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Gaming UK: How Prepared is Manchester (UK) for Vegas-Style Supercasinos?

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Abstract

Casinos provide a remedy for desperately declining cities, and the case of Atlantic City, New Jersey provides one critical illustration of this. It was the only state other than Nevada to have legalized casino gambling in the late 1970s when the state looked to the casino hotel industry to invest capital, create jobs, pay taxes, and attract tourists and thus revitalise the economy as well as create a sound financial environment for urban redevelopment. It has also notably been linked with making cities vibrant places to visit and as an opportunity to become world class cities. Cities in Austria and Australia (including Brisbane, Canberra, Melbourne, and Sydney) have also towed a similar line and watched as their respective cities have been regenerated – thus making the supercasinos a contender for unparalleled economic engine – given the proper timing and market location. However this new wave of the entrepreneurial state, in its attempts to reimagine the city through such measures as casinos, seems to have lessened the degree of public participation in the planning process. Using a survey of fifty second year international business students from two London-based Universities between September 2006 and February 2007, this paper highlights the social and economic dimensions of supercasinos – especially as the government toys with the idea of licenses for these with Manchester at the forefront – in the context of consumer welfare and concludes that unless the economic benefits of supercasinos can be demonstrated to substantially eclipse the social costs of such ventures – the replication of Vegas style supercasinos would remain a tall order.

Key words: Vegas-style Supercasinos, United Kingdom, Gaming, Manchester, Urban Development.
JEL Classification: L83, P46, R11, R58.

1. Introduction

It is no longer news that super-casinos are big business worth billions of dollars, and have been linked to urban regeneration of cities cutting across the globe – from Australia, especially in cities such as Melbourne, Sydney and Canberra (Hall and Hamon, 1996) to the United States – notably Atlantic City, Las Vegas, New Orleans and Nevada (Smith and Hinch, 1996; Eadington, 1984, 1999; Dimanche and Speyrer, 1996). Despite their economic development potential, however, their societal and/ or social implications have attracted a barrage of criticisms from consumer welfare-farists (Pizam and Pokela, 1985; Walkley, 1993; Hall and Jenkins, 1995; Hall and Hamon, 1996). While policy-makers take the economic development argument to push for the spread of supercasinos, consumer rights groups adopt the societal perspective in resisting the viral pandemic. As the UK government recently granted licenses for the development of supercasinos – having chosen Manchester ahead of other prospective bidders such as Blackpool, London and Sheffield – the rationale for regional development/urban regeneration becomes increasingly questionable.

This paper, therefore analyses the possible implications of supercasinos on the social fabric and economy of Manchester on the one hand and the UK on the other. While section 1 sets the context of the study background, section 2 specifies the research method – largely descriptive and qualitative in nature. In section 3 the debate is presented: the policy-makers' propositions which are based on the economic growth philosophy versus the consumer welfare groups opposition are presented. This analysis is further developed in section 4, which weighs the policy-makers thesis against the consumer welfare antithesis in order to reach a more persuasive synthesis appropriate for the discourse. Finally section 5 concludes the study with suggestions that as long as there

is overwhelming evidence to demonstrate that the economic development benefits far outweigh the social costs of the Vegas-style gaming, it is persuasive to attempt altering the negative mind-sets of consumer welfarists. This, however, seems a tall order in the current dispensation.

2. Research Method and Analysis

William Eadington's (1984) article, taken from the case study of Nevada, examined the economic characteristics, the political environment, and the social effects that have prevailed around the legal casino gaming industry in recent years. Some comparisons are made between the casino industry found in Nevada and the more regulated Atlantic City industry, as well as observations of the possible economic and regulatory framework that may prevail if and when casino gambling is legalized elsewhere in the United States.

This study tows a similar line by following the ideologies (arguments for and against the legalization of casino gambling) but pitched in a different context (possible economic and regulatory framework that may prevail if and when casino gambling is legalized elsewhere – the UK in this case). The arguments put forward here are a result of a study based on a compilation of responses from two broad groups of second year students from two London-based Universities – The University of East London and the University of Westminster between September 2006 and February 2007. These students who numbered fifty were given tasks on international business issues covering aspects of foreign direct investment (FDI), ethics in business, cultural dimensions and/or implications for international business.

Respondents were asked about their views on the rationale for UK super-casinos and their possible implications for the British gaming industry. The results were collected in a rather unsophisticated manner as the intention was not to gather research evidence but to get the students to think internationally applying theoretical concepts to headline news. However, the viewpoints expressed by the students in an informal manner – away from the perceived pressures of being monitored for research purposes can only translate to the expression of honest views on the rather controversial debate on the legalisation of gambling activity in the UK.

The reliability of the research is based on the fact that the first hand accounts of these participants are supported by additional evidence from previous research in different other contexts – that is on research outside the UK. Selected articles from a variety of sources including the BBC News online, the *Journal of Travel Research* and the *Journal of Gambling Studies* formed the bedrock of the critical documentary analysis/review of the literature.

