

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 11-K

(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934 [NO FEE REQUIRED]
For the fiscal year ended December 31, 1997

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]
For the transition period from to

Commission file number 1-10410

A. Full title of the plan and address of the plan, if different from that
of the issuer named below:

Harrah's Entertainment, Inc.
Savings and Retirement Plan

B. Name of issuer of the securities held pursuant to the plan and the
address of its principal executive office:

Harrah's Entertainment, Inc.
1023 Cherry Road
Memphis, Tennessee 38117

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Trustees of Harrah's Entertainment, Inc.
Savings and Retirement Plan:

We have audited the accompanying statements of net assets available for benefits, with fund information, of HARRAH'S ENTERTAINMENT, INC. SAVINGS AND RETIREMENT PLAN as of December 31, 1997 and 1996, and the related statements of changes in net assets available for benefits, with fund information, for each of the three years ended December 31, 1997. These financial statements and the schedules referred to below are the responsibility of the Plan Administrator. Our responsibility is to express an opinion on these financial statements and schedules based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits, with fund information, of Harrah's Entertainment, Inc. Savings and Retirement Plan as of December 31, 1997 and 1996, and the changes in its net assets available for benefits, with fund information, for each of the three years ended December 31, 1997 in conformity with generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of assets held for investment purposes as of December 31, 1997 (Exhibit I) and of reportable transactions for the year ended December 31, 1997 (Exhibit II) are presented for purposes of additional analysis and are not a required part of the basic financial statements, but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The fund information in the statements of net assets available for benefits and the statements of changes in net assets available for benefits is presented for purposes of additional analysis rather than to present the net assets available for benefits and changes in net assets available for benefits of each fund. The supplemental schedules and fund information have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

ARTHUR ANDERSEN LLP

Memphis, Tennessee,
April 17, 1998.

HARRAH'S ENTERTAINMENT, INC.
SAVINGS AND RETIREMENT PLAN
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS, WITH FUND INFORMATION
AS OF DECEMBER 31, 1997

	Fund Information						
	Participant Directed Funds						
	Company Stock Fund	Aggressive Stock Fund	S&P 500 Index Fund	Long-Term Bond Fund	Income Fund	Treasury Fund	Executive Life Fund
							(Note 5)
ASSETS							
Investments (Notes 1, 2 and 3)							
Harrah's common stock	\$120,795,432	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Mutual funds	-	27,181,908	-	7,620,196	-	22,248,346	-
Common/collective trust fund	-	-	75,016,238	-	-	-	-
Guaranteed investment contracts	-	-	-	-	-	-	7,988,711
Corporate securities	-	-	-	-	30,037	-	-
U.S. government and agency securities	-	-	-	-	39,058	-	-
Temporary investments	2,122,448	881,714	1,198,497	158,392	51,138,731	306,224	466,107
Receivables							
Due from participants (Note 1)	-	-	-	-	-	-	-
Interest and dividends	-	-	-	-	61,386	-	-
Due (to) from other funds	(450,495)	(209,556)	72,263	630,815	413,117	(483,299)	18,745
Pending trades	-	-	-	-	1,348,807	-	-
Other	-	-	-	-	-	-	78,538
Cash	847,901	352,238	478,790	63,276	853,997	122,334	-
Total assets	123,315,286	28,206,304	76,765,788	8,472,679	53,885,133	22,193,605	8,552,101
LIABILITIES							
Advances from Harrah's	-	-	-	-	-	-	(2,340,947)
Bank overdrafts	(588,125)	(244,321)	(332,101)	(43,890)	(169,708)	(84,854)	-
Accrued expenses	(100,470)	(37,777)	(59,832)	(6,660)	(38,641)	(13,904)	-
Accounts payable	(204,734)	(64,967)	(121,044)	(30,735)	(75,916)	(39,957)	(552,032)
Other	(9,716)	(452)	(611)	(80)	(311)	(158)	-
Total liabilities	(903,045)	(347,517)	(513,588)	(81,365)	(284,576)	(138,873)	(2,892,979)
NET ASSETS AVAILABLE FOR BENEFITS	\$122,412,241	\$27,858,787	\$76,252,200	\$8,391,314	\$53,600,557	\$22,054,732	\$5,659,122

	Fund Information		
	Non-Participant Directed Fund		
	ESOP Fund	Loan Fund	Total
ASSETS			
Investments (Notes 1, 2 and 3)			
Harrah's common stock	\$ 9,299,675	\$ -	\$130,095,107
Mutual funds	-	-	57,050,450
Common/collective trust fund	-	-	75,016,238
Guaranteed investment contracts	-	-	7,988,711
Corporate securities	-	-	30,037
U.S. government and agency securities	-	-	39,058
Temporary investments	-	-	56,272,113
Receivables			
Due from participants (Note 1)	-	21,453,556	21,453,556
Interest and dividends	-	-	61,386
Due (to) from other funds	8,410	-	-
Pending trades	-	-	1,348,807
Other	-	-	78,538
Cash	-	-	2,718,536
Total assets	9,308,085	21,453,556	352,152,537
LIABILITIES			
Advances from Harrah's	-	-	(2,340,947)
Bank overdrafts	-	-	(1,462,999)

Accrued expenses	-	-	(257,284)
Accounts payable	-	-	(1,089,385)
Other	-	-	(11,328)
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Total liabilities	-	-	(5,161,943)
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NET ASSETS AVAILABLE FOR BENEFITS	\$9,308,085	\$21,453,556	\$346,990,594
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The accompanying Notes to Financial Statements are an integral part of this statement.

