geeks would be interested in to being this absolutely massive commercial thing, which is, you know, like, like you're saying, sponsoring Premier League football clubs and sponsoring massive celebrities such as Drake, you know, that's really only come out in the last few years. And the research that Mark and I have done on it is, you know, really one of the very few pieces of academic research that have been done looking at it, obviously, I'm very aware of of your own investigative reporting on state.com, which is very nice work as well. And then the second thing is, I guess related is that you know, gambling, it's just something that's it's isn't it's important to a lot of people you know, gambling disorder is something that really affects the people who suffer from it. And it also gambling also harms a broader section of society than just people who've got gambling disorder. And you really can't say that about a lot of psychology research. So for example, that you know, there's a there's there's a whole subfield work in psychology where for about 30 years, psychologists have been debating whether putting a pen between your teeth makes people happier. And the idea here is that putting a pen between your teeth, it kind of simulates smiling. And so the idea that they've been looking at is, you know, usually people smile when they're happy. But the idea in that research is that instead, if you can sort of force people to smile via the pen, maybe that makes people happier. And there's been people researching either side of that for 30 years or so. And the thing is, even if it does make people slightly happier, putting a pen between the teeth, it's not a big enough effect to have any sort of real world relevance. Whereas, you know, all the aspects of gambling that I like to research are things that really affect people's lives.

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MR: Myra, how about yourself?

06:01

MA: Yeah, I'm still graduating this year from the University of East London, and I started doing research in this area of crypto gambling 2021. That was part of a internship that I was awarded. And I ended up really finding incredibly interesting and important work. So I stayed on it longer than I was expected to, and I've been working with Phillip since. And the plan is to continue to expand this area. Because like he said, there isn't a lot yet, and it's it's important, bits important work. And just by that one paper, there was a lot of interest, we were able to present the paper to a number of in a number of places and international conferences and conferences here in the UK as well. And you can see that people want to know more. Because you don't see a lot about crypto gambling in the in the mainstream mainstream media want, your reports are one of the very few that you can find. And the reason why I got interested in gambling is actually quite interesting. Because I grew up in Brazil, where gambling is mostly illegal. It has been for many, many years. And I didn't I didn't grow, I didn't grow up with the experience of like seeing gambling ads on TV, for example. And when I moved to the UK was quite a culture shock, because I remember actually making the comment. While there is a lot of gambling on TV, isn't it? I

wasn't used to seeing that. But the funny thing is that once I got into university and started learning about gambling disorder, I realized something that in my family a very close relative clearly experienced compulsive gambling for many years. Likely a gambling disorder. But because gambling is quite a taboo subject in my country. And it's often often associated with illegality, because people do it, you know, behind the scenes it was never talked about. So I got really interested in trying to understand how these people can be helped and understood better, especially in my country where gambling is being reintroduced. Now we have sports betting since 2018. But very little research, and one clinic for gambling disorder for 200 million population. And when I started doing the work with Phillip on crypto gambling, I think the main thing that stuck with me is the lack of understanding of how widespread it is right now, especially amongst young people. And I really saw that there is very important work to be done that so I'm really, really excited to start looking at this more so we can paint like a more clear picture of what is going on because there isn't much right now.

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MR: Absolutely. And well thanks for that. That's that's very interesting, and I can relate to that. I had a close family member who was a serious gambler and a problematic gambler, shall we say. And again, in and out of Romania. And in that country, there is not much support, not much research. And, you know, the world of crime and the world of gambling tend to tend to be close to each other. So there is that. And actually, I saw that Philip played a bit of poker, I did a bit of a bit of desk based research into him and I just wanted to ask, you know, first of all, how, how he's finding poker these days, and whether he's a fan of Edward Norton, because I'm crazy about Edward Norton's films, and especially about that one film about poker, called Rounders. And maybe Philip can explain whether whether that film is a good illustration of the world of poker first.

