



State-owned gambling operation in a global competitive environment

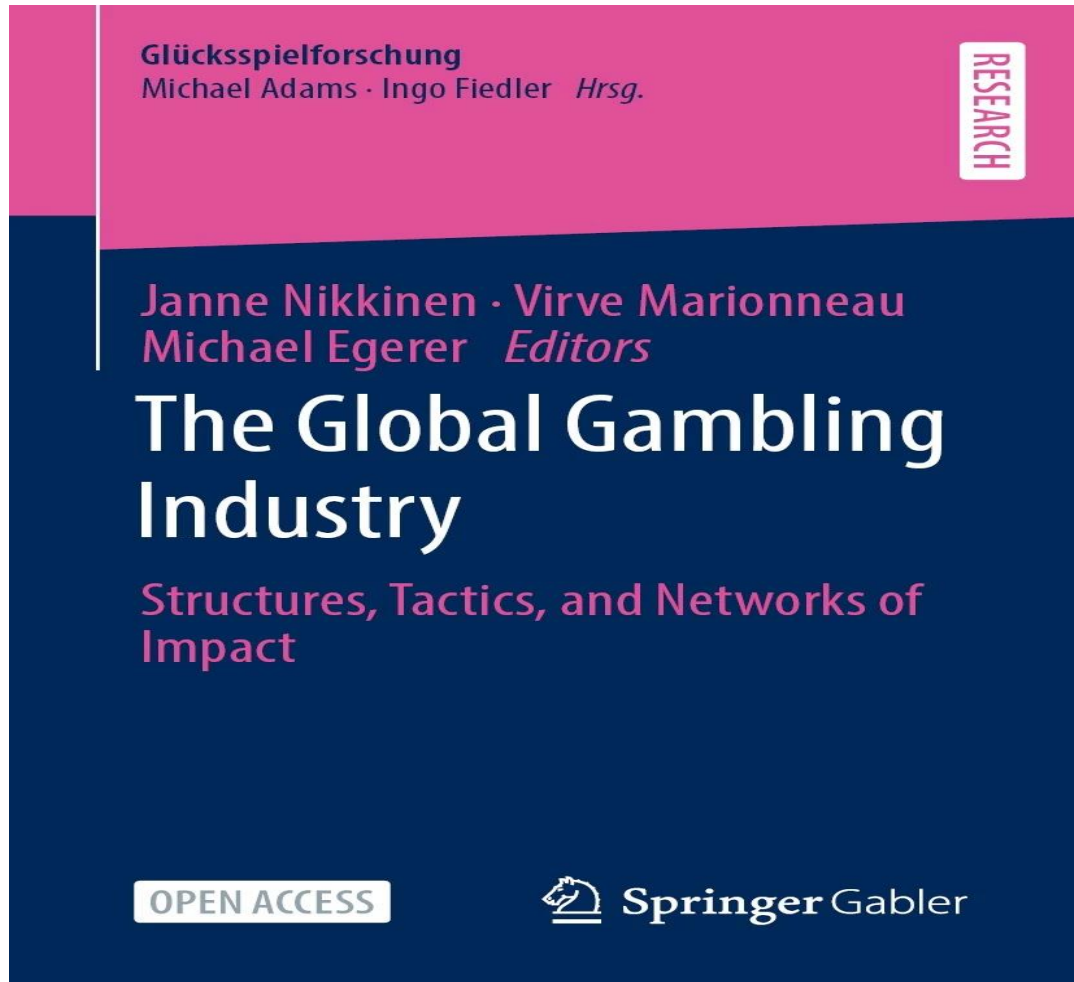
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The chapter, conflict of interest and funding



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Introduction

- Online gambling is a very lucrative form of business (Banks, 2014, 2017)
- The liberalization of gambling regulation, the commodification of gambling products and services, and the growth of unlicensed online gambling have contributed to the expansion of the online gambling industry (Kingma, 2008; Sulkunen et al., 2019)
- By strengthening its monopolistic gambling system, Finland has chosen a very different path in comparison to other EU Member States (cf. France, Denmark, Sweden, the Netherlands)
- The purpose of this study was to examine the factors and the measures that are seen to help a state-owned gambling company to be competitive online



Data and methods

- Data: 17 thematic interviews were conducted among Veikkaus' representatives and public servants employed in different Finnish ministries (winter 2018- spring 2019)
- Method: Qualitative content analysis (Graneheim & Lundman, 2004)
- Ethics: Each interviewee was invited personally to participate in the study by e-mail or by phone. The interviewees had the right to decline their participation in the study at any time. The data was anonymized.



Theoretical background of the analysis

- To understand the nature of the competition online that opposes and unites different parties, I have applied Belgian political theorist Chantal Mouffe's (2005) thoughts on '**antagonism**' and '**agonism**' in my analysis
- Agonism can be defined as a 'different mode of manifestation of antagonism', because it involves a relationship between 'adversaries', which can be seen as 'friendly enemies' as they share a 'common symbolic space', but they may also want to organize this space in their own way (Mouffe 2000, 13).
- The theoretical dichotomy between antagonism and agonism can help us understand the **power relations** and **political positions** that may emerge from a qualitative interview data



Results

- Veikkaus' representatives depicted the online gambling market as a vast digital environment with **antagonistic** forces
- Veikkaus' relationship with regulators and public servants was more or less **agonistic** as they have conflicting points of view on the operational development of the state-owned gambling company
- The channeling process was mostly accepted and understood by the interviewees, however a few public servants called for a better and clearer definition of the process and its relation to the collection of gambling proceeds

- The topic of preventing gambling abroad seemed to generate less discord among the representatives of Veikkaus and the public servants than the topic of online gambling operation
- *“What we know about neighboring states [Sweden and Denmark] and elsewhere is that when their ability to channel gambling has weakened, it is eventually not a happy result for anyone. The [domestic] gambling companies have withered, and they have not been able to remain internationally competitive. This has led to the contraction of domestic companies and to transferring the license proceeds to the state budget.” (PS18).*



Conclusions

- Three parties (representatives of Veikkaus, regulators, and public servants preventing gambling harms) share a legislative background and a gambling-related ‘common symbolic space’
- They pursue different goals, which are a) developing the monopolistic regime more competitive and b) putting prevention before gambling proceeds
- In September 2022, Veikkaus declared that it was ready to abandon its online monopoly – But is the Finnish state ready to create a license system?
- Next step: a new qualitative study among representatives of international online gambling companies and professional gamblers

THANK YOU!

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