HARRAH'S ENTERTAINMENT, INC.
SAVINGS AND RETIREMENT PLAN
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS, WITH FUND INFORMATION
AS OF DECEMBER 31, 1996

Fund Information							
Participant Directed Funds							
Company Stock Fund	Aggressive Stock Fund	S&P 500 Index Fund	Long-Term Bond Fund	Income Fund	Treasury Fund	Executive Life Fund	(Note 5)
ASSETS							
Investments (Notes 1 and 2)							
Harrah's common stock	\$135,632,128	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Mutual funds	-	17,773,235	-	8,902,563	-	17,164,516	-
Common/collective trust fund	-	-	52,537,865	-	-	-	-
Guaranteed investment contracts	-	-	-	-	-	-	7,840,674
Corporate securities	-	-	-	-	33,710,806	-	-
U.S. government and agency securities	-	-	-	-	23,225,678	-	-
Other	-	-	-	-	2,049,979	-	-
Temporary investments	2,110,694	236,466	302,150	39,411	489,352	108,380	235,544
Receivables							
Due from participants (Note 1)	-	-	-	-	-	-	-
Interest and dividends	-	-	-	-	511,449	-	-
Due (to) from other funds	495,533	934,948	548,072	(33,116)	(879,066)	(1,136,291)	151,977
Contributions	168,851	38,056	45,266	7,485	43,182	14,123	-
Other	684	-	-	-	-	-	82,203
Cash	651,044	73,014	93,296	12,169	151,099	33,465	-
Total assets	139,058,934	19,055,719	53,526,649	8,928,512	59,302,479	16,184,193	8,310,398
LIABILITIES							
Advances from Harrah's	-	-	-	-	-	-	(2,340,947)
Bank overdrafts	(1,518,147)	(170,260)	(217,554)	(28,377)	(352,343)	(78,036)	-
Accrued expenses	(199,960)	(52,718)	(61,572)	(10,653)	(60,393)	(18,514)	-
Accounts payable	-	-	(10,431)	-	(2,286,159)	(3,484)	(552,032)
Other	(31,069)	(2,717)	(13,097)	(1,948)	(14,635)	(5,924)	-
Total liabilities	(1,749,176)	(225,695)	(302,654)	(40,978)	(2,713,530)	(105,958)	(2,892,979)
NET ASSETS AVAILABLE FOR BENEFITS	\$137,309,758	\$ 18,830,024	\$53,223,995	\$8,887,534	\$56,588,949	\$16,078,235	\$5,417,419

	Fund Information		

	Non-Participant Directed Fund		

	ESOP Fund	Loan Fund	Total
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ASSETS			
Investments (Notes 1 and 2)			
Harrah's common stock	\$10,809,098	\$ -	\$146,441,226
Mutual funds	-	-	43,840,314
Common/collective trust fund	-	-	52,537,865
Guaranteed investment contracts	-	-	7,840,674
Corporate securities	-	-	33,710,806
U.S. government and agency securities	-	-	23,225,678
Other	-	-	2,049,979
Temporary investments	1,752	-	3,523,749
Receivables			
Due from participants (Note 1)	-	21,687,690	21,687,690
Interest and dividends	-	-	511,449
Due (to) from other funds	(82,057)	-	-
Contributions	-	-	316,963
Other	-	-	82,887
Cash	-	-	1,014,087
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Total assets	10,728,793	21,687,690	336,783,367

LIABILITIES

Advances from Harrah's	-	-	(2,340,947)
Bank overdrafts	-	-	(2,364,717)
Accrued expenses	-	-	(403,810)
Accounts payable	(14,326)	-	(2,866,432)
Other	-	-	(69,390)
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Total liabilities	(14,326)	-	(8,045,296)
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NET ASSETS AVAILABLE FOR BENEFITS	\$ 10,714,467	\$ 21,687,690	\$328,738,071
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The accompanying Notes to Financial Statements are an integral
part of this statement.

HARRAH'S ENTERTAINMENT, INC.
SAVINGS AND RETIREMENT PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS, WITH FUND INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 1997

	Fund Information						
	Participant Directed Funds						
	Company Stock Fund	Aggressive Stock Fund	S&P 500 Index Fund	Long-Term Bond Fund	Income Fund	Treasury Fund	Executive Life Fund
							(Note 5)
NET INVESTMENT INCOME							
Interest	\$ 207,435	\$ 36,094	\$ 103,055	\$ 10,731	\$ 3,958,749	\$ 19,457	\$ 21,029
Dividends	-	2,493,299	-	548,485	604,594	886,789	-
	207,435	2,529,393	103,055	559,216	4,563,343	906,246	21,029
REALIZED GAIN (LOSS) ON INVESTMENTS							
Aggregate proceeds	13,455,144	357,037	3,095,294	3,472,373	426,467,256	3,475,184	-
Aggregate cost	(13,326,188)	(363,806)	(2,826,113)	(3,510,300)	(427,259,849)	(3,475,184)	-
Net realized gain (loss)	128,956	(6,769)	269,181	(37,927)	(792,593)	-	-
UNREALIZED NET APPRECIATION (DEPRECIATION) OF INVESTMENTS	(6,135,421)	1,228,569	17,306,583	349,162	(620,801)	-	735,257
CONTRIBUTIONS							
Participants	8,842,945	3,189,152	4,086,540	591,768	3,567,373	1,126,452	-
Company	6,550,364	2,195,211	2,836,051	422,475	1,803,608	806,745	-
	15,393,309	5,384,363	6,922,591	1,014,243	5,370,981	1,933,197	-
OTHER							
Distributions to participants and beneficiaries	(11,986,354)	(2,514,096)	(7,303,377)	(651,488)	(7,610,485)	(5,754,658)	(514,583)
Transfers between funds	(11,911,103)	2,657,661	6,087,107	(1,675,667)	(3,514,232)	8,962,818	-
Administrative expenses	(594,339)	(250,358)	(356,935)	(53,759)	(384,605)	(71,106)	-
NET INCREASE (DECREASE) IN NET ASSETS AVAILABLE FOR BENEFITS	(14,897,517)	9,028,763	23,028,205	(496,220)	(2,988,392)	5,976,497	241,703
NET ASSETS AVAILABLE FOR BENEFITS, Beginning of year	137,309,758	18,830,024	53,223,995	8,887,534	56,588,949	16,078,235	5,417,419
End of year	\$122,412,241	\$27,858,787	\$76,252,200	\$8,391,314	\$ 53,600,557	\$22,054,732	\$5,659,122