PN: Yeah, thank you. Thank you about some good, good digging up. He's done with my history. So yeah, I suppose that's what I was referring to when I said that. I've been involved in the world of online gambling for longer than my research career. So I got very involved in online poker, sort of roughly around when that all started exploding, which I'd say is around 2003. Basically, what happened is, in 2003, you'd had like these online poker sites just starting up, and this accountant from Tennessee, sort of went to see at the World Series of Poker in Las Vegas, which is a \$10,000 buy-in tournament, he won it from this small tournament online, or he put in \$80, or something. And basically, he ended up beating all of the pros in that tournament and coming home first and winning about two and a half million dollars. And his name happened to be Chris moneymaker, which is just really the perfect name for like a complete amateur to have, and then win millions of dollars being the pros. And so that was also the time. Roundabout then when poker was first being televised. So 2003 World Series of Poker was shown on television. So you know, the whole world got to see this. And online poker really had this huge boom, starting then in 2003. A lot of recreational players got interested in it. And then I suppose there were also quite a few geekier people such as me, who sort of saw this as a potential way to you know, live the dream, making money playing poker, just from home. In terms of films, you know, there have been a lot of films, I've got to say, Yeah, Rounders is really one of the best. It's, I think it came out shortly before online poker was a thing. And that's probably a good thing. Because in person poker is just a lot more sort of either glamorous or gritty, or just generally interesting than online poker. You know, online poker is, I guess, a lot of young people sitting at home, clicking buttons behind their computer, waiting for the computer to beep at them. And, you know, it's, it's what we, what we say, in

poker is we say that playing it professionally, it's a, it's a very hard way to make an easy living. You know, it's something that seems very glamorous, but actually, it involves an absolutely huge, huge amount of work, to be able to make any money from it at all. And then, in general, if you were going to make money from playing poker online, the early 2000s would definitely be the best time to do it. That was when recreational players were as sort of maximally interested in it. There's a lot less interest from recreational players these days. And obviously, we're 20 years on and the professionals, the people who do want to study the game and try and make money from it, they've just got so many more tools, it's, it's become so much more sophisticated in the last 20 years compared to where it started off. So I think, you know, for example, to play poker at the very highest level nowadays, you know, what you really need is a lot of assistance from artificial intelligence based tools. So a lot of people are aware that you know, in other games like Chess and Go, that computers nowadays are far better than the best professional players. But I think something that people are less aware of exactly the same is true in poker. And so a lot of top professional playing poker nowadays, since Rounders has been is, you know, staring at a computer screen, looking at what like the computer's output is saying would be a good way of playing and trying to approximate that as well as you can. I hear that, you know, there's there's been rumors around as to [a sequel] being in the works for some time. A lot of poker players would love to see that because you know that that film has, you know, did have such a good depiction of poker, but we'll see. I mean, a lot of other poker films just have the most real, unrealistic things happening. So for example, the James Bond film Casino Royale, you know, I think in the main hand, there was something like a royal flush, beating four of a kind or something like, you know, just this ridiculous setup where two players have unbelievably good hands, you don't really see that. In poker, like that's not very, very realistic thing. There was another film that came out a few years ago called Molly's game, that was also quite realistic, it had a really nice depiction of what poker players called tilt. So tilt is when a player who who might be otherwise good, who might be otherwise profitable, sort of gets unlucky and loses a bit of money. And this loss sort of gets them emotionally in they start playing just far crazier plays that they wouldn't normally and this sort of craziness leads to a cycle of more of them losing more money and going on further tilting, sort of losing losing it psychologically to an even greater degree.

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MR: No, it's very interesting. And Maira, how about yourself? Do you play any games poker, anything else?

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MA: Not at all. Again, like I said, because I wasn't exposed to a lot of gambling. Growing up. There was just one funny situation that I can remember. I think I told this story before. For some reason, when I was around 13, living in Brazil, I was able to buy a scratch card with a friend of mine from school. And straightaway, I want like, pen rise, which is about two quid and I was so excited I spent all of it trying to win the maximum price, which was about 100 pounds back then. I think I learned my lesson and because I never gambled again. I've never been inside a casino to when I started working on gambling, it was quite a learning curve to understand how gambling works especially here in the UK, the products that people will use the most even understanding odds when it comes to sports betting. So it was quite a fascinating experience to to learn about how everything works. And when it comes to movies, I grew up watching Hollywood movies so the whole idea that I had about gambling and because in casinos is like Phillip said, a very glamorous and you have to be very intelligent to be able to play poker well, and I

can't do math to save my life. So I never even attempted to to try and learn poker, but I do enjoy movies that like that I find them quite entertaining. I'm not sure I ever believed it is actually like that. But it has been quite an interesting experience to to do gambling research and basically start from from scratch from zero experience with gambling.