3. Gambling, Casinos and the UK Economy

Casinos wherever and whenever mentioned are linked to gambling. Indeed as illustrated in the Oxford Dictionary, Casinos on the one hand was derived from the Italian for casa (a house) – meaning "...public room or building for gambling" (Thompson, 1996: 203). Gambling, on the other hand, has been defined as when an individual or group of individuals "take great risks in the hope of substantial gain" (Thompson, 1996: 556). The distinction between 'hard' gambling and 'soft' gambling has also been made by the British Gaming Board as a justification for stricter controls placed upon those forms of gambling where an individual can risk and lose a significant amount of money in a short period of time. On the one hand, 'hard gambling' – typified by casinos and slot machines-differs from 'soft gambling' (those which are not as financially dangerous) such as lotteries and bingos etc (Gaming Board of Britain, 1997).

This section consists of two main parts. While the first part presents the thesis (economic development argument), the other one presents the antithesis taken from the consumer welfare perspective. In the first part, the thesis kick-starts with the policy-makers perspective, which is based on the economic growth philosophy. This viewpoint is taken from an analysis of the UK Gambling Act, the choice of location of the Vegas-style super-casinos in the United Kingdom (Vegas coming to town under new licenses). The second part highlights the opposite views or antithesis to the

economic development argument for the super-casinos. The section rounds off with an impact assessment of these developments on the UK economy.

Thesis: The Government and its agencies

The UK gaming landscape is undergoing major transformation with the introduction of new gaming regulations and allocation of 17 new licenses in 2007, including one Las Vegas-style super-casino. As a result, Britain is set to become one of the world's fastest-growing casino markets, expected to be worth £11 billion by 2010 (Barnfather 2006). This is one of the primary reasons for the recommendations of the UK Casino Advisory Panel (CAP), resuscitation of the 2005 Gambling Act and restructuring of the Gaming Board for Great Britain.

The Casino Advisory Panel (CAP) Recommendations

According to the UK Casino Advisory Panel (CAP 2007), the Gambling Act 2005 allows for three types of casinos to operate in Britain: (i) One regional casino (with a minimum total customer area of 5,000 m², and permitted up to 1,250 'Category A' unlimited jackpot gaming machines); (ii) eight large casinos (with a minimum total customer area of 1,500 m², and be permitted up to 150 'Category B' gaming machines, and a maximum jackpot of £4,000), and (iii) eight small casinos (with a minimum total customer area of 750m², and permitted up to eighty 'Category B' gaming machines, and maximum jackpot of £4,000).

The Government expects that a regional casino will be a major development, offering clear potential for regeneration. It will provide not just a range of gambling activities, but may include hotel accommodation, conference facilities, restaurants, bars, areas for live entertainment and other leisure attractions. The Advisory Panel's task will be to recommend to the Secretary of State for Culture, Media and Sport the areas where the single regional casino and eight large and eight small casinos would best be located. The primary criterion, as laid down by the Secretary of State is:

- ◆ to ensure that locations satisfy the need for the best possible test of social impact (which may require a range of locations of different kinds such as seaside resorts, edge of town developments or inner city centres).

Subject to that, the Secretary of State also asked the Panel to (CAP 2007a):

- ◆ include areas in need of regeneration (as measured by unemployment and other social deprivation data) and which are likely to benefit in these terms from a new casino; and
- ◆ ensure that those areas selected are willing to license a new casino.

According to Professor Stephen Crow, Chair of the Panel (CAP 2007b):

'...all of the seven shortlisted proposals that we examined had their merits in their own way, could be a good test of social impact of a casino, are in need of, and could benefit from regeneration, and showed evidence of willingness to license a casino. However our duty for the regional casino was to choose only one area that best met our criteria and – after much consideration – the Panel was won over by how well the Manchester proposal in particular delivered against the full range of requirements set out in the criteria against which the judgments were made.'

It is clear, therefore, that the super casinos would not only bring about new money/investments; create new jobs; boost new community development options/regeneration, but most importantly, they will form a new source of government revenue through taxes. However, the question remains whether such benefits outweigh the costs in terms of consumer welfare, taking social ills and other antisocial behaviour such as organised crime, bankruptcies, drugs and prostitution as a proxy – which leads to my first proposition – **The economic benefits of casino gambling are eclipsed by their social costs (Proposition 1).**

The Gambling Commission

The Gambling Commission is a Non-Departmental Public Body, sponsored by the Department for Culture, Media and Sport. It operates at arm's length from government and its advice is independent. Its work is funded mainly by licence fees from the gambling industry (Gambling Commission 2007). Formally established in October 2005 the Commission moved to offices in Birmingham in June 2006 with new responsibilities and powers to be taken on in stages as the provisions of the Act are introduced by the Government, and it will be fully operational by the end of 2007. Meanwhile, it will continue to operate under the previous legislation performed by the Gaming Board of Great Britain. Its self-stated core objectives include to:

- ◆ limit crime;
- ◆ ensure that gambling is conducted fairly and properly; and
- ◆ protect children and vulnerable people.