	Fund Information		
	Non-Participant Directed Fund		
	ESOP Fund	Loan Fund	Total
NET INVESTMENT INCOME			
Interest	\$ -	\$ 1,445,731	\$ 5,802,281
Dividends	-	-	4,533,167
	-	1,445,731	10,335,448
REALIZED GAIN (LOSS) ON INVESTMENTS			
Aggregate proceeds	1,134,111	-	451,456,399
Aggregate cost	(988,066)	-	(451,749,506)
Net realized gain (loss)	146,045	-	(293,107)
UNREALIZED NET APPRECIATION (DEPRECIATION) OF INVESTMENTS	(649,967)	-	12,213,382
CONTRIBUTIONS			
Participants	-	-	21,404,230
Company	69	-	14,614,523
	69	-	36,018,753
OTHER			
Distributions to participants and beneficiaries	(873,965)	(1,100,736)	(38,309,742)
Transfers between funds	(27,455)	(579,129)	-
Administrative expenses	(1,109)	-	(1,712,211)
NET INCREASE (DECREASE) IN NET ASSETS AVAILABLE FOR BENEFITS	(1,406,382)	(234,134)	18,252,523
NET ASSETS AVAILABLE FOR BENEFITS,			

Beginning of year	10,714,467	21,687,690	328,738,071
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End of year	\$ 9,308,085	\$21,453,556	\$346,990,594
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The accompanying Notes to Financial Statements
are an integral part of this statement.

HARRAH'S ENTERTAINMENT, INC.
SAVINGS AND RETIREMENT PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS, WITH FUND INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 1996

	Fund Information						
	Participant Directed Funds						
	Company Stock Fund	Aggressive Stock Fund	S&P 500 Index Fund	Long-Term Bond Fund	Income Fund	Treasury Fund	Executive Life Fund
							(Note 5)
NET INVESTMENT INCOME							
Interest	\$ 85,149	\$ 8,625	\$ 24,784	\$ 4,662	\$ 4,119,998	\$ 8,581	\$ 11,553
Dividends	-	1,443,087	-	716,785	215,529	844,585	-
	85,149	1,451,712	24,784	721,447	4,335,527	853,166	11,553
REALIZED GAIN (LOSS) ON INVESTMENTS							
Aggregate proceeds	14,523,763	1,033,468	4,104,657	1,088,641	369,001,219	3,137,358	-
Aggregate cost	(9,349,397)	(997,824)	(3,079,235)	(1,085,122)	(369,936,453)	(3,137,358)	-
Net realized gain (loss)	5,174,366	35,644	1,025,422	3,519	(935,234)	-	-
UNREALIZED NET APPRECIATION (DEPRECIATION) OF INVESTMENTS	(31,200,751)	108,890	8,535,784	(604,669)	(1,297,829)	-	(1,131,082)
CONTRIBUTIONS							
Participants	10,971,541	2,438,787	3,112,800	563,096	2,850,745	1,011,163	-
Company	7,492,343	1,556,769	2,006,493	389,196	2,017,605	656,236	-
	18,463,884	3,995,556	5,119,293	952,292	4,868,350	1,667,399	-
OTHER							
Distributions to participants and beneficiaries	(13,300,851)	(1,476,339)	(3,990,424)	(472,704)	(6,439,459)	(2,787,806)	(511,468)
Transfers between funds	(2,627,784)	5,738,338	4,058,146	213,219	(6,466,019)	827,018	(2,886)
Administrative expenses	(756,772)	(250,745)	(333,707)	(54,044)	(88,717)	(65,162)	-
NET INCREASE (DECREASE) IN NET ASSETS AVAILABLE FOR BENEFITS	(24,162,759)	9,603,056	14,439,298	759,060	(6,023,381)	494,615	(1,633,883)
NET ASSETS AVAILABLE FOR BENEFITS, Beginning of year	161,472,517	9,226,968	38,784,697	8,128,474	62,612,330	15,583,620	7,051,302
End of year	\$137,309,758	\$18,830,024	\$53,223,995	\$ 8,887,534	\$ 56,588,949	\$16,078,235	\$ 5,417,419

