

# **Why They Say “No” (Casi “NO”) Countries that Reject Legalized Casino Gambling**

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**I. The Worldwide Spread of Casino Gaming**  
**1986---77 casino countries**  
**1996---109**  
**Today---132**

## **II. Exceptions to the Trends**

**Bhutan, Brazil, Japan, Liechtenstein, Iceland, India, Ireland, Israel, Mexico, and Norway**

**Left off the list are**

**(1) Islamic nations and**

**(2) enclave states and  
venues in control of other jurisdictions**

**-- Hong Kong, San Marino, Andorra, Samoa and Guam**

**(3) smaller island countries—**

**Barbados, The Caymans, [southern] Cyprus**

**(4) places that have tolerated open casinos,  
or had them on an “off and on” basis—**

**Bolivia, Guatemala, Venezuela, Sri Lanka and Turkey**

### **III. The Veto Model in the U.S.A.**

**The Last Resort: Success and Failure in Campaigns for Casinos,  
(John Dombrink and William N. Thompson, University of Nevada Press, 1990).**

**Major “veto” factors influencing American casino campaign outcomes**

- (1) the economic conditions**
- (2) state experience with gambling**
- (3) the position of political and business elites,  
and other gaming interests**
- (4) campaign sponsorship**
- (5) whether the dominant issue in a campaign  
was economics or crime and social problems**

**For successful campaigns (e.g. Atlantic City, 1976),  
all major factors had to be supportive of casinos.**

#### **IV. The Veto Modified with Irish Experience—Seven Factors**

##### **1. Personality and the “All In” Spirit”**

**A spirit which won independence may not be desirable at gaming tables, indeed may be tied to addictive behaviors.**

##### **2. Poverty**

**Successful casinos need markets with people with money.**

**It has been said, “The Irish do not have money, hence there are no casinos.” The law against casinos was to “protect the poor.”**

##### **3. Corruption in Politics and Legalized Casinos**

**The consumption of the public mind with “what it is to be Irish” caused a neglect of efficiency and honesty in public affairs.**

**Localism, nepotism, outright corruption left its mark.**

**Casino gambling offers a major threat to good government.**

##### **4. A Culture of Violence**

**A culture of violence is incompatible with casino development.**

##### **5. No Need to Defend Borders from Neighboring Casinos**

**High on the list of reasons used to win legalization—**

**other venues are taking “our” money away. Ireland had no border casinos.**

##### **6. Religious Influence**

**In Ireland “The” Catholic Church has dampened**

**efforts to legalize casinos. The Church views were not openly challenged.**

##### **7. Competitive Venues Suppress Casinos**

**Several Irish entertainment venues exist having a success that could be compromised by casinos: The Irish pub and the betting shop.**

## **V. The Irish Experience: Veto Factors Dissipate, Veto Factors Persist**

**The force of the Irish veto factors has been dissipating in recent decades: “The Troubles” that have erupted in violence between Protestants and Catholics in the North were muted by the Easter peace accord of 1998. The Irish economy blossomed as a computer industry flourished. The Catholic Church lost political influence a midst revelations of misconduct by priests. Interests rivaling casinos have either embraced more gambling (sports betting shops) or they themselves have lost political clout (the pubs)**

**Nonetheless the forces pushing for legalized casinos have been stymied as concerns over corruption as well as the penchant for the Irish Personality to “not give up” (overindulge) persist.**

## **VI. Bhutan**

**Bhutan, the Shangri La land high in the Himalayas, has a 1978 law banning most gambling—however there has been a lottery for several decades.**

**Officials (including the former King) have expounded a national policy of “happiness” that exhibits much toleration toward all personal behaviors.**

**The Army has no wars to fight so they are the official distillers of whiskey.**

**Many officials use their personal; homes for conducting gambling games. These gaming operators are certainly a force that would not want to see casinos legalized.**

**Officials also oppose casinos as they maintain somewhat of a protective posture toward the population as it is quite poor.**

