

Putin finds casinos not worth the gamble

Moscow: Could there be a better symbol for the new Moscow – seductive, indulgent, awash in got-quick riches – than the casino?

There are more than 60 of them in the city now, neon palaces of capitalist glitter and risk that have become as ubiquitous as the onion domes of Russian Orthodoxy. One major street, Novy Arbat, has more than a passing resemblance to the Las Vegas Strip, and even a casino called the Mirage.

There is just one cloud on this rosy horizon: They are all to be closed, though perhaps not for a while.

Pressed by President Vladimir Putin, the only political authority that matters anymore, lawmakers are drafting a law that would banish casinos, slot-machine parlors and other gambling halls from Moscow, though they could be allowed to operate in a few other places.

Unless lawmakers buck Putin, which has yet to happen, the new law would do more to alter the cityscape of Moscow than any other since the collapse of the Soviet Union. The Soviet government banned gambling – even playing cards in public – until the end of the 1980s and, perhaps not coincidentally, the end of its history.

The first big casinos followed hard on the Soviet collapse, but they have proliferated since 2001, when an easing of licensing rules coincided with Russia's growing economic boom, creating a frenzy of easily disposed income. Industry officials here estimate that nearly \$ 6 billion is spent on gambling each year in Russia.

Moscow now has more casinos than any other cities except Las

Vegas and Miami, according to the World Casino Directory, an online industry association. That does not include hundreds of small shops with slot machines.

„The new Russians – I would say 80 percent are gamblers,“ a gambler who declined to give more than his first name and patronymic, Vadim Pavlovich, said as he moved from the poker table to the roulette wheel at a casino here called Jazz Town. He estimates casually that he had lost a million dollars over time, money earned, he said vaguely, from wholesale trading. „I have made enough to lose a million dollars,“ he said, fingering the chips in his hand.

The gambling boom, perhaps inevitably, has generated a populist backlash that seems to have spurred Putin to act. While Russia hardly has a prudish society – with its abundance of strip clubs, semilegal prostitution and a robust pornography industry – opposition to gambling has become increasingly vocal.

„The gambling industry is highly unethical,“ said Aleksander Lebedev, a billionaire businessman and Parliament member who has long advocated a crackdown. „It is legalized robbery.“

Religious organizations, as well as the Public Chamber, a Kremlin-appointed advocacy council, publicly appealed this year for greater control, especially on slot machines. Two predominantly Muslim regions – Chechnya and Dagestan – have shut gambling parlors, while Tatarstan moved last month to restrict them to two special zones.

On the national level, the lower house of Parliament has dickered for years over less sweeping changes to laws regulating gambling, voting already this year on a bill that would have distanced casinos and gambling halls from places like schools.

Parliamentary leaders dropped that bill and put Putin's far-stricter version on a fast track after he denounced gambling

as a scourge in a public meeting with party leaders last month. A first vote on the legislation is scheduled for Nov. 17.

„Unfortunately, this concerns not just young people,“ Putin said last week about the effects of gambling on young people during a choreographed question-and-answer session with the public.

„Unfortunately, pensioners also leave their last kopecks and pensions there. Specialists say that this gambling addiction is even stronger than addiction to alcohol. This is a serious problem, and it has to be dealt with like the spread of alcohol in the country.“

Putin’s proposal appears to have popular support. In a recent poll of Russians by the independent polling agency VTsIOM, 65 percent of respondents favored restricting all gambling to special zones, while only 18 percent were opposed.

The details of the law must still be put to paper, but Putin has said it would restrict all gambling to only four specially designated zones – evidently to be decided upon by his government later. The parliamentary speaker, Boris Gryzlov, emerged from the meeting with Putin last month vowing to allow casinos only in unpopulated areas.

Vladimir Zhirinovsky, the nationalist party leader who was beside him, interjected, „Virgin forests!“

By all accounts, the legislation would banish gambling from Moscow and other major cities, although, according to Itar-Tass, one version could create an exception for places more populated than the unspoiled forests mentioned by Zhirinovsky. Gryzlov said only that the zones would be spread across the country: one in the Far East, one in Siberia and two in European Russia.

In a concession to existing casinos, the law would not take

effect immediately but be phased in by 2009 – time enough, supporters like Lebedev said, for owners to recoup their investments and close or relocate to the new zones.

Already some cities or regions have lobbied for the designation and the tourism and tax revenue it could bring. They include Kaliningrad, the enclave between Poland and Lithuania, and Kalmikia, a Buddhist region on the northeast coast of the Caspian Sea governed by President Kirsan Ilyumzhinov, who has already built a Chess City that recently was host to the world championship.

A small city on Moscow's southeastern outskirts, Ramenskoye, has also been cited as a potential location. A South African casino company, Sun International, has announced plans to build a large gambling and entertainment center there but said a final decision would depend on the legislation now being drafted.

Michael Boettcher, a Briton who arrived in 1992, has built a chain of seven casinos, including some of Moscow's most prominent, including Jazz Town and another called Shangri La. He said that he welcomed restrictions because of the proliferation of casinos that did not follow industry standards, but that Putin's proposal went too far.

„Now, instead of coming with a reasonable approach,“ Boettcher said, „they came with a club.“

He, like others, said that gambling was too deeply rooted in Russian culture to be banished again, as it was during Soviet rule. In „The Gambler,“ written to pay off gambling debt, Dostoyevsky suggested that gambling was a compulsion somehow suited to the Russian soul. „In my view all Russians are like that, or inclined to be,“ one character scolds the protagonist. „If it's not roulette, it's something else like it.“