	Fund Information		
	Non-Participant Directed Fund		
	ESOP Fund	Loan Fund	Total
NET INVESTMENT INCOME			
Interest	\$ 118	\$ 1,527,305	\$ 5,790,775
Dividends	-	-	3,219,986
	118	1,527,305	9,010,761
REALIZED GAIN (LOSS) ON INVESTMENTS			
Aggregate proceeds	1,022,357	-	393,911,463
Aggregate cost	(999,591)	-	(388,584,980)
Net realized gain (loss)	22,766	-	5,326,483
UNREALIZED NET APPRECIATION (DEPRECIATION) OF INVESTMENTS	(2,462,944)	-	(28,052,601)
CONTRIBUTIONS			
Participants	-	-	20,948,132
Company	-	-	14,118,642
	-	-	35,066,774
OTHER			
Distributions to participants and beneficiaries	(755,793)	-	(29,734,844)
Transfers between funds	(50,122)	(1,689,910)	-
Administrative expenses	(264,552)	-	(1,813,699)
NET INCREASE (DECREASE) IN NET ASSETS AVAILABLE FOR BENEFITS	(3,510,527)	(162,605)	(10,197,126)
NET ASSETS AVAILABLE FOR BENEFITS,			

Beginning of year	14,224,994	21,850,295	338,935,197
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End of year	\$10,714,467	\$21,687,690	\$ 328,738,071
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The accompanying Notes to Financial Statements
are an integral part of this statement.

HARRAH'S ENTERTAINMENT, INC.
SAVINGS AND RETIREMENT PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS, WITH FUND INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 1995

	Fund Information						
	Participant Directed Funds						
	Company Stock Fund	Aggressive Stock Fund	S&P 500 Index Fund	Long-Term Bond Fund	Income Fund	Treasury Fund	Executive Life Fund
							(Note 5)
NET INVESTMENT INCOME							
Interest	\$ 167,091	\$ 2,729	\$ 18,152	\$ 3,950	\$ 4,063,033	\$ 8,764	\$ -
Dividends	-	281,594	222,699	487,722	-	852,043	-
	167,091	284,323	240,851	491,672	4,063,033	860,807	-
REALIZED GAIN (LOSS) ON INVESTMENTS							
Aggregate proceeds	176,823,320	2,285,069	22,733,931	4,773,759	382,169,977	-	-
Aggregate cost	(123,347,247)	(1,953,996)	(19,801,212)	(4,586,597)	(381,528,827)	-	-
Net realized gain (loss)	53,476,073	331,073	2,932,719	187,162	641,150	-	-
UNREALIZED NET APPRECIATION (DEPRECIATION) OF INVESTMENTS	(34,479,120)	675,878	6,192,843	819,131	3,769,754	-	-
CONTRIBUTIONS							
Participants	12,600,382	933,238	2,383,150	449,623	3,316,793	1,107,898	-
Company	8,769,684	551,512	1,526,255	235,605	2,418,642	719,084	-
	21,370,066	1,484,750	3,909,405	685,228	5,735,435	1,826,982	-
OTHER							
Distributions to participants and beneficiaries	(14,528,025)	(106,902)	(2,868,583)	(130,710)	(7,010,748)	(1,975,670)	(495,602)
Transfers between funds	(22,763,179)	6,333,753	5,489,055	8,448,867	(2,015,058)	4,475,334	(3,086)
Transfers for spin-off	(16,820,769)	(1,996,362)	(5,522,510)	(4,157,672)	(6,905,858)	(2,753,804)	(548,938)
Administrative expenses	(483,416)	(40,100)	(106,921)	(18,450)	(478,985)	(53,817)	-
NET INCREASE (DECREASE) IN NET ASSETS AVAILABLE FOR BENEFITS	(14,061,279)	6,966,413	10,266,859	6,325,228	(2,201,277)	2,379,832	(1,047,626)
NET ASSETS AVAILABLE FOR BENEFITS, Beginning of year	175,533,796	2,260,555	28,517,838	1,803,246	64,813,607	13,203,788	8,098,928
End of year	\$ 161,472,517	\$ 9,226,968	\$38,784,697	\$8,128,474	\$ 62,612,330	\$15,583,620	\$ 7,051,302

	Fund Information		
	Non-Participant Directed Fund		
	ESOP Fund	Loan Fund	Total
NET INVESTMENT INCOME			
Interest	\$ 319	\$ 1,555,553	\$ 5,819,591
Dividends	-	-	1,844,058
	319	1,555,553	7,663,649
REALIZED GAIN (LOSS) ON INVESTMENTS			
Aggregate proceeds	14,826,674	-	603,612,730
Aggregate cost	(11,114,433)	-	(542,332,312)
Net realized gain (loss)	3,712,241	-	61,280,418
UNREALIZED NET APPRECIATION (DEPRECIATION) OF INVESTMENTS	(2,433,756)	-	(25,455,270)
CONTRIBUTIONS			
Participants	-	-	20,791,084
Company	371,642	-	14,592,424
	371,642	-	35,383,508
OTHER			
Distributions to participants and beneficiaries	(1,525,468)	-	(28,641,708)
Transfers between funds	(9,714)	44,028	-
Transfers for spin-off	(844,424)	(1,596,056)	(41,146,393)
Administrative expenses	1,229	-	(1,180,460)
NET INCREASE (DECREASE) IN NET ASSETS AVAILABLE FOR BENEFITS	(727,931)	3,525	7,903,744

NET ASSETS AVAILABLE FOR BENEFITS,			
Beginning of year	14,952,925	21,846,770	331,031,453
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End of year	\$ 14,224,994	\$21,850,295	\$ 338,935,197
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The accompanying Notes to Financial Statements
are an integral part of this statement.

HARRAH'S ENTERTAINMENT, INC.
SAVINGS AND RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1997

NOTE 1 - SUMMARY DESCRIPTION OF THE PLAN

The following description of the Harrah's Entertainment, Inc. Savings and Retirement Plan (the "Plan," formerly The Promus Companies Incorporated Savings and Retirement Plan) is provided for general information purposes only. Reference should be made to the Plan Document for a more complete description of the Plan's provisions.

