

# GAMBLING BANNED IN RUSSIA



A new law forbids gambling in Russia since the 1st July this year. Approximately 350,000 people likely to lose their jobs. Experts anticipate boom in Internet gambling as a result.

Russians may no longer visit casinos and other gambling businesses in most of their cities. A new law, which was signed by President Vladimir Putin at the end of 2006, forbids such activities since 1st of July 2009.

However the law does not ban gambling completely. **Casinos are still allowed in four regions** - Kaliningrad, the Primorsky region, the mountainous Altai region and near the southern cities of Krasnodar and Rostov. People in these parts of Russia would perhaps welcome the influx of investment but business people are reluctant to start such operations in the time of crises. Mostly these regions do not have developed infrastructure and there also may not be enough "clients" for casinos. It will take months or perhaps years before sufficient infrastructure is developed here.

It is expected that the **gambling industry will at least partially move underground**. Experts also anticipate a boom in Internet gambling. Some businesses elude the law by presenting themselves as lotto clubs. Also Poker without monetary stakes and betting for sport matches are still legal. Some companies invest in slot-machines in Italy and Germany but the European market is already more or less filled and Belarus does not seem to be the best place for investments. Some of those, who are now out of the business, plan to transform into marketing companies; others will just rent out their venues.

The aim of the new law was clear - to prevent people from becoming addicted to gambling. It should also allegedly help to get rid of criminals involved in the casino business. These would be the positive effects but the law has also numerous negative effects. Approximately 350,000 people are going to lose their jobs in the gambling sector and a number of illegal gambling businesses is likely to grow.

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