MR: Yeah, I have to say I'm the same, and my my experience of poker comes mostly from films rather than real life. I know the rules, but I never really got into it either. And so back to the serious stuff. Now, actually, this this article of yours came out on the website called the Conversation. And it was slightly critical of the government white paper, because it seems to me that the government took advantage of the fact that crypto gambling is supposed to be technically illegal to basically not address any aspect of it in this white paper. Now, how do you see that and could you summarize the article a little bit for us, please. Myra, why don't you start?

MA: Thank you. Yeah, sure. Yeah, I mean, if there is nothing related to crypto gambling, which in a way is unsafe, it's understandable because it was supposed to come out two years ago, right. And crypto gambling wasn't good. what it is today? I don't know, if there was even any effort to look into it as the White Paper kept being delayed. That is probably related to the fact that there isn't enough research yet. But like we say in the article being so hyper focused on making sure there is this mound of evidence, when there are indications that that could be issues, especially when you look at the amount of money that has been invested by these companies in marketing, and online advertisements, like I said before, especially with streamers, Drake, for example, allegedly, I don't know, if it has been confirmed, but around 100 million a year, I believe. One top streamer, they used to stream on Twitch. But he said to himself, that he got paid \$360 million to play for RAM for only 16 months. Obviously, Stake is not doing that out of the kindness of their heart. There is return there. So I think there should have been enough for them to at least consider what could have been, what could be done at least as an initial step. But it wasn't. There was nothing there.

21:40

MR: Philip, how about yourself? What do you think?

PN: Um, yeah, thanks. Like I, I think, you know, maybe gets this a little bit later. Like, I think there were a lot of good things in the white paper. There were a lot of areas where, you know, they have sort of announced some really progressive things compared to the current status quo. That I think a lot of people are frustrated by the Yeah, the whole crypto gambling thing is something that we note in the conversation article, which didn't appear at all. And, you know, a big part of this is just the sort of slowness of the government process, I guess, compared to the speed with which the gambling industry continues to evolve. So the government's white paper is called high stakes, gambling regulation for a digital age. And basically, what they're referring to, it's a reference to the last time the government did anything substantial about gambling regulation, which was the gambling act 2005, which was enforced in 2007. So basically, the last time we had gambling legislation in the UK was before us, before the smartphone was invented. The you know, the first smartphone was the iPhone, which came, I think, the year after that.

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And basically, you know, in the UK, you know, that's why we have just sort of such a lacks approach to gambling because, you know, in the mid 2000s, the government was like, right, you know, let's, let's let the free market work, let's just allow gambling to occur much more freely compared to when it was. That was when, you know, they sort of implemented widespread gambling advertising for the first time. Prior to that, you know, a lot of people's only experience of gambling would be bookies on the high street, which before then had to have windows that you can see through, whereas after the gambling Act came in, you know, that's when you start to have gambling advertising on TV, and, you know, the bookies can start putting sort of attractive posters in their windows for the first time. But basically, what we say in the conversation is that the government in their current White Paper, the current things they're doing, they're basically looking at the online gambling industry as it appeared, sort of two years ago, you know, that's when stakeholders, academics, and charities and everyone, that's when they submitted their evidence for the current government white paper, right. And when that evidence was submitted, crypto gambling, you know, really wasn't a big thing. It's sort of happened since then. So I'd say the government is doing a really good job on regulating online gambling, as it appeared to them two years ago, right, and all of the, you know, perfect evidence that they wanted to sort of make decisions like the evidence that was submitted then like they've done a really good job on but it's, it's changed since then. And crypto gambling is a really good example of that? And I mean, I don't. Yeah, I don't want to criticize them too much. Because, I mean, basically what I would say is one of the really tough things with gambling is it's something very complicated, right? Most people don't understand it. Well, and, you know, I've had conversations with various policymakers, you know, sort of a bit similar to what Maurice? That's right. So like, these are, you know, not just random people, but sort of policymakers who, you know, meant to be influencing how new regulations being introduced for gambling. I've had, for example, one of these people come up to me and say, Oh, can you explain odds to me? I don't know how odds work. Right. And that's, that's a crucial part of gambling, I guess. It's just so, so complicated. And, you know, I think we've Maya and I have had a lot of frustration with this particular piece of work, because you know, the findings of the research, you know, if someone probably understands them, of the crypto gambling research, really shocking. You know, we'll get to this a bit later. But the consumer protection is really, really weak. And it's, it's far too easy for people to buy crypto and start gambling on these sites. But there's just so much complicated stuff that has to be explained for policymakers to understand and it's, it is just really hard for them to keep up with such a complicated and fast changing world.