The Plan

Effective June 30, 1995, The Promus Companies Incorporated ("Promus") was split into two independent public corporations (the "Spin-off"). Promus, which was renamed Harrah's Entertainment, Inc. ("Harrah's"), retained the casino entertainment business. Promus' hotel operations were transferred to a newly created company, Promus Hotel Corporation ("PHC"). The agreements governing the terms of the Spin-off transaction required that the assets allocable to those participants in the Plan who became employees of PHC be transferred to a new savings and retirement plan (the "PHC Plan"), which was established for the benefit of the eligible employees of PHC and its affiliates. Concurrent with the completion of the Spin-off, the Plan was renamed the Harrah's Entertainment, Inc. Savings and Retirement Plan. Participants' investments in Promus common stock through the Company Stock Fund and the ESOP Fund were converted into investments in the common stock of their employer, either Harrah's or PHC, after the Spin-off.

The Plan was established by Harrah's effective February 6, 1990, to include eligible employees of Harrah's and its affiliates (the "Company") for the primary purpose of allowing these employees to accumulate capital for their retirement. Participants can contribute either pre-tax payroll dollars (i.e., temporary deferral of federal and/or state income taxes) or after-tax dollars to the Plan, as provided for under Sections 401(k) and 401(m) of the Internal Revenue Code. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Plan Investment Funds

By election of a participant, his or her account balance (comprised of contributions, Company matching funds and accumulated earnings) can be invested in one or in a combination of up to six separate funds (collectively, the "Funds") of the Plan in 1% increments as follows (10% increments prior to October 1, 1996):

- I. Company Stock Fund - invested in Harrah's common stock which provides a return based on the change in market value of Harrah's common stock, including any dividends declared thereon;

NOTE 1 - SUMMARY DESCRIPTION OF THE PLAN (Continued)

- II. Aggressive Stock Fund - invested in the Delaware Trend Institutional Fund, a mutual fund comprised primarily of a mix of common stocks of emerging and other growth-oriented companies, including securities convertible to common stocks;
- III. S&P 500 Index Fund (formerly called the Diversified Stock Fund) - invested in the State Street Bank Flagship Fund, an S&P 500 Indexed common/collective trust fund, which provides a return based on the performance of the stocks included within the Flagship Fund, including dividends thereon;
- IV. Long-Term Bond Fund - invested in the Vanguard Long-Term Corporate Portfolio, a mutual fund with investments in a diversified mix of long-term investment grade bonds;
- V. Income Fund - invested primarily in intermediate-term bonds issued by corporations and by the United States Government and its agencies, as directed by Western Asset Management Company, the fund's investment manager; or
- VI. Treasury Fund - invested in the Dreyfus Treasury Fund, a money market mutual fund that invests solely in United States Treasury Department backed short-term securities issued by the United States Government.

The Plan also includes three other special purpose funds, as follows:

- I. Executive Life Fund - segregates the assets and participants' equity accounts related to the investment in Executive Life Insurance Company's guaranteed investment contract. See Note 5 - Executive Life Investment for further details.
- II. ESOP Fund - accounts for special contributions by Harrah's of its common stock or cash equivalents to eligible employees. The ESOP Fund was established within the Plan to serve as a means to monitor the accounts and records of the participants. Participants are not allowed to make contributions to their ESOP account and distributions can be made only after a participant terminates employment.
- III. Loan Fund - separately tracks loans to participants as provided for under the Plan.

Occasionally, the Funds hold cash on a temporary basis pending investment or withdrawals. Cash balances are invested in temporary investments. At December 31, 1997, the Income Fund held \$51.1 million in temporary investments due to the liquidation of the securities investments in anticipation of the January 2, 1998 transfer of funds to State Street Global Advisors (see Note 9).

NOTE 1 - SUMMARY DESCRIPTION OF THE PLAN (Continued)

Plan Administration

The general administration of the Plan is the responsibility of its Trustees, who are appointed by the Human Resources Committee of the Harrah's Board of Directors, and who act as the Plan Administrator. The Trustees perform the duties and exercise the authority set forth in the Plan and Trustee Agreements. The Trustees have delegated certain of their authority to individuals for purposes of day-to-day administration.

Employee Eligibility, Vesting and Termination

Employees of the Company become eligible to join the Plan on the first entry date (January 1 or July 1) following completion of 12 months during which the employee is credited with at least 1,000 hours of service. Participants vest in Company matching contributions over seven calendar years of credited service as follows:

Years of Credited Service -----	Vested Percentage -----
One	10%
Two	20%
Three	30%
Four	40%
Five	60%
Six	80%
Seven	100%

An employee's active participation in the Plan ceases upon separation of service at which time his or her vested account balance can either be withdrawn or remain in the Plan according to the Plan Document.

Plan Expenses

As sponsor of the Plan, Harrah's, through its wholly-owned subsidiary, Harrah's Operating Company, Inc. ("HOC"), initially pays many of the costs associated with the operation of the Plan. These costs include salaries for employees who perform administrative services solely for the Plan, rent, various service charges and other direct costs of operation. The Plan reimbursed HOC for these costs in the amounts of approximately \$1.6 million, \$1.1 million and \$1.2 million for 1997, 1996 and 1995, respectively. Such costs are included in administrative expenses in the accompanying statements of changes in net assets available for benefits.