It thus follows that the Commission also recognises the social implications of glorifying and/or legalising gambling activities. With this in mind, the Commission has been conferred the legal power to levy fines or revoke licenses and to investigate and prosecute illegal gambling activities. This is in addition to its other new powers that were previously unavailable to the Gaming Board such as the ability to investigate and prosecute cheating and the ability to enforce gambling debts (Gambling Commission 2007). The Commission is also charged with regulating gambling in the UK through casino licenses, bingo licenses, general betting licenses, poll betting licenses, betting intermediary licenses and lottery licenses.

However, it is not clear where the role of the Commission ends and where that of the CAP begins – there seems to be ‘role duplication’ at play-all orchestrated by the government to the exclusion of other stakeholder group. This brings us to the second proposition – **There is no consultation with key stakeholders owing to the realities of proposition 1 – self interest of the state (Proposition 2).**

Manchester: The chosen one

Manchester is a relatively new city; born of the Industrial Revolution, it took the lead in the world's textile manufacture and production in the late 18th century, a position it held until its decline in the 1960s. Leaders of commerce, science and technology, like John Dalton and Samuel Arkwright, helped create a vibrant and thriving economy – most of the nation's wealth was created in this region during Victorian times.

In the UK government's official website it was clearly pointed out that “Manchester is too big a place to include everything about it here...”¹ Moreover the City boasts a very rich and diverse artistic and cultural life, comparable to any great international metropolis. Indeed Manchester is one of the largest metropolitan conurbations in the United Kingdom, justly proud of its history and heritage, its culture, enterprise and its entrepreneurial spirit. In more recent times, it has had to reconfigure its traditional manufacturing base to develop thriving new technologies. It has rebuilt itself as a leading centre of modernist architecture since the terrorist bombing of the city in 1996. This new sense of vigour and dynamism is evident in the appearance of an ever increasing number of city centre hotel, luxury apartments and self-catering accommodation. It is a tribute to its people and planners of Manchester that the city arose again out of the ashes of this atrocity, phoenix-like, to become a thoroughly modern city – a leading light of the 21st century². Moreover, the Association of Greater Manchester Authorities (AGMA) agreed to submit a bid for a £3bn package of transport funding including the introduction of a road congestion charging system like the one in operation in London.

As a conference and business destination, Greater Manchester continues to develop its facilities and infrastructure at an impressive rate. According to Marketing Manchester (2007):

¹ See <http://www.manchester.gov.uk/>

² <http://www.manchester2002-uk.com/>

'...National and international recognition has taken the city to new heights, while a hotbed of fresh ideas, expertise and knowledge fuels expansion – a number of new features are nearing completion, including international hotels, conference, exhibition and meeting areas, corporate hospitality suites and visitor services.'

It is surprising, therefore, that Manchester was chosen as the location of Britain's first Las Vegas-style super-casino issued with a license that will allow Manchester build a 1,250 unlimited-jackpot gaming machines casino. It is instructive to note, moreover, that previous assessments had put Manchester last among the seven bidders for the super-casino, while all local government bodies backing the city of Blackpool (Hopkins, 2007). The casino was seen as the catalyst for regenerating and reversing Blackpool's declining economy. It had been hoped the new gambling attraction would have created up to 3,400 jobs thus attracting investments to the tune of hundreds of millions of pounds sterling. The CAP also granted 'large' casinos licenses to places like Great Yarmouth, Hull, Leeds, Milton Keynes, and even Newham amongst others (Hopkins, 2007), as well as 'small' casinos granted to other smaller UK cities including Dumfries and Galloway, Swansea and Wolverhampton etc.

Despite dissenting views to the contrary, Manchester's bid organizers have argued that the 'super-casino' would regenerate a poor area in the east of the city, promising a £265 million investment and 2,700 jobs (Hopkins, 2007). The proposed casino to be sited near the City of Manchester Stadium will include a resort featuring an entertainment complex with a multi-purpose arena, a swimming pool, restaurants, bars, a nightclub and a hotel. Tessa Jowell, the UK cultural secretary, was unequivocal in her affirmation that '...Las Vegas is not coming to Great Britain!' Indeed she insisted that only Manchester would be granted a super-casino license 'during the current parliament', promising that the UK would have the 'strictest controls in the world' on gambling, and casino staff would be trained to enable dealers to spot problem gamblers. This leads to the final contention – **The rationale/merit for Manchester as a super casino destination is not based on the economic development argument (Proposition 3).**