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MR: Right, well, I suppose that has a lot in common with with the financial sector, because there tends to be a lot of very complicated and risky finance going around that regulators don't really don't really understand until much later. But Maira, can I get you to talk a little bit about what you found in the government white paper that you thought was good. And you know, what the government can build on for maybe reforms that might hopefully not take another generation?

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MA: I agree with with Philip that I wouldn't criticize them too much. I think there are some really good changes. But I am trying to be cautious because there are still consultations coming we're going to have to wait and see. I would I would definitely say that I probably expected a little bit more when it comes to advertisements, even though football is now saying they will ban it, that they're still lives quite

a lot. Options, right? Not only for crypto gambling, but for advertisements. And I'm not sure there was a consideration of very innovative ways that that you can advertise today online, that might be even more effective than football shirts. Right. So that is one thing that I would point out, but other than that, it's it has been welcomed and the changes that have been made. But I think everyone right now are holding their breath a little bit just hoping that it will stay as close to what has been presented by now as possible.

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MR: Right, and Philip, what, what were the top things that were good and, and sort of will come for you in this white paper? And where should they go? Next thing?

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PN: Sure. So from my perspective, three main changes. So the first one is what's called the statutory Levy. So essentially gambling research and treatment. These are funded by the proceeds of gambling. At the moment in the UK. They're mainly funded through a voluntary Levy. So the gambling operators currently donate voluntarily, they try to donate around nought point 1% of their revenue. But for some operators, it's less than that. Some of the big ones have said they're voluntarily donating 1%. But that money, however much it is, is used to fund gambling treatment and gambling research. So the statutory levy is probably going to be at a higher level once and so that's more money. And then the also, the really important thing is that that money is being forced. So the gambling industry won't be giving the money voluntarily anymore. They will have to give the money and then the money that they give is going to be independently administered. Because there's been a lot of problems. So, mainly in gambling research where, you know, these funds are sort of given to researchers voluntarily, right. And so the gambling industry can decide what who, with which researchers they're going to fund, and also which topics that they're going to fund those researchers to look at. So historically, they've tend to fund topics which are looking at sort of individual level explanations for gambling disorder, you know, the gambling industry, they really like this sort of neuroscientific research into, you know, the brains of gambling of disordered gamblers, right, because this is something that distract distracts attention from other drivers of gambling related harm. One, one of which, which features in the white paper is basically the sort of what we call it a gambling research the structural characteristics of gambling. So this is just the way that gambling products are designed nowadays is actually another thing that can really drive disorder, gambling, and gambling related harm. We sort of we know most about this in terms of electronic gambling machines. So for example, the FOP tees in bookmakers, which the government impose a maximum bet of two pounds on back in 2019. Electronic gambling machines are so harmful, because basically, you can bet a lot of money in a short space of time. And after one bet has been realized, you can then make another bet. And these sort of this, this allows for sort of sick highs, high high speed sequences of gambling where people ended up losing a lot more money than they want in a short space of time. But the structural characteristics of gambling, you know, it's also very relevant to online gambling, you know, you can get, you know, roulette gains on your mobile phone, which is just as fast. As you know, that's an electronic gambling machine. And also, there's, you know, you don't have the bet limits in online casino games that you do now in FOB tees in bookmakers shops. So there's a number of things that the government is sort of announcing that it's going to do in terms of online gambling product design. One of the things that they talk about the most is imposing a corresponding state limit for online slots, which are which are like the online casino game, that's the