Participants' Contributions and Withdrawals

Participants can elect to make basic contributions ranging from two to six percent of their eligible earnings, as defined. These contributions are then matched by the Company. If a non-highly compensated participant is making basic pre-tax contributions of six percent of his earnings to the Plan, the participant could elect to make supplemental contributions of up to an additional 10%

NOTE 1 - SUMMARY DESCRIPTION OF THE PLAN (Continued)

of which up to 8% can be pre-tax dollars. Highly compensated employees could contribute up to an additional 10% of after-tax dollars as supplemental contributions. The Company will match the first six percent of all participants' contributions.

Participants' contributions, vested matching Company contributions and related income may be withdrawn by giving 30 days written notice subject to Plan and Internal Revenue Service rules. In-service withdrawals of pre-tax contributions are subject to hardship rules if the withdrawal occurs before age 59 1/2. Withdrawal of basic after-tax and matching contributions will not prohibit participants from making further contributions; however, if these contributions or any other funds are withdrawn, the Company will not match subsequent contributions for six months. Supplemental after-tax contributions and any earnings thereon may be withdrawn without this penalty. If a participant ceases to make contributions to the Plan, the participant's equity may remain constant, except for allocation of earnings, gains and losses on the Plan's investments.

Allocation of Forfeitures and Net Plan Income

As required by the Plan, forfeited amounts attributed to non-vested Company matching contributions of terminated employees will not be reallocated to remaining participants for a period of five years. Employees who return to service within that period will be credited, subject to further vesting, at the date of rehire with the unallocated equity amount. The total amount of potential forfeitures of terminated non-vested participants at December 31, 1997 was approximately \$3.2 million. Forfeitures are allocated to active participants based upon their total basic contributions for the year. The Plan Administrator reallocated approximately \$0.5 million, \$0.3 million and \$0.5 million of forfeited funds during 1997, 1996 and 1995, respectively.

Net Plan income (i.e. unrealized appreciation/depreciation of investments, dividend and interest income, and realized gains or losses on the sale of investments) is allocated monthly to active participants based upon the individual's prior month-end equity balance. For purposes of calculating the realized gains or losses on investments, the Plan uses the revalued cost (i.e. the fair value of the assets at the beginning of the current plan year).

Loans

Loans may be made to participants upon written application to the Plan Administrator. All loans, other than those used to acquire or construct the principal residence of the participant, shall be repaid within five years. The minimum amount that may be borrowed is \$500. The balance of loans outstanding under the Plan to a participant may not exceed \$50,000 (which maximum is subject to reduction if another loan is outstanding) or one-half of the vested balance of the participant's account, whichever is less. Loans bear interest at a rate set by the Plan Administrator, and are secured by the account balance of the participant equal to the outstanding loan amount. Principal and interest paid by a participant are credited to the participant's account. At both December 31, 1997 and 1996, these loans had interest rates ranging from 7.5% to 9.5%.

NOTE 1 - SUMMARY DESCRIPTION OF THE PLAN (Continued)

Accounting Policies

The American Institute of Certified Public Accountants issued Statement of Position 94-4 ("SOP 94-4"), "Reporting of Investment Contracts Held by Health and Welfare Benefit Plans and Defined-Contribution Pension Plans," effective for fiscal years beginning after December 15, 1994. The application of SOP 94-4 to investment contracts entered into before December 31, 1993 is delayed to plan years beginning after December 15, 1995. SOP 94-4 changes the Plan's reporting for certain investment contracts (as defined in SOP 94-4) from contract value to fair market value. The Plan adopted SOP 94-4 during 1996, which resulted in a reduction in the carrying value of the Executive Life Insurance guaranteed investment contract of approximately \$1.1 million. The changes in market value for 1997 and 1996 are included in unrealized appreciation (depreciation) of investments in the accompanying statement of changes in net assets available for benefits. The contract value was approximately \$8.4 million and \$9.0 million as of December 31, 1997 and 1996, respectively. See Note 5 for further discussion.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - VALUATION OF INVESTMENTS

Investments in securities, common/collective trust funds and mutual funds are stated at market values on the last business day of the plan year.

NOTE 3 - INVESTMENTS

The fair market values of individual investments that represent 5% or more of the Plan's total net assets as of December 31, 1997 and 1996, were as follows:

	1997 -----	1996 -----
Harrah's Entertainment, Inc. Common Stock	\$130,095,107	\$146,441,226
Delaware Trend Institutional Fund	27,181,908	17,773,235
Dreyfus Treasury Fund	22,248,346	17,164,516
State Street Bank Flagship Fund	75,016,238	52,537,865
Loans to Participants	21,453,556	21,687,690
Fidelity Institutional Cash-U.S. Govt. Portfolio	50,526,283	-

NOTE 4 - EXCESS CONTRIBUTIONS

Certain plan participants received a refund of a portion of their contributions and attributable earnings totaling approximately \$152,000, \$54,000 and \$53,000 in 1997, 1996 and 1995, respectively. These refunds were paid in accordance with Internal Revenue Code Section 401(m) which requires that certain nondiscriminatory tests related to the overall composition of participants' contributions be met and Section 415 which requires annual contributions not to exceed 25% of the participant's compensation, as defined.

NOTE 5 - EXECUTIVE LIFE INVESTMENT

On May 1, 1991, the Plan was amended to provide that approximately \$12.9 million attributable to a guaranteed investment contract issued by Executive Life Insurance Company ("Executive Life") and held in the Plan's Income Investment Fund would be frozen until such time as the contract is finally paid out. The \$12.9 million represented the book value of this contract as of March 31, 1991. The action was taken by the Company due to the conservatorship imposed on Executive Life by the State of California Insurance Commissioner. The Company has agreed to pay to the Plan any deficiency between the \$12.9 million and any amounts finally paid under the contract. The Company has also agreed to make interest free loans to the Plan, which are to be repaid out of any amounts received under the contract, so that persons who leave or who have already left the Company's employment may withdraw the vested portion of the Executive Life guaranteed investment contract, as well as other vested funds. Amounts loaned to the Plan are reflected in the accompanying statements of net assets available for benefits as advances from Harrah's.