Antithesis: The Consumer Welfarists Viewpoint

In challenging the economic development school of thought Ravitz (1988) questioned the appropriateness of gambling as a sustainable economic development strategy. Other researchers (see Table 1) have also argued that the often-promised economic benefits do not always occur as expected in gambling communities (Stokowski, 1993; Walkley, 1993; Hall Aitken, 2006). In addition tourism can be developed at so great a speed that the community's capacity to absorb its development and its impacts is exceeded (Dimanche and Speyrer, 1996: 98). Moreover, Goodman (1994: 16) – in an extensive study of legalized gambling as a strategy for economic development, found that 'there is a critical lack of objective knowledge and research about the real economic and social costs and benefits of legalising gambling', For example, the negative impacts on local businesses due to the reallocation of consumer spending and the required increased expenditures in public services associated with casino development are not typically considered in economic impact studies.

Table 1

Review of articles on Casinos and Gaming in major Cities

Author(s) & City	Key Research Themes/ outcomes
Eadington (1984) <i>Nevada (USA)</i>	Examined the economic characteristics, the political environment, and the social effects that have prevailed around the legal casino gaming industry in Nevada in recent years.
Pizam and Pokela (1985) <i>Adams and Hull, Massachusetts (USA)</i>	The findings show little consensus as to the positive impacts, but much greater agreement over the negative impacts that a hotel casino might have in the respondents' towns.
Walkley (1993)	Casinos are essentially the creatures of recession and increased fiscal demands on government have overcome moral objections to casinos from various sections of the community, particularly the churches.

Table 1 (continued)

Author(s) & City	Key Research Themes/ outcomes
Hall and Jenkins (1995)	For the most part, tourism research has tended to treat 'touristic' elements in urban areas, including casino development, as distinct entities that are relatively isolated from the broader social and political processes operating in and on the city.
Braunlich (1996) <i>Atlantic City (USA)</i>	"Casino gambling, seen as a desperate remedy for the city's desperate situation, was approved for Atlantic City by a voter referendum in a state-wide ballot in November 1976. Following the referendum, casino gambling was legalized in the state of New Jersey by the Casino Control Act. At that time New Jersey was the only state other than Nevada to have legalized casino gambling. The state looked to the casino hotel industry to invest capital, create jobs, pay taxes, and attract tourists, thus revitalizing the economy and creating a financial environment in which urban redevelopment could occur" (p. 46). "...Perhaps the most positive lesson from the Atlantic City casino experience is the unparalleled economic engine that casino hotels can represent given the proper timing and market location" (p. 55).
Dimanche and Speyrer (1996) <i>New Orleans (USA)</i>	Little research exists on the impact of gambling on communities, particularly in cities with diversified economies. Typically, communities accept gambling without taking the time to undertake a thorough study of the consequences of this decision...and researchers are left with the task to evaluate, after the fact, what the impacts of gambling are.
Hall and Hamon (1996) <i>Melbourne and Sydney (Australia)</i>	Despite the potential implications of urban imaging strategies for the nature of urban areas, particularly those which are most prone to "redevelopment" or "rejuvenation," little critical evaluation of the new urban tourism has been forthcoming. However, such an approach fails to (1) appropriately contextualise urban tourism development as part of the policy response to economic and social change, and (2) note the potential impacts of strategies on urban people and places. As the cases of Melbourne and Sydney indicate, the planning of casinos has been undertaken by the state ...Many stakeholders have been excluded from the planning process, with debate occurring in the media rather than through public consultation mechanisms (Hall and Hamon, 1996).
Smeral (1998) Austria	"Casinos improve the competitiveness of regions and attract additional demand" (p. 38).
Lepper (2005) <i>The United Kingdom</i>	"...changes in the level and pattern of participation in gambling mean that the balance between competition and control in gambling policy must be adjusted if consumers are to remain protected" (p. 24). "It was not proliferation of LBOs, which was heavily debated, but that of casinos, which ...led to the 1968 Gaming Act which currently regulates the industry." By the late 1990s, however, the Gaming Act of 1968 was "...no longer capable of maximizing the benefits of gambling while protecting consumers. The balance between competition and control that was struck in the 1960s was no longer appropriate..."
Hall Aitken (2006) <i>Atlantic City (USA) & The United Kingdom</i>	"...in the late 1980s Atlantic City in the US was a run-down large scale sea-side resort. Large scale resort casinos were seen as being the means of regenerating the city and turning around its declining fortunes. The City Authorities had high hopes for the impact of the investment and expected that an economic renaissance would follow the first casino. However, these 're-generation benefits' did not transpire for Atlantic City."

