

# The gambling business in Russia

Moscow (RIA Novosti political commentator Yuri Filippov) – Gambling fever has found its way deep into Russian society. The turnover of the Russian gambling industry stands at USD 5-6 billion annually, according to expert estimates. Alexander Lebedev, a deputy of the Russian parliament, says that this is the sum that flows through Moscow casinos and slot machine halls alone, and even here it is just the tip of the iceberg.

The gambling question leaves no one indifferent. The Militseiskaya Volna radio station commissioned a survey which showed that only 19% of people above the age of 18 approved of slot machines, while 52% said their number should be reduced and access to them limited. Another 26% favored a total ban on gambling machines.

To cure gambling dependence, Gamblers Anonymous meetings are being set up in Russian cities, and they are almost as popular as Alcoholics Anonymous in the United States used to be.

The spirit of Las Vegas is hovering over Moscow. The concentration of one-armed bandits in the Russian capital is extremely high. They are everywhere. Gambling has become an additional business for bakeries, groceries and pharmacies. Members of the Russian Public Chamber, alarmed by the gambling epidemic, have calculated that Russia now has one gambling machine per 300 people, including the elderly and infants.

Even city „fathers“, i.e. the most influential members of the Moscow City Duma and leaders of the local division of the United Russia party, who have declared war on gambling and promised to move it out of town, are suffering defeat after defeat. Recently, the Supreme Court declared illegal some provisions in the Moscow law on locating gambling facilities

in the city. One-armed bandits continue winking at people at market places, bus terminals, stores, cafes and near metro stations: the law sides with them.

If you cannot cure an evil, you should organize it sensibly. Russia has not achieved much in this area. A few years ago the Moscow authorities managed to oust prostitutes from the main roads. Streetwalkers, who came to Moscow from all over Eurasia, hindered the flow of traffic and caused huge traffic jams just a few hundred meters from the Kremlin. The fight against them was long and tough, partly because in the 1990s Russia saw the legalization of vice as an integral part of liberalization. Because of that the vicinity of the Federal Security Service's headquarters in Lubyanka Square turned into a large drugs market, visited daily by hundreds of addicts from the suburbs.

Of course, lately there has been less and less evidence of the „freedom“ of the past. In recent years Moscow has changed significantly and acquired a civilized polish and respectable looks. There are no tobacco and hard alcohol ads on Russian television. Last year the Russian parliament adopted a law that prohibits drinking beer out of a bottle in the street. Yet one-armed bandits seem to be ready for a long defense and, perhaps, even a counter-attack. After all, the existing law allows the placement of gambling machines in virtually any public place.

In fact, both the authorities and the general population could benefit from a consolidation of the gambling business through capital concentration and the appearance of an oligopoly of a few large companies. This would make it easy to collect taxes and keep the machines away from children and unbalanced adults who spend all their money gambling, dooming themselves to poverty and degradation.

„Gambling machines destroyed my family,“ says Ildar Mikhailov as quoted by a website created to prevent gambling dependence.

„I ran into debts and started drinking. They should be banned or moved out of town.“

While federal lawmakers keep silent, their regional counterparts are taking action. Gambling has been totally prohibited in Chechnya, which has enough problems related to postwar recovery. Recently, one-armed bandits were evicted from North Ossetia. The Ryazan, Tula, Lipetsk and Belgorod regions have passed laws moving gambling halls out of towns. Yet the gambling industry does not surrender.

„There should be no such halls where people live,“ says Karen Shakhnazarov, a famous film director and deputy chairman of the Public Chamber’s culture committee. Members of the chamber’s working group that studied the law on gaming regulations demand that gambling halls be located in specially designated areas far from cities and towns.

Is it possible to rein in the unruly genie of gambling and windfalls? Apparently, the liberal legislation of the 1990s allowed too many people to get into this business. Its apologists say that slot machines take „surpluses“ from the population and therefore help the government fight inflation. This is difficult to believe, all the more so because such machines can be found in decrepit village stores in regions where incomes are far below the country’s average.

„So far we have lost and will have to obey,“ said Vladimir Platonov, chairman of the Moscow City Duma, commenting on the Supreme Court’s ruling. „But it does not mean we will stop struggling.“

This year the Russian parliament is expected to consider a bill on gambling. The passion that accompanies the bill’s discussion could be compared to the excitement of a game with high stakes.