On September 3, 1993, the California Department of Insurance closed on a rehabilitation transaction with Aurora National Life Assurance Company ("Aurora"), whereby substantially all Executive Life assets and restructured liabilities were transferred to Aurora. Additionally, on September 3, 1993, Aurora made a payment of approximately \$1.9 million to the Plan which reduced the principal of the Executive Life contract. Of this payment, approximately \$0.4 million was paid to Harrah's to reduce the advances from Harrah's balance. The remaining amount was used to unfreeze part of the Executive Life Fund for each participant on a pro-rata basis.

On February 4, 1994, the Plan elected to participate in an ongoing rehabilitation plan offered by Aurora. This plan provides for recovery of a minimum of 77.7% of the March 31, 1991 book value.

On July 29, 1996 and again on April 22, 1997, Aurora made a payment of approximately \$0.1 million to the Plan which reduced the principal of the Executive Life contract. These payments will be used to unfreeze part of the Executive Life Fund for each participant on a pro-rata basis.

NOTE 5 - EXECUTIVE LIFE INVESTMENT (Continued)

Under the Plan Amendment that governs the Executive Life contract, non-benefit responsive distributions are allocated pro-rata among the remaining participants (based upon their investment in the contract) and to the Company (based on the Plan's payable to the Company). Benefit responsive distributions are allocated to the Company as the Company previously loaned the Plan the funds for the distributions. In April 1995, Aurora began honoring requests for distributions for terminated participants, as well as for hardship withdrawals. During 1996, Aurora discontinued reimbursements for hardship withdrawals. Harrah's remains liable to the Plan for any deficiency between the book value and amounts ultimately received. The restructured contract matures on September 3, 1998, and is presently earning interest at approximately 5%.

The accounts payable balance for the Executive Life Fund as of December 31, 1997 and 1996, primarily represents a payable to the PHC Plan for that plan's portion of the Executive Life contract (see Note 1). The plan administrator expects to repay the PHC Plan once the maturity proceeds are received from Aurora.

NOTE 6 - PLAN QUALIFICATION

The Plan is intended to satisfy the tax qualification requirements under Section 401(a) of the Internal Revenue Code ("IRC"); therefore, the trust funds of the Plan are intended to be exempt from federal income taxes under Section 501(a). A favorable determination letter regarding the Plan's status, dated November 19, 1992, has been received from the Internal Revenue Service. The Plan has been amended since receiving the determination letter; however, the plan administrator and the Plan's legal counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

NOTE 7 - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

NOTE 8 - RECONCILIATION TO FORM 5500

As of December 31, 1996, the Plan had approximately \$0.7 million of pending distributions to participants who elected to withdraw from the Plan. As of December 31, 1997, the Plan had no pending distributions to participants, due to the scheduled conversion to a different outside recordkeeper as of January 2, 1998 (see Note 9). The 1996 amount was recorded as a liability in the Plan's Form 5500; however, the amount was not recorded as a liability in the accompanying 1996 statement of net assets available for benefits in accordance with generally accepted accounting principles.

NOTE 8 - RECONCILIATION TO FORM 5500 (Continued)

The following table reconciles net assets available for benefits per the financial statements to the Form 5500 as filed by the Company for the years ended December 31, 1997 and 1996:

	Benefits Payable to Participants at December 31, 1997 -----	Benefits Paid During 1997 -----	Net Assets Available for Benefits December 31, 1996 -----	Net Assets Available for Benefits December 31, 1997 -----
Per financial statements	\$ -	\$38,309,742	\$328,738,071	\$346,990,594
Accrued benefit payment	-	-	-	-
Reversal of 1996 accrual for benefit payment	-	(700,000)	(700,000)	-
	-----	-----	-----	-----
Per Form 5500	\$ -	\$37,609,742	\$328,038,071	\$346,990,594
	-----	-----	-----	-----

NOTE 9 - SUBSEQUENT EVENT

Due to the volatility of the stock market, the per share value of Harrah's common stock has increased from \$18.875 at December 31, 1997, to \$25.000 at April 17, 1998. This increase in per share market value would result in an approximately \$160.0 million and \$12.3 million balance in Harrah's common stock for the Company Stock Fund and the ESOP Fund, respectively, if such funds were valued at April 17, 1998.

Effective January 2, 1998, State Street Global Advisors (SSGA) began administering the Plan. SSGA will provide recordkeeping, accounting, daily trading, trustee, custodial, and investment management services. In connection with this change, Fund options will remain the same; however, certain of the underlying investments will change. As a result of the change to daily valuation, participants are no longer required to give written notice to apply for a loan or to request a withdrawal from the Plan. Those requests will be submitted via telephone to SSGA's operated voice response unit.