closest to electronic gambling machines, in bookies. I'm hoping that there are some other sort of changes that they're going to do. In terms of online games more broadly. I've got some research looking at, for example, the speed of play in sports betting. So you know, nowadays, you can bet very quickly on a football match, as well. And I think slowing down that that pace with which you can bet in online gambling would be beneficial. And then the third main thing in the white paper that really struck me was the they're gonna do some things about safer gambling messaging. So I think almost anyone who's seen a gambling advert would have seen one of these messages they have at the bottom. So for a long time, these messages have been sort of designed and controlled by the gambling industry. And basically, when they control the safer gambling messages, which are trying to warn people about gambling, you know, what do they do? Well, of course, they come up with messages that are very anodyne that don't actually really strike home that hard. So for a long time, the main message used was when the fun stops, stop. And in the main version of that message, they have the word fun, in much larger font size than any other words in the message. And this message, for example, sometimes it's flashed very quickly, at the end of gambling adverts on TV, and a lot of people have told me that when this is done, basically all they see from the safer gambling message is the word fun. Like that's the thing that really, that you really notice from that. I've done the only independent evaluation of that message. And what that research showed is that saying when the fun stops, stop, if that has any effect on on gambling at all, it's actually to nudge people to gamble slightly more than if you didn't say anything at all. So since since that research came out with gambling industry is switched to another message, which is called take time to think. So now on gambling adverts, they say take time to think. And that's something that's a message that sounds a little better, you know, like, at least they're not saying gambling is fun. But I've done some other research evaluating that message as well. And basically what we did is we sort of gave people an online roulette game that they could play with. And we either showed them the message take time to think or not. And one of the outcome variables that we looked at was their speed of play, how fast they, they played on the online roulette game. And funnily enough, telling people take time to think it actually didn't work it, you know, there was no reduction in the speed of play, they didn't play any slower at all, when we told them that message. And when we gave them no message at all. So I was really glad to see that. Basically, what they're going to do is they're going to take control of safer gambling, message design and implementation away from the gambling industry. So now, the gambling messages are going to be a bit closer to what you see in tobacco. So the gambling messages are going to be independently designed, and there's going to be a range of messages. And the gambling industry will be forced to sort of cycle between these messages. And that's actually the approach that Australia has implemented from March of this year. So in Australia, the message always used to be gamble responsibly. But now they've got a suite of about eight messages, I think, and that there were a little bit harder hitting, you know, they've got things like, chances are, you're about to lose, things like that. And that's definitely a step in the right direction in terms of, you know, getting a bit more public awareness around the harms of gambling. There's a lot more in the white paper, it's, you know, hundreds of pages long. But those were the three things that I'm happiest about for sure.

MR: All right. Well, that's, that's very good. And also, because I'm sure a lot of people won't have time to read the white paper. So I'd like them to hear it from you, from the experts. Now why? The reason why I got into this in the first place was because I track financial crime, I write about it. And, you know, over the years, there were a lot of instances of, you know, gangs and stuff like that using casinos and

bookies to launder money. And then it turned out that the same was happening online. And with the article we did, we found that the crypto casinos out there can be an off ramp between real money you know, dollars and euros and pounds and you know, government money, and the crypto industry with very few questions asked. So I opened one account with the company, I put some crypto on the account, I didn't gamble at all, and then I drove it back at the other end. And you know, there were no questions about it. Where did they get the money, nothing like that. Of course, it was a small amount, but you do have to wonder, and also I used the account with the crypto account with the company to send money to a crypto wallet that had nothing to do with gambling. It was actually my friend who owns the wallet in another country. He lives in he lives in continental Europe and again, no questions. So that to me was the moment where I realized this, this this needs to be looked into quite carefully. And I just wondered in your research and this is how we get into the into the the academic paper you wrote, In your research what what aspects of it concerned financial crime, guarding against money laundering and fraud and stuff like that?