In the case of the UK, opposition to the planned Las Vegas-style super-casinos slated for Manchester has been challenged by religious figures, social leaders and many other consumer welfare groups (see Hall Aitken, 2006; Travis, 2007). In January 2007, for instance, the Government's CAP announced that Newham was one of the eight authorities permitted to build a large casino, following an approval by Culture Secretary – a move that alarmed religious leaders, many of whom believe the casino will increase (see Travis, 2007):

- ◆ gambling addiction and crime;
- ◆ debt, domestic abuse and prostitution; and

- ◆ redistribution of wealth from the poor to the rich.

The second point above was raised by a Scotland – based charity (Wigtownshire charity in Stranraer) as a result of casino plans for the town, which was the only Scottish bid approved by the CAP. Its small-scale casino license allows for up to 80 gaming machines with a maximum payout of £4,000. In line with the last point, Walkley (1993) argued that casinos are essentially the creatures of recession and increased fiscal demands on government have overcome moral objections to casinos from various sections of the community, particularly the churches. To this Hall and Jenkins (1995) add that for the most part, tourism research has tended to treat touristic elements in urban areas, including casino development, as distinct entities that are relatively isolated from the broader social and political processes operating in and on the city – these and many other arguments that suggested the unbalanced playing field for the arguments are presented in the next section, where evidence for the three propositions highlighted in the previous sections are presented.

4. Analysis & Discussion

As Dimanche and Speyrer (1996: 99) rightly pointed out in their study on gaming in New Orleans, “the introduction of casinos will likely impose a number of changes, both positive and negative, on the community.”

UK Consumer Perception of casinos can be captured in consumer behaviour terms as the ‘Casino Royale Effect’ – a situation where the consumer buys into the emotion of a product or service. Nowhere else is this aptly demonstrated but the recent revival of the new James Bond movie double act – the movie (Casino Royale) and the new sensation (Daniel Craig). Indeed in its review of Casino Royale, *The Sun* Newspaper (2006) emphasised that it was ‘the most eagerly awaited Bond movie ever’. It is not surprising what the Bond effect could have on UK consumers who have started embarking on ‘soft gambling’ in earnest (buying scratch cards with the Casino Royale brand). Perhaps the box office appeal to ‘Casino Royale’ would affect consumer behaviour towards gambling and Casinos as a symbol of the cool factor. Manchester was, however, chosen as the surprise location of Britain’s first Las Vegas-style super-casino without due consultation with all possible stakeholders (see proposition 2). This is a good reason why we cannot afford to be too optimistic about the government’s true intentions in embarking in such ventures. As Hall and Hamon (1996) warned in their Australian study (see Table 1), the cases of Melbourne and Sydney are clear pointers that the planning of casinos has been undertaken by the state-to the exclusion of many stakeholders from the planning process, with debate occurring in the media rather than through public consultation mechanisms (Hall and Hamon, 1996).

According to BBC News online poll (BBC 2007a) two mixed views expressed by Manchester residents described how they felt about having a super casino in the city. In the first case, Respondent 1 – who works at Salford University where the Centre for the Study of Gambling is based – was quoted as saying (BBC 2007): “I have always wanted to visit Las Vegas but now it will be on my doorstep... I am not a big gambler but I will definitely go and visit it”. To add to this viewpoint, respondent 1 also mentioned something that might be construed as acceptance of the casinos in Manchester, ‘I work as an administrator at the University (where the Centre for the Study of Gambling is based) and knowing that the academic resources are here to look into the effects of the casino is another reason why Manchester is such a good choice.’ Respondent 2 on the other hand lives very close to the site and is more apathetic to the situation. According to her (BBC 2007):

‘As someone who lives very close to the site of the casino, I am very disappointed that the super-casino is coming to Manchester. I think the money should be directed elsewhere, the regeneration money is already here. The Commonwealth Games in 2002 brought a lot of regeneration to the area and since then, new flats and new money have been coming into the district as well. To be honest, I wonder what infrastructure there is to support such a large venture...I live less than half a mile from the site and I don’t know who it is aimed at. It certainly isn’t the people living round here. We don’t have that much disposable income.’

The messages are very telling – (i) Is the casino targeted at locals or tourists; (ii) is there any need for the casino to be used for regeneration purposes? Here also the thesis of economic development is challenged and the antithesis of the consumer welfarists' perspective upheld. It is worth stating also that the view expressed here also echoes the views of 80% of our student sample:

'The Government is making the casino happen but I am really disappointed that it has failed to put forward the money for the northern tram extension...that would benefit a lot more people.'

Returning to the online survey, it is also interesting to note that both respondents have a common ground about the need for using Casinos as an urban regeneration tool – at least in the case of Blackpool, which '...could have really benefited from a super-casino. I do feel sorry for Blackpool. The way it's gone downhill recently is heartbreaking (Respondent 2) ...I do feel sorry for Blackpool though. The town needs something like this to stop it degenerating (Respondent 1)'. These views are also supported in the literature where connections between casinos' development were made with the three waves of recessionary economic conditions in Australia (Chenoweth, 1991; Smith, 1993). This position was also buttressed by Walkley (1993) who noted that casinos are essentially the creatures of recession. In the next sub-sections, the propositions are reconsidered in the light of viewpoints from the academic literature, as well as from some of the responses obtained from the study samples.

