Legalizing gaming in Singapore: The ethical implications

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LEGALIZING GAMING IN SINGAPORE: THE ETHICAL IMPLICATIONS

by

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The Master of Hospitality Administration (MHA)
– Executive Program
University of Nevada Las Vegas

A professional paper submitted in partial fulfillment
of the requirements for the

Master of Hospitality Administration
William F. Harrah College of Hotel Administration

Graduate College
University of Nevada, Las Vegas
September 2010
ABSTRACT

Ethical Implications of Opening the Integrated Resorts (IRs) in Singapore

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In this day and age when directors of companies are found to be corrupt and governments are not void of graft and bribes, it is not a wonder that people would question the integrity of both companies and governments. Many cities in the world have decided to build mega resorts with gaming facilities for the purpose of economic development that includes employment and tourism. The aim of this study therefore is to contrast and compare the ethical issues and implications of the decisions made not only by the Singapore government but other governments of the US, Macau, the Bahamas and Australia to open casino-based resorts in their countries. In addition to also determine if the decision to legalize and build the Integrated Resorts in Singapore was for the greater good and therefore ethical.
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Acknowledgements

The author would like to thank the following persons without which this paper would not have been possible:

Professor Gary Potts
Dr Gail Sammons
Manognya Murukutla
Wendy Lim
Justin (Munchkin) Pang
Isis Ong
PART ONE

Introduction

Making the right decision, doing the right thing has been plaguing Man since he came into existence. In the everyday lives that we lead, it is about making decisions and for some people, making the ‘right’ choice requires thought and consideration while for others, there seem to be no conscious effort to think through a decision; no thought of consequences or result, or is there?

Ethics and its issues have been in the news for the longest time. There were companies like Enron, Global Crossing, Tyco, Bristol-Myers Squibb (Moberg & Romar, 2003) and people from those companies like Andy Fastow, Gary Winnick, Dennis Kozlowski, Peter Dolan and the latest; the alleged subprime mortgage fraud of Goldman Sachs (La Monica, 2010). Such issues do impair the image and reputation of companies and impact consumer confidence in them as well as perhaps other companies.

Hospitality is a business like any other business that is profit driven. Employees are expected to perform so that the company makes profits. An example of ethical issues in the hospitality industry is cruise ships. According to the United States Environmental Protection Agency (2009), cruise ships discharge bilge water, sewage, graywater, ballast water and solid waste and it usually happens three miles from the coast which is not regulated. This naturally concerns various stakeholders that all of these waste materials will impact the environment in a negative way.

Do profits mean that a company and its directors or staff must be less ethical? Not according to Heineman (2008) whom stated that a company can still be profitable and yet reduce ethical issues through integrity. Having integrity is about being ethical. Being ethical is about making choices that are ‘right’ as opposed to ‘wrong’ choices.
Purpose

The purpose of this paper is to contrast and compare the implications and the ethical issues of the decisions made by governments of Las Vegas, Macau, Bahamas, Australia and Singapore, to allow casinos and/or resorts with gaming facilities in their respective countries.

Statement of Problem

Ethical relativism states that ‘right’ and ‘wrong’ differs from culture to culture (Zucker, 1996) while The Golden Rule is about the behavior of oneself (Jaszay & Dunk, 2006) and John Stuart Mill (1863) states that the Utilitarianism principle is about the greater good for the most number of people. Singapore is considered to have one of the least corrupt governments in the world while there are many other counties around the world that are considered corrupt in the same study (Transparency International, 2009). In this day and age when directors of companies are found to be corrupt and governments are not void of graft and bribes (Werker, 2007), it is no wonder that people would ask if the government that runs a country is ethical. Therefore when the Singapore government announced that they will finally legalize gambling and thus allow two mega resorts with gaming facilities, the country was thrown into a debate about the social, economic and political implications of the decision (Lee, 2005). When one considers the various ethical philosophies above, questions arise on how ethical or unethical governments have been and the implications of those decisions to build casinos and/or casino-based mega resorts.

From Las Vegas, Macau, the Bahamas, Australia and now Singapore, the reason for this study is to compare and contrast the implications and the ethical issues of the decisions made not only by the Singapore government but other governments to open gaming resorts in their countries. Moreover, to examine those decisions against the ethical concept of the Utilitarianism principle; were the decisions by the various countries and states but more
importantly of Singapore to legalized gaming by allowing casinos and casino-based resorts for the greater good?

Justification

The decision to open the IRs has been justified by the Singapore government and therefore they are in existence this very day. When decisions are made there are implications. When managers, supervisors