MA: Yeah, I mean, actually what you just said, when it comes to money laundering is one of the main reasons the Gambling Commission has an outright said, you cannot apply to accept cryptocurrencies as payment methods, but it's very unlikely that it will be approved because of the anonymity of cryptocurrencies you're not able to accurately assess the source of the funding, you're not able to say where the money is coming from or where it's going. So it's cryptocurrencies are well known for being quite closely associated with online crime in in different ways. Crypto gambling is just one of them. And one of the reasons that it's you can't there is no regulated casino online casino accepting cryptocurrencies. They tried for a while, but it didn't I don't think it worked out they were trying to use third parties, but it didn't last very long. In in, in another way that you see cryptocurrencies being closely related to crime is with investments. And I think that's the biggest ones, right? We just saw what happened with the, with the with the exchange, and Binance lost about 500 and \$500 million in in just in hacking. Even the FCA has released figures when it comes to the number of people that that report to them they have been scammed by by cryptocurrency companies, they're trying to mitigate that now by registering, registering some of these companies, it seems like there is a lot of delay and people are not being able to go through the process very easily. Which is it's not a very good start for this robot UK wants to go down when it comes to regulating cryptocurrencies, but it's at least one step forward, because right now, people are not even protected against these kinds of frauds. So it's very difficult to separate cryptocurrency from from crime because it's almost part and parcel of the, the ideological goal of how cryptocurrency started, right is decentralize the financial system and allow the users to be anonymous, it's it's part of the whole idea. And right now, it's not very clear which direction cryptocurrency backers are going to take when it comes to accepting that they're going to have to compromise in order to become regulated. Or if they're just gonna say, that's not what if you're just gonna turn cryptocurrency in what we have right now, then we don't want it. So it's it's hard to see how it's gonna end up. But as it is right now, it's understandable why you can't really regulate crypto and gambling or it's very difficult to regulate crypto when it comes to investments. It all comes down to the fact that it's anonymous. So it's very difficult. It's a structural structural problem in the end, yes.

MR: Phillip, anything to add to that? And if not, let's just dive into the paper itself and the main findings. And you know, how I would like if it's possible, of course, I would like you to talk a little bit about how the investigation went, because you did you did the research yourself, you signed up to these websites,

you recorded the interactions you had, and you know where the problems arose and stuff like that. And that's just that's just, you know, gumshoe good old fashioned investigative work, which I love to hear about.

MA: Yes, that was my, that was quite a ride. I have to say, we've learned so much by just doing that by just signing up again and again, to 40 different websites. Just finding the wide the websites we were gonna put in the sample was already quite a challenge because we wanted to be able to look at the most frequently visited one. So the most, which we used as a measure one measure of popularity. And because this crypto world you always have you always have to take everything with a grain of salt, everything you see is not exactly what it is. We we quickly realized that the even the traffic measures using the independent website were skewed quite heavily because there is a lot of pay per click and and these kinds of advertisements that really skewed the popularity of the website. So we had to try and find find ways to really understand which ones were the popular ones where people were actually visiting, looking at time spent in the website, etc. And once we had a good sample size, signing up to all of them, really showed how easy it is starting with the fact that it was almost half in half. Half of the sample, even though you're not really supposed to be using any crypto gambling website, we could access from the UK, just directly, no problem whatsoever. And with the other half, all we needed was a VPN. I kept putting myself in the position of someone that is very younger, 1617 year old, who's just curious, you know, all they have to do is don't go go and put, how do I access state.com from the UK, there are hundreds of how to pages explaining how to use a VPN and the best VPN, etc. So about half of the sample, we could access this way. And it was very easy. All the information we used was fictitious, the emails, names, phone numbers, you can generate phone numbers today online, you can go on Google Maps and get random addresses, it's really, really easy. And you know, kids this day they're born with with a tablet on their head, then they will be very good at this, it will be very easy. No verification whatsoever. And I think the most one of the most surprising things was the fact that almost all of them over 95% of them allowed for you to just request a crypto wallet address, no age verification, absolutely nothing, you didn't even have to prove that you actually looked at the address that you said you did. So it was quite a quite shocking to find these things. Another quite shocking finding was the fact that we were able to register as a 17 year old in two of the websites, which is really absurd. Because it's, you know, the website, he has an algorithm, it should immediately flag, you know, this is a 17 year old. But not even that kind of precaution was taken in these two situations. So it was quite, it was a lot of work. And I'm really glad that we pre registered this study, and we made all the videos available. So you can actually see. While we're looking at it, each page that we went through, because it was very, very thorough work. And I think that's why people were quite interested in looking at it because we try to be as thorough as possible.

47:48

MR: Right. And, Philip, anything to add to that. And on top of that, please. Also, I'd like you to talk about the customer protection aspect, which which you mentioned.