Proposition 1: The economic benefits are eclipsed by their social costs.

Gambling is a complex phenomenon and cultural attitudes towards it remain ambivalent. Traditionally, as McMillen (2003) noted, games played in local communities reflected social and cultural values and in some cases, such as sports, promoted national pride and sovereignty. However, over the last 25 years gaming and gambling activities have been transformed by the forces of commercialisation and globalisation, especially with the introduction of new gambling mediums such as the internet. Furthermore, the liberalisation of gambling laws in many parts of the world, particularly during the 1980s onwards, has led to massive growth in both the size of the gambling industry and gambling expenditures globally. According to Reith (2003) the gambling industry generates huge profits and considerable tax revenues for the government, and remains a major player in the global economies, and is increasingly owned by a limited number of multinational conglomerates such as Harrah's Entertainment, Las Vegas Sands and MGM Mirage, Stanley Leisure and Rank Group Plc amongst others (see Barnfather, 2006: 18). In the US, for instance, the gambling industry has expanded in the last 25 years and is a major economic force that generated revenues in 1996 of US\$25 billion a year and paid about US\$2.9 billion in taxes (Reith, 2003: 10).

However, only two groups (categorised as Group A) out of the ten groups from the student survey sample supported the economic benefits associated with Vegas-style supercasinos. According to them, 'it is bound to increase tourism and dilute the congestion in London as Manchester also has an international airport and is relatively cheaper standard of living and property prices'.

While proponents of casino development, especially in depressed communities, focus on the economic benefits such as job creation and economic development, critics of casino development argue that commercial gambling is a regressive tax on the poor and results in a 'transfer', not creation of wealth (Reith, 2003). The overall economic benefits and social costs of gambling activity are impossible to estimate (NGISC, 1999), as the social and economic costs (losses) of gambling on individuals, communities and societies are difficult to quantify and cannot be compared to the benefits reflected in revenue generation by the gambling industry. McMillen (2003) notes the homogenisation of gambling as a result of globalisation and examines regulatory challenges as gambling is transformed from a small-scale, community activity to a high-tech, global one. It is not surprising that global companies are competing for the gambling market. McMillen (2003: 56) assumed a cautionary posture, when noting an unanswered moral question, 'Who is responsible for addressing the social harm that might result?' Given the penchant for governments to see gambling as a revenue generator, requests for funds to prevent, educate and treat problem gamblers may slip even further into oblivion, unless state representatives acknowledge the negative externalities.

To summarise, it is clear that denial of the extent of the social costs can only cause more harm than good. Using anti social behaviour orders (ASBOs) as a proxy for social crime levels in UK cities Greater Manchester leads the pack. Taking statistics of anti social behaviour order (ASBOs) issued in courts in England and Wales between April 1999 and December 2005 it can be seen that Manchester has a disproportionate share when compared with other UK cities. Table 2 shows that Greater Manchester constituted 13% of the total for England while Greater London accounted for about 12.4% (and 14% when combined with its neighbouring county of Essex).

Table 2

Number of ASBOs issued at courts in England and Wales (1999-2005)¹

		Apr 99 - May 00	Jun 00 - Dec 00	2001	2002	2003	2004	2005
CJS Area	Total issued	Total	Total	Total	Total	Total	Total	Total
Essex	149	0	0	0	2	16	59	72
Gloucestershire	68	0	2	2	1	7	26	30
Greater London	1172	9	19	15	21	139	441	528
Greater Manchester	1237	10	2	25	78	236	430	456
Hertfordshire	146	1	1	9	6	17	40	72
Humberside	236	0	9	4	4	10	72	137
Kent	159	0	3	17	16	25	54	44
Lancashire	362	5	5	11	13	54	126	148
Leicestershire	121	1	4	0	1	15	41	59
Lincolnshire	43	0	0	2	2	7	12	20
Merseyside	308	8	3	7	22	44	96	128
Norfolk	123	6	0	12	9	7	43	46
Northamptonshire	85	1	2	5	1	6	39	31
Northumbria	309	7	5	9	16	25	74	173
North Yorkshire	95	4	0	7	0	9	41	34
Nottinghamshire	256	1	4	11	2	21	91	126
South Yorkshire	248	3	1	7	19	34	80	104
Staffordshire	170	0	4	6	12	30	59	59
Surrey	110	0	2	2	2	7	48	49
Sussex	248	3	4	3	16	31	97	94
Thames Valley	163	1	1	7	6	16	77	55
Warwickshire	87	0	1	2	15	11	28	30
West Midlands	787	11	28	58	30	119	238	303
West Yorkshire	696	4	2	14	14	97	305	260
England	9431	104	135	344	414	1272	3317	3845
Dyfed Powys	35	0	0	0	0	12	8	15
Gwent	72	0	0	2	2	8	27	33
North Wales	168	0	1	0	7	15	42	103
South Wales	147	0	1	4	3	29	46	64
Wales	422	0	2	6	12	64	123	215

Source: Home Office (2006) Anti-Social Behaviour Orders (ASBOs) issued between April 1999 and December 2005. Available online at: <http://www.crimereduction.gov.uk/asbos/asbos2.htm>

¹ Number of anti-social behaviour orders issued at all courts, as reported to the Home Office by the Court Service, by area and year, April 1999 to December 2005.