**The dominant religion—Buddhism—discourages gambling, but supports the notion of toleration.**

**The India state of Sikkim has recently legalized casinos, but although it borders Bhutan, for most residents the journey there would be arduous as there are no good roads and terrain in mountainous.**

## **VII. Brazil**

**Brazil has also been a country with poverty. Other veto factors in the largest country of South America include the influence of the Catholic Church, & the presence of government officials who traditionally have not been adverse to bribery and corruption.**

**The population participates in gambling, including illegal games. The wealthy support the casinos of the surrounding countries with a great share of their patronage.**

**Legal casinos thrived in the 1930s and 1940s; however, they were prohibited by presidential order in 1946. Remnants of casino-type games remain. Video machines are prevalent in many bingo halls. Sports betting & football pools are popular, as are cockfighting, horse racing, and all forms of lotteries.**

**Efforts exist to legalize casinos. There is considerable political, economic, and cultural support for legalization.**

**However, the government's anti-gambling posture manifested itself strongly when President Lula de Silva ordered closure of bingo halls in 2004. The next year the national senate overruled the presidential decree and halls reopened.**

**Then in 2007 the Supreme Court found that corrupt officials and organized crime elements were linked to bingo halls.**

## **VIII. Iceland**

**Gambling--an exception is the rule. 1926 law banned all lotteries were banned. But “exceptions” began in 1933. Parliament used a lottery for funding construction at the University of Iceland. The lottery is the world’s only continuous lottery used for university financing. Sports betting began in 1972 along with charity slot machines.**

**Iceland people enjoy pleasures--to an excess. Over 90% indulge in alcoholic beverages with many weekend binges.**

**The Icelandic people enjoyed a good economy prior to a bank collapse in 2008, and the eruption of a volcano in 2010. These economic disruptions have generated some feelings in favor of casinos.**

**In February 2010 there was a proposal to allow a casino in Reykjavik. The idea was opposed by the National Center of Addiction Medicine, as they feared that a casino would add to addictive problems.**

**A survey showed that 64% of the population opposed casinos.**

**There is no strong religious force, however, there are strong veto factors.**

**Casinos will not be coming soon. The island is quite removed from other locations that have casinos, there are concerns over addictive behaviors, and rival interest including many bars as well as a lottery establishment (with gambling machines) are against casinos.**

## **IX. India**

**India is the second most populous country in the world with 1.1 billion people. An act of 1867 passed under British rule prohibited all games except private games and skill games. Over the years, horse racing developed with betting considered a skill.**

**A new federal act was passed in 1998 permitting states to create lotteries. The law also opened the door for states to permit casinos. Two states, the remote Sikkim and Goa, both under foreign influence until the mid-Twentieth Century now permit limited forms of casinos.**

**Notable veto factors have retarded development of full scale casinos in India:**

**(1) Poverty leads the list. While a middle class has been growing, the poor (75% of the population) remain destitute and leaders do not wish to introduce anything that could worsen their condition.**

**(2) Violence in the north region of Kashmir has precludes casinos. After the bombings in Mumbai in 2008, general concerns about violence have also put a damper on gambling development.**

**(3) Religious pressures both from Hindu adherents and Catholics in Goa stymie gambling growth.**

**(4) While new casinos in Macau and Singapore beckon to Indian high rollers, there is little border pressure on the governments—national or state—to respond with casino legalization.**

**Macau and Singapore are rather far away. Limited gaming in Nepal doesn't present pressures for legalization. To the west Muslim countries have no casinos.**

## **X. Israel**

**Israel has had a lottery since 1951, casinos are another matter. Notions of having casinos get easily lost in military concerns. Israel has fought wars with the surrounding nations in 1956, 1967, 1973, and 1982. In 1993 came the Oslo peace accords with bordering Palestinians. They were short lived. Hostilities persist.**