47:59

PN: There's multiple failures on that side of things, right. Yeah, sure. Yeah, it was just really wild. This this research. So myRA is the person who visited all the websites, recorded all the data, she really did an absolutely amazing job collecting data from such a large sample of 40 websites. But I know from my

own personal history of sort of doing this very systematic research of coding so many different features of, you know, a given subject of interest, in this case, the crypto gambling websites, I know how much work it is. So it's, it's really great that she did such a good job and is continuing in her research going forwards. So yeah, I guess like going back to the government, white paper and the sort of, you know, gambling sites that they regulate the Gambling Commission, right, they've got certain licensing conditions with which, you know, there are certain safety procedures that online gambling websites have to have to get a to get a license from the Gambling Commission. And basically, yeah, so like, the crypto side of all of these websites, you know, isn't regulated by the Gambling Commission. So essentially, no matter what, you know, steps the implementation of the white paper ends up having in terms of safer you know, making online gambling products safer like these structural characteristics I mentioned earlier, is going to have absolutely no effect on these crypto gambling operators. And, yeah, we just we found a lot of really shocking stuff, like going back to the sort of safer gambling messaging. You know, like I said, there were issues with when the fun stops and take time to think. But you know, when a crypto gambling website did have a safer gambling message, it was often, you know, something that was even less good. You know, oftentimes the putting in there, sometimes not so subtle suggestions that gambling is a good way to make money. You know, there's, there's one very good example that Maira put in the paper, which is like along the lines of, yes, gambling, you know, might be something that can provide enormous wealth for you. But it's also something that can be harmful. And you should really consider those potential harms when you're gambling on our website. Another really good one that we had in there was sort of interactions with customer support. So basically, you know, there's, there's always someone that you can speak to, on these websites, whether it's a crypto gambling website, or a regulate a Gambling Commission regulated website. And basically, with Gambling Commission regulated websites, right, like, they're not supposed to take bets from people who are vulnerable people who are showing clear and obvious signs of gambling disorder. And, you know, they're not always perfect at that, but they're at least try to do a decent job with a try sometimes do a decent job. Obviously, the Gambling Commission ends up finding quite quite a few of the regulated operators as well. But we found in the research, the interactions with customer support, were really, really bad. I think there was one example where the customer support agent was like, like, Have you considered therapy? Like maybe you should go to therapy? That might be a good idea for you, Maira, what were some of the other examples that you remember?

MA: There was another one, I think the one the most interesting one was a, the response was just a how to gamble on the website. So like, tutorial.

MR: now, just you know, to fill the fill the space, It's worth mentioning for anyone who who doesn't find this quite obvious that gambling with crypto is actually gambling to the power of two because owning crypto is already a gamble, right? It's the value of crypto just goes up and down so much that you know, it's a major risk, it's no way to store value. And this has been proven time and again, with with major studies major interventions from from central bankers and experts. And so when you gamble with crypto, even if you win new crypto, that doesn't mean the value of what you put in is going to be the same. So you might still lose money even if you're winning. Right.

MA: there in my recent was quite clear that the person was struggling this user was struggling with with impaired control. And so we got the one about contacted therapist immediately, was all they said, the

other one just put the entire responsibility on this user by saying oh, you should take steps to block your own credit cards and your own bank cards. Even though it's I could still use cryptocurrency if I wanted to. It was a crypto website. They accepted cryptocurrencies. And another one was this one that they just sent a tutorial of how to gamble on the website. So I think the main thing that was quite interesting to see was the how inundated the inbox was by gambling advertisement, even from the websites that said, Oh, we understand that you are struggling right now. So will block your account or will delete your account. And yet they continue to send sometimes two or three emails per day. And when that was compared to a previous study that was also done, but with traditional gambling operators in the UK and in Ireland as well. It was quite different the percentage of operators that continue to send emails after that content. So it's in every way possible. It was worse when it comes to safer gambling practices and consumer protection and like Philip says. There is nothing in the white paper that we'll be able to tackle this yet, at least yet. I hope it doesn't take another, you know, 10 years? Or how long it is for, for this to get some attention? Because it does right now the reality is, if we continue to only worry about what is regulated, a lot will fall through the for the sides, you know, it's the internet is here to stay crypto gambling, I think it's clear to see it's here to stay and more will have to be done when it comes to protecting people, especially young people and vulnerable people.