Proposition 2: There is no consultation with key stakeholders owing to the realities of proposition 1 – self interest of the state.

Most of the economic benefits from casino style gambling are attributable to tourism in one way or another. In the case of Australia, for example, the latest wave of casino development has been exploited by Brisbane, Canberra, Melbourne, and Sydney as a means to present themselves as exciting and vibrant places to visit and as an opportunity to become world class cities.

However, the ‘entrepreneurial state’, in its attempts to reimage the city through such measures as casinos, has lessened the degree of public participation in the planning process (Hall and Hamon, 1996). The aim of tourism promotion was... partly to boost the city, partly to revitalise the city, and partly to physically regenerate areas (Law, 1993: 1-2, Cited in Hall and Hamon, 1996: 30). Moreover, in their investigation of the cities of Adams and Hull in Massachusetts (USA), Pizam and Pokela (1985) noted that the major factors in predicting respondents’ attitudes toward legalization was found to be their perception of the impact a hotel-casino would have on (i) the character of their town; (ii) crimes involving drugs and prostitution; (iii) the effectiveness of the State government at regulating casino gambling; (iv) the overall standard of living, and (v) jobs for local residents. All of these consequences have been found to be real by various researchers hence the need for consultation with key stakeholders. If the casinos have gone ahead then there is evidence to suggest that consultations, if any, have not been robust enough.

Some of these views have also resonated from the second group student sample – Group B – consisting of eight out of the total ten groups that participated (i.e. 80% of the sample). According to this group, there was a need to put any major policy decisions to public debate in any economy that projects itself as a democracy:

‘Why is it that when it comes to issues on joining the Euro, Devolution of the Scottish parliament, Immigration laws and drinking licensing laws – we have a public debate. But when it comes to supercasinos we are told that licenses have been granted?’

They go on to question the latent reasons for the UK’s continued apprehension of joining to Euro-zone fully, so that its special relationship with corporate America would not be strained:

‘Why should the UK always be the first to say yes to big “American Dream” projects – opening up its market to Vegas-style supercasinos – when other countries like France, Germany and Italy are looking on... why Manchester?’

Manchester is already popular. It hosted the 2002 Commonwealth games in what has now become The City of Manchester Stadium. Old Trafford is also popular as the home football ground of a global brand like Manchester United. There is also the Trafford shopping Centre associated with that brand – what more is required?

As far as I am concerned student towns should not really have casinos to improve the night life. Pubs and Clubs offering cheap and free drinks would do the trick. Not places where you spend your student loans like casinos.

There are about four universities in the Manchester area including one in Bolton, one in Salford and two in Manchester proper. Honestly we don’t think there is more to expect from supercasinos around here in terms of economic regeneration.

Moreover, while reporting on their study of New Orleans, Dimanche and Speyrer (1996) mentioned the use of nine specific questions posed by the city in its request for proposals. These included ‘how the gaming activities going to affect:’ (i) the local job market; (ii) retail and commercial activities; (iii) tourism; (iv) the business environment; (v) the private lives of New Orleans residents; (vi) health care and medical services; (vii) crime rates and patterns; (viii) the real estate market and housing opportunities; and (ix) public facilities and services. Overall, experts in the field of casino-gaming and their implications for cities such as Pizam and Pokela (1985); Law, (1993); Dimanche and Speyrer (1996); as well as Hall and Hamon (1996) would be neglected at the peril of the policy-makers. Only time would tell whether the choice of Manchester was the right decision.

Proposition 3: The rationale/merit for Manchester as a super casino destination is not based on the economic development argument.

As Eadington (1999) rightly pointed out about Las Vegas casinos: ‘Other jurisdiction may desire to emulate the tourism successes of Las Vegas, but it is unlikely that any will approach Las Vegas, either in size, diversity, or in proportion of customers who are indeed tourists.’

