

Lotto

A lottery is a form of gambling which involves the drawing of lots for a prize. Lotteries are outlawed by some governments, while others endorse it to the extent of organizing a national or state lottery. It is common to find some degree of regulation of lottery by governments. Though lotteries were common in the United States and some other countries during the 19th century, by the beginning of the 20th century, most forms of gambling, including lotteries and sweepstakes, were illegal in the U.S. and most of Europe, as well as many other countries. This remained so until well after World War II. In the 1960s casinos and lotteries began to re-appear throughout the world as a means for governments to raise revenue without raising taxes.

Lotteries come in many formats. For example, the prize can be a fixed amount of cash or goods. In this format there is risk to the organizer if insufficient tickets are sold. More commonly the prize fund will be a fixed percentage of the receipts. A popular form of this is the "50–50" draw where the organizers promise that the prize will be 50% of the revenue. Many recent lotteries allow purchasers to select the numbers on the lottery ticket, resulting in the possibility of multiple winners.

The purchase of lottery tickets cannot be accounted for simply by the expectation of gaining more money. But, they can be explained by decision models based on such gain, plus the thrill and indulging in a fantasy of becoming wealthy. In such a case, the possibility of a monetary loss could be outweighed by the combined expected winnings and other gains, thus making the purchase a rational decision for that individual. *[In other words, not all people buy lottery tickets just for the hoped for winnings!]*

The first recorded signs of a lottery are keno slips from the Chinese Han Dynasty, 205 -187 BC. These are believed to have helped to finance government projects like the Great Wall of China. The *Iliad* of Homer refers to lots being placed into Agamemnon's helmet to determine who would fight Hector.

The first known European lotteries were held during the Roman Empire, mainly as an amusement at dinner parties. Each guest would receive a ticket, and prizes would often consist of fancy items such as dinnerware. This type of lottery, however, was no more than the distribution of gifts by wealthy noblemen. The earliest records of a lottery offering tickets for sale was by Augustus Caesar. The funds were for repairs in the City of Rome, and the winners were given prizes in the form of articles of unequal value.

Lotteries are operated at the state level in the U.S.; 44 states and 3 territories operate state lotteries, and nearly all of them are members of consortiums that operate regional games, and the two near-national games Mega Millions and Powerball. In January 2016, Powerball set a record for the largest lottery jackpot in U.S. history, with its January 13, 2016 draw having an estimated jackpot of US\$1.5 billion.

Lotteries, like any form of gambling, are susceptible to fraud, despite the high degree of scrutiny claimed by the organizers. Numerous lottery scams exist.

[<https://en.wikipedia.org/wiki/Lottery>]