55:44

PN: Yeah, the sorry, another point that I'd like to add those around the self exclusions. So if you're a disordered gambler, in the UK, you can self exclude from online gambling websites. So you can basically, there's a single service that you sign up to, and that basically prevents you from being able to gamble online with any of the regulated big operators. And it wasn't as it wasn't so much a part of this current research. But it's something that Mayra discovered in a sort of broader look at this area in the, we see examples of the sort of gamblers on social media who talk about, you know, they self excluded from all the main gambling operators, but they know that these crypto gambling operators will will take their bets anyway. Right. And so, you know, there were very quite a few messages on, for example, Reddit of people saying, like, please, please, like, I really need help, like I have sophisticated from the main operators. But I know the, you know, I can just get on Stake within a few minutes and be able to gamble again. And I've actually relapsed really quite badly, because I know that this crypto gambling is available any anytime the thought comes into my head. So, you know, that's definitely something that, you know, wasn't in our first paper that we looked at. But, you know, just the more and more time you spend looking at this area, the more and more worrying signs you see.

57:30

MR: Right? Well, that's interesting. And I'm going to post the link to the full paper for people to read properly if they're interested. And I suppose because it's just coming up to an hour now, can I ask you both about your plans for the future? And whether you, you know, whether you're going to follow up this research with more investigations, and are you going to stay on on this topic? And, you know, just just what what you're preparing next? Thank you.

58:01

MA: Yes, definitely the plan is to stay in this topic, there is a lot to be done. And from September, I'm starting my PhD at the University of Bristol's, I'm gonna work with Phillip as my supervisor, and we're going to focus on mainly crypto gambling, but overall, how emerging technologies are coming together

with with gambling. And I think the interesting part, as well as that we're going to look at both Brazil and the UK. So both countries are at very different stages, when it comes to not just gambling, but online gambling, crypto gambling, so it should reveal quite a lot of interesting differences in terms of culture and exposure to gambling. So yes, definitely, we want to be able to bring as much as possible to the literature in a way that when you know policymakers are at least when they feel they're ready to look at this and there is enough, at least there will be enough evidence for them to look at and that's how we want to contribute.

59:26

PN: Yeah, I, I, I'm really looking forward to working with Maira on those topics. I find what we're doing now. Really interesting as well. Like, I think it's really good to you know, not just write up your findings in journals, but communicate them as well. And I suppose that's one of the really frustrating thing as aspects of of the current research that we're talking about. Because, you know, the findings are very clear, very shocking. And I think when we started off, we thought it would be a sort of very trivial issue to sort of raise wider awareness of. But I think that the issue that we've had with that is just how complicated the area is, you know, online gambling is complicated enough as it is. But um, when you add in crypto, you know, things like virtual private networks, VPNs, all that kind of stuff. It makes it a lot harder for people who are who are, you know, not not so deeply in this space to understand. So that's a that's one reason why, you know, I really like your investigative reporting on this same topic, and I very much hope that's something that you can continue to do more in future. For me in terms of research. Yeah, look, I'm just gonna carry on doing as much research as I can into gambling. I think, you know, like, like this come up in this interview. You know, there are issues in the regulated online gambling space as well. You know, it's definitely not perfect, that still, it seems to be somewhat safer than crypto gambling. But I think that, you know, we should really try and raise standards as much as we can across the board. You know, sometimes the UK gambling industry has a bit of a disingenuous rhetoric, right. So, you know, they say that you can't regulate conventional gambling operators too hard, or else people will switch to black market operators, of which some of these crypto gambling operators are. But I don't I don't buy that. For me personally. I think one of the issues is that is harmful was crypto gambling is is that, you know, conventional online gambling is harmful as well. And there's a lot a lot more people in, you know, gambling online, currently with, you know, about 365 dot com, other commercial operators that than the crypto gambling space. So, yeah, I guess it's kind of what I was alluding to earlier on. Gambling just keeps evolving so quickly. And as a researcher, yeah, I just enjoy doing my best to keep up to date with with all of these developments.

1:02:49

MR: Right. Well, it sounds like we're gonna have plenty of reason to stay in contact. And I wish you all the best of luck. Yeah, I suppose it's a double entendre this time. Luck with the gambling and, you know, thanks again for taking the time. Keep, keep fighting and keep up the good work. Thank you very much.

MA: Thank you so much for inviting us, it's been a pleasure.