Drawing inspiration from the above remark, it must be stated that ‘tourism’ in the case of Manchester is not a justifiable rationale, as the city already has a long tradition of acting as a tourist attraction from a portfolio gathered from the *Marketing Manchester* information pages. Established in 1996 as the Agency to promote Manchester on a national and international stage, *Marketing Manchester* became The Tourist Board for Greater Manchester in April 2004: The Beetham Tower (a most striking feature to the Manchester’s urban landscape); Manchester Airport (just 20 minutes from the city centre has created a hub of hotel and meeting areas around its three terminal buildings – The Radisson SAS is the only hotel linked to all three terminals, while the Manchester Airport Marriott has recently completed a £6 million transformation to update and improve its services for business travellers); The University of Manchester (with a range of facilities stretching over 3km including the Manchester Conference Centre with its very own museum, art gallery and observatory, the university is able to site events in a number of diverse settings); Manchester Metropolitan University; Manchester MEN Arena; G-MEX/MICC (located in the heart of Manchester’s city centre offering a vast pillar free exhibition space, while the MICC is a favourite with a large number of association conference organisers); Old Trafford Stadium (Old Trafford’s ‘Quadrants’ development has been marketed as “...a piece of authentically Mancunian sporting action to compliment the conference and events facilities already on offer... (in Manchester); The City of Manchester Stadium and the Bolton’s Reebok Stadium.

Greater Manchester can also offer far more than just city centre venues. Just North of the bustling cosmopolitan centre lies the M61 corridor, home to a diverse range of hotels and venues, from Bolton Albert Halls, Egerton House Hotel and Macdonald Dunkenhalth Hotel and Spa, collectively known as the M61 Meetings Group. The next few years will see a massive £6.5 million investment in the corridor, upgrading and improving a range of conference areas, conference facilities and delegate bedrooms. To tie in with the investment in business tourism, Bolton town centre will also undergo huge changes over the next few years such as the development of its Cultural Quarter, upgrading of the bus and rail interchange and the introduction of the £100m Central Street, mixed use development.

Overall, it seems unlikely the host city for the 2002 Commonwealth games has degenerated to the extent the supercasinos would bring it back on its feet.

5. Conclusions

In their Five-Year comprehensive report on gambling, Dimanche and Speyrer (1996: 98) noted that ‘some research on the impact of gambling has been conducted in Las Vegas and Atlantic City, but relatively little published information exists on more recent gambling destinations’, – this was a clear justification of an assessment of the UK market. This paper therefore picked up the mantle by presenting two opposing viewpoints of the impact of super casinos in the case of the UK. The debate in the light of these opposing schools of thought provides fresh insights on the perceived benefits of super casinos for the UK economy.

While other cities across the globe have tried to emulate the Vegas-style casinos, there is a need for caution – not the least for the UK’s plans for Manchester. The clearest regional or national objective when considering casinos has been tourism development, primarily because of the phenomenal growth of Las Vegas in the 1980s and 1990s. Indeed, Las Vegas has set a somewhat unattainable ideal because of its critical mass of destination resort casino complexes (in the Las Vegas Strip between 1989 and 1997); the fact that it had a legal monopoly on casino gaming in America for so long; its infrastructure especially the airport and freeway linkages; and its geographic position in the western US – close to Los Angeles and the large population base of Southern California.

In an attempt to weigh the pros and cons of supercasinos licenses in the UK, it has been noted that while policy-makers and their advisers – such as the Casino Advisory Panel, the Gambling Com-

mission, the department of Culture, Media and Sports – take the argument of economic development to push forward the agenda for Vegas-style UK casinos, the consumer welfarists can adopt the social impact posture to question the validity of this sort of viral *perniciousus*. It is persuasive to suggest that it is with this latter group that the links between Casinos and gambling are made more explicit and the impact on the UK economy when Vegas comes to town – more visible.

However, one of the fundamental realities regarding economic and social impacts of gambling is that the former (which tend to be positive) are quantifiable, tangible and measurable; while the latter (which tend to be negative) are qualitative, elusive and very difficult to measure. Thus one can often readily account for positive economic impacts of casinos such as visitations, tax collections, job creation, and new investments. It is difficult, however, to provide a meaningful measure of the incidence of many social impacts attributable to an expanded presence of legalised gambling. This notwithstanding, several opposition camps about the negative social impacts of gambling and their costs for society at large exist (Goodman, 1995; Grinols and Omorov, 1997; Thompson, Gazel and Rickman, 1997; Eadington, 1999). Moreover, statistics on ASBOs used in this study suggest that the social impact could be measured and means found to ascribe causality through statistical analysis and other kinds of time series analysis.

Overall, this paper has highlighted the social and economic dimensions in the context of consumer welfare and concludes that the negative consumer perceptions to casinos/gambling can be altered provided that the economic benefits substantially eclipse the social costs of such ventures. Although Las Vegas mega casino complexes (arguably the largest and most dynamic of any casino industry in the world) have changed the face and image of City from gambling to casino entertainment in the 1990s, this trend toward bigness, entertainment, and diversity has been mimicked in other US cities such as Reno and Atlantic City with much less success – whither Manchester Supercasinos?

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