HARRAH'S ENTERTAINMENT, INC.
SAVINGS AND RETIREMENT PLAN
SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES
AS OF DECEMBER 31, 1997

	Cost	Market Value
	-----	-----
HARRAH'S ENTERTAINMENT, INC.		
COMMON STOCK		
Company Stock Fund*	\$102,310,902	\$120,795,432
ESOP Fund*	8,176,472	9,299,675
	-----	-----
	110,487,374	130,095,107
	-----	-----
MUTUAL FUNDS		
Delaware Trend Institutional Fund	25,097,467	27,181,908
Dreyfus Treasury Fund	22,248,346	22,248,346
Vanguard - Long-Term Corporate Portfolio	7,181,726	7,620,196
	-----	-----
	54,527,539	57,050,450
	-----	-----
COMMON/COLLECTIVE TRUST FUND		
State Street Bank Flagship Fund	42,095,914	75,016,238
	-----	-----
GUARANTEED INVESTMENT CONTRACTS		
Executive Life Insurance Company	8,384,536	7,988,711
	-----	-----
INCOME FUND:		
CORPORATE SECURITIES		
First Boston Mortgage Securities Corporation, Series A		
Class P0, 0.00%, dated 3/1/87, due 5/16/18	11,173	11,595
Mego FHA 1996-2, Class A1, 7.275% dated 8/1/96,		
due 8/25/17	17,917	18,442
	-----	-----
	29,090	30,037
	-----	-----
U.S. GOVERNMENT AND AGENCY SECURITIES		
FHLMC Pool #181282, 7.50%, dated 8/1/82, due 9/1/07	5,408	5,437
FNMA Pool #303323, 9.00%, dated 4/1/95, due 4/1/25	12,575	13,079
FNMA Pool #313654, 6.00%, dated 7/1/97, due 7/1/12	20,069	20,542
	-----	-----
	38,052	39,058
	-----	-----
	67,142	69,095
	-----	-----

HARRAH'S ENTERTAINMENT, INC.
SAVINGS AND RETIREMENT PLAN
SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES
AS OF DECEMBER 31, 1997

	Cost	Market Value
	-----	-----
LOANS TO PARTICIPANTS, 7.5% to 9.5%	N/A	21,453,556
	-----	-----
TEMPORARY INVESTMENTS		
Fidelity Money Market Trust	5,745,830	5,745,830
Fidelity Institutional Cash-U.S. Govt. Portfolio	50,526,283	50,526,283
	-----	-----
	56,272,113	56,272,113
	-----	-----
Total Investments	\$271,834,618	\$347,945,270
	-----	-----
	-----	-----

* Represents a party-in-interest transaction.

HARRAH'S ENTERTAINMENT, INC.
SAVINGS AND RETIREMENT PLAN
SCHEDULE OF REPORTABLE TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 1997

Description	Purchase Price	Selling Price	Cost of Assets Sold	Current Value of Assets on Transaction Date	Gain (Loss)
Series of Transactions:					
Fidelity Institutional Cash Purchases/sales	\$161,624,989	\$111,098,706	\$(111,098,706)	\$111,098,706	\$ -
Fidelity Money Market Trust Purchases/sales	63,325,000	61,425,000	(61,425,000)	61,425,000	-
U.S. Treasury Note, 6.00%, dated 7/31/97, due 7/31/02 Purchases/sales	17,606,481	17,622,375	(17,606,481)	17,622,375	15,894
U.S. Treasury Note, 5.75%, dated 12/1/97, due 11/30/02 Purchases/sales	47,172,390	47,195,334	(47,172,390)	47,195,334	22,944
U.S. Treasury Note, 7.00%, dated 7/15/96, due 7/15/06 Purchases/sales	7,171,388	10,105,320	(10,124,637)	10,105,320	(19,317)
U.S. Treasury Note, 6.25%, dated 2/28/97, due 2/28/02 Purchases/sales	10,913,358	10,866,391	(10,913,358)	10,866,391	(46,967)
U.S. Treasury Note, 6.375%, dated 5/15/97, due 5/15/07 Purchases/sales	12,284,228	12,302,266	(12,284,228)	12,302,266	18,038
U.S. Treasury Note, 6.50%, dated 6/2/97, due 5/31/02 Purchases/sales	10,128,711	10,162,414	(10,128,711)	10,162,414	33,703
U.S. Treasury Note, 6.25%, dated 6/30/97, due 6/30/02 Purchases/sales	14,125,174	14,150,494	(14,125,174)	14,150,494	25,320

HARRAH'S ENTERTAINMENT, INC.
SAVINGS AND RETIREMENT PLAN
SCHEDULE OF REPORTABLE TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 1997

Description	Purchase Price	Selling Price	Cost of Assets Sold	Current Value of Assets on Transaction Date	Gain (Loss)
Series of Transactions, continued:					
U.S. Treasury Note, 5.875%, dated 9/30/97, due 9/30/02					
Purchases/sales	11,185,819	11,214,130	(11,185,819)	11,214,130	28,311
Harrah's Entertainment, Inc. Stock					
Purchases/sales	4,624,913	13,455,144	(10,714,630)	13,455,144	2,740,514
Single Transactions:					
Fidelity Institutional Cash					
Purchase	24,611,303	-	-	24,611,303	-
Purchase	41,504,143	-	-	41,504,143	-
Sale	-	39,049,070	(39,049,070)	39,049,070	-
U.S. Treasury Note, 5.75%, dated 12/1/97, due 11/30/02					
Purchase	39,981,250	-	-	39,981,250	-
Sale	-	40,412,088	(40,369,911)	40,412,088	42,177

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

HARRAH'S ENTERTAINMENT, INC.
SAVINGS AND RETIREMENT PLAN

By: /s/ Judy T. Wormser

Judy T. Wormser
Authorized Trustee of the Plan and
Vice President and Controller of
Harrah's Entertainment, Inc.

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation of our report dated April 17, 1998, included in this Form 11-K for the year ended December 31, 1997, into Harrah's previously filed Registration Statement File No. 33-59975.

ARTHUR ANDERSEN LLP

Memphis, Tennessee,
June 1, 1998.