**Casino ships on international waters sail from Haifa and Eilat. Israelis most popular in the world. There is a casino in border town of Taba, Egypt, and travel abroad to casinos. In the past a casino in nearby Lebanon was one of the There are many illegal casinos. Casino legalization has been discussed since the 1990s. Two bills to legalize casinos were introduced but failed in the Knesset in 1994 and 1995. The purpose of the legalization was to stem the growth of illegal gambling as well as competing with nearby casinos. Opposition came from religious political parties. Action was not taken. A casino at Jericho, Palestine opened in 1998 but closed in 2000 after the Intifada began. The demands for gambling in Israel have come with a 2002 proposal to have airplane gaming and also a desert casino.**

**Violence is the major veto factor, although the religious sentiment is a factor. There is little concern about protecting the poor. While there is no veto factor from lack of nearby casinos, an illegal gambling establishment might just favor the status quo of no legal competition. Their opposition could be a silent veto factor.**

## **XI. Japan**

**Forces for legalization have been at work two decades. Legislation has been prepared for ten casino sites. Votes in favor of casinos have been anticipated and leaders in the Diet have been about to bring a bill up for debate— But they pause. The word goes out, “Just wait until next year.” Policy decisions come very slowly. A reluctance to decide is imbedded into the national character.**

**In 1882 law prohibited gambling, but when re-passed in 1907, it had an escape clause, “ this shall not apply when the bet of a thing is made only for momentary amusement.” Exceptions to the law came after the Second World War as policy makers looked toward possible economic opportunities. Lottery legislation was enacted in 1948, along with laws for horse racing and motor boat racing. Motorcycle racing was allowed in 1950 and bicycle racing followed in 1951.**

**While several forms of betting came with new legislation, the major gambling had no legislative underpinnings. Pachinko gaming instead been considered an “amusement.” Today there are about 14,000 halls and over three million machines.**

**Several veto factors are not present as forces to stop casinos in Japan. Widespread poverty is not a major government concern, and religion has no been a force in Japanese politics for many decades. The society is tranquil with little violence and little governmental corruption. Two veto factors remain as there is concern about compulsive gambling, and there are those in the Pachinko industry see casinos as a threat.**

## **XII. Liechtenstein**

**Liechtenstein is one of the smallest countries in the world extending only 16 Long & four miles wide. In 1868, Parliament's proposed casino to eliminate national debt, was vetoed by Prince Johann I. He paid the country's creditors. This situation was repeated in 1872. And again—forty-nine years later.**

**In 1923 a treaty gave nearby Swiss rights to participate in its postal system, (Liechtenstein could have postal stamps). Swiss controlled customs & passports. Liechtenstein followed Swiss domestic laws and agreed not to have casinos.**

**When Switzerland authorized casinos in 1994, authorities began to rethink casinos. The government set up a commission in to survey the issue. Their first concerns involved crime and effects of a casino on money laundering activities in its banks. In 2009 a draft casino act was studied. Casinos have not come yet.**

**We can dismiss several veto factors. There is no violence or fear of addictions. Today residents are wealthy. No competing gambling interests block casinos. But only in very recent years have the people been exposed to border casinos. However, the notion of having the country used by criminal /terrorist-related elements for banking purposes does make advocates skittish. The influence of the Catholic Church remains to have a dampening effect.**

### **XIII. Mexico**

**Casinos came with a French intervention in the 1860s and during the government of Porfirio Diaz from 1876 to 1911. When Diaz was expelled, casinos were closed --until the 1920s. During the years of American Prohibition casinos and clubs were on the border near California. Political change came in 1934 with reform President Lázaro Cárdenas. He closed the casinos. In 1947 congress made slot machines & most gambling illegal. Authorities permitted sports betting, bingo & pari-mutuel wagering. A national lottery operating since 1770 continued. Fears of organized crime, corrupt government officials, and drug cartels put a damper on casino considerations. The powerful Catholic Church also opposed.**

**1996 legislation for legalization was prepared for ten casinos in tourist and border towns: Tijuana, Juarez, Mexico City, Acapulco, Cancun, Cabo San Lucas, Cozumel, Monterrey, Puerto Vallarta, and Reynosa. U.S. companies rushed in proposals. Just when action was to be taken, governmental corruption was exposed, as was increasing drug trade and organized crime operations. The proposal was set aside. While traditional slots were still banned, bingo games were allowed to be played on machines, much like slots. By 2008 there were 35,000 machines in operation at 450 locations.**

