

# Russian president to sign the law to relocate Russian city casinos and slot halls

President Vladimir Putin last week signed a law that will close casinos and slot-machine halls in major cities in Russia and force them to relocate into four gambling zones throughout the country. Putin's signature on the bill was expected following almost unanimous passage through both houses of Parliament of a measure he introduced.

The bill calls for the creation of four zones for legal gambling in the Baltic enclave of Kaliningrad, the Primorsky region on the Pacific coast, the Altai region in Siberia and near the southern cities of Krasnodar and Rostov.

Casinos and slot-machine operations elsewhere in the country would be banned as of July 1, 2009. The sites where the zones are planned are now infrastructure-free wilderness, and all are distant from Moscow, the capital.

"These are repressive measures-essentially they amount to a ban," said Yevgeny Kovtun, vice president of the Association of Gambling Businesses, which unites about 30 gaming companies in what is reportedly a USD 6 billion business.

With the exception of a drab national lottery, Soviet citizens had no outlet for their speculative urges. That changed with the chaotic arrival of capitalism: neon-decked casinos sprouted in big cities, some offering prizes of luxury cars or USD 1 million in cash. Meanwhile, slot-machine halls proliferated throughout the country, sometimes even next to schools.

Public officials throughout the country responded, including the mayor of Moscow, who at one time threatened to close all

casinos in the city. With the new legislation, no new casinos or slot halls will be allowed to open, and by summer only those with assets worth more than USD 23 million will be allowed to continue operating, killing off smaller operations.

Those that survive will have to move out after summer 2009, though the industry hopes to prompt changes that could soften the law before then.