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For almost 30 years, compulsive gamblers have gathered weekly in the basement of the Church of the Good Shepherd in Manhattan. In the old days, most folks attending the Gamblers Anonymous meetings here were hooked on the racetrack. Gradually, sports bettors of all kinds started showing up. Then came casino gamblers. But these days, much of the talk is about stocks. At one recent meeting, 10 of the roughly 50 participants were there because of the market.

There was Adam, who told the group that after his marriage last year, it "took me just three weeks to dip into our wedding money and blow it in the stock market." His wife eventually kicked him out after a police officer showed up at their house because of bad checks he'd been writing. A day trader named Rich said he was so eager for cash to plow into the market that he persuaded the woman he'd been living with in Darien, Conn., to buy him out of his half of the house. And there was Josh, who said he almost lost his business when he "got taken to the cleaners last month in the markets." This was his first meeting.

Market mania. No one knows how many people are addicted to stock trading. Treatment programs are scattered around the country, and experts don't keep tabs on who's seeking help for what kind of gambling. But the collapse of so many once unstoppable stocks has made stories like these increasingly common, according to addiction counselors. "As the markets get more treacherous, these people begin to see that they really were gambling," says Paul Good, a San Francisco psychologist who runs a gambling recovery program and specializes in stock-market addiction.

To Good, problem gambling is a natural consequence of a roaring bull market that's lured so many naive investors. Online brokerages have touted the ease of do-it-yourself trading and have eagerly lent customers money to buy stocks. Commissions have steadily fallen, with greater discounts for customers who trade frequently. For someone prone to compulsive gambling—and an estimated 4 percent of the population is—even catching a glimpse of CNBC, with its scrolling stock ticker and nonstop financial chitchat, can be tough. "I have a TV," said a Gamblers Anonymous attendee named Chris, "but I don't let myself see the devil channel."

Compulsive traders talk about the adrenalin rush from seeing market news scroll by on the computer screen and from buying and selling with the click of a mouse. With online accounts, they say, it's that much easier to make impulse trades. "Most of these gamblers want to do it in secrecy, and the computer is the ideal setup," says Dan Gaffney, a former New Jersey stockbroker whose addiction to the market cost him his savings and his job.

Take the case of Howard, who, at 29, had watched the wonders of Wall Street with wide-eyed envy. A friend, just 25, had bought two beachfront houses on the New Jersey shore from stock scores. So in February, Howard, who spoke on the condition his last name would not be used, poured $45,000 he had borrowed from his fledging marketing company into stocks, hoping to jump-start his business.

His first trade ever: 4,000 shares of eToys, which he dumped after 10 minutes for a $4,000 profit. After that, Howard says, he sat hunched over his computer 8 a.m. to 4 p.m., cruising investment chat rooms and compulsively tapping the enter key to update stock quotes. But as the Nasdaq became unglued in mid-March, so did Howard. He frantically traded his account into oblivion. In debt and desperate, he

dialed a help line for problem gamblers. “It all happened so unbelievably fast,” he says. “I got sucked into believing.”

Not surprisingly, the brokerage industry is loath to admit that stock trading can lead to gambling problems, something that rankles people who treat gamblers. The Securities and Exchange Commission’s Web site has a link to the Connecticut Council on Problem Gambling, but the council’s executive director, Marvin Steinberg, says that only occurred after he spent a year and a half lobbying the agency. “That’s a formal acknowledgment,” Steinberg complains, “but there’s been no effort on the part of the SEC to send the message out.” (SEC Chairman Arthur Levitt, however, has publicly likened day trading to casinos.)

For some traders, the recent shakeout in the market has been enough to curb their habit. Ryan Goldstein, 24, traded full time from his Philadelphia apartment for nearly four years. In late winter, when the market was roaring, and he was making between 40 and 50 trades a day, Goldstein felt unable to stop. He even tried to start a support group—“a sort of day traders anonymous”—by reaching out to other traders on the Internet, but the response was weak.

Looking back, he’s glad the Nasdaq stumbled. “I was really stressed out,” he says. “I’d be at home with my girlfriend thinking about that last trade.” Now, Goldstein has shifted most of his money into money-market accounts. “It’s like I’m on the nicotine patch. I’m just trying to do less and less until it’s over. Fortunately, as the market went down, I lost my addiction.” Countless others, however, haven’t been so lucky.

ADDED MATERIAL

Drawing: No caption (ILLUSTRATION BY JOHN UELAND FOR USN&WR)