**In 2009 a casino bill was considered, but a Swine Flu crisis shut down congress. In 2010 drug violence thwarted casinos. Casinos remain vetoed by corruption, violence, a church, and even competition of bingo halls with machines.**

#### **XIV. Norway**

**Norway's lottery started in 1719 and during the 19th century, games with playing cards emerged leading to many personal tragedies. In the early Twentieth Century concerns were raised about excessive drinking and gambling. There were feelings that protections were needed amidst national conditions of poverty. Legislation prohibiting the behaviors was enacted.**

**Nevertheless, a new passive lottery began in 1913. In 1927 horse race betting was permitted. Following the Second World War, a national lottery company, Norsk Tipping, introduced football pools. Bingo halls were permitted in the 1960s, and the Red Cross was allowed to have slot machines with limited prizes. The 1980s and 1990s saw a spread of betting shops. Slot machines numbered over 30,000 by the turn of the century, there was a fear that problem gambling was out of control.**

**The Ministry of Culture gave Norsk Tipping full control over machines. They cut their numbers-to 11,000. Parliament decreed Norway would not have casinos.**

**The casino veto factors are few but effective. Religion has not been a barrier as the population is no longer strongly tied to church-going activities. Norway is a peaceful land, poverty has for the most part been defeated, the government is honest, and the major gaming operation, Norsk Tipping, does not act as a force seeking to end competition. The veto factors that include the fact that there are no casinos in border areas near Norwegian cities. Casinos in Sweden, Denmark and Germany are not easily accessible. In addition, there fear of addictions.**

## **XV. Summary and Conclusion**

**The review of gambling developments in nation venues without casinos suggests the veracity of the veto model.**

**The model manifests itself with results similar to those found in the study of legalization efforts in American state venues. In all nations without casinos there are at least two veto factor present.**

**At the same time, we can see that a majority (four or more) of veto factors appears only in three of the ten venues. Several factors stand out as perhaps the most salient ones. Seven venues also are found to have the “passive” veto factor of having no other casino venue on their borders or close to their population centers. In six venues religion is a force against legalization—the Hindu faith in Indian, Judaism in Israel, and Catholicism in Ireland, Brazil, Liechtenstein, and Mexico. Poverty has been a veto force in one-half of the venues.**

**The case study of Ireland shows that shifting conditions among the veto factors can keep the question of legalization on the active political agenda. The nature of political decision making processes—with a need for consensus—as illustrated in the Japan case gives veracity to the veto model for continued explanation as to why countries say “no” (“casi-no”) to casinos.**

<b>Table A: Veto Factors</b>							
	<b>Addict</b>	<b>Poverty</b>	<b>Violenc</b>	<b>Corrupt</b>	<b>Border</b>	<b>Relig'n</b>	<b>Compet</b>
<b>Ireland</b>	<b>X</b>	<b>(X)</b>	<b>(X)</b>	<b>X</b>	<b>X</b>	<b>(X)</b>	<b>X</b>
<b>Bhutan</b>		<b>X</b>			<b>X</b>		<b>X</b>
<b>Brazil</b>		<b>X</b>		<b>X</b>		<b>X</b>	<b>X</b>
<b>Iceland</b>	<b>X</b>				<b>X</b>		<b>X</b>
<b>India</b>		<b>X</b>	<b>X</b>		<b>X</b>	<b>X</b>	
<b>Israel</b>	<b>X</b>		<b>X</b>			<b>X</b>	<b>X</b>
<b>Japan</b>	<b>X</b>				<b>X</b>		<b>X</b>
<b>L'stein</b>					<b>(X)</b>	<b>X</b>	
<b>Mexico</b>		<b>X</b>	<b>X</b>	<b>X</b>		<b>X</b>	<b>X</b>
<b>Norway</b>	<b>X</b>				<b>X</b>		

**X= now present**

**(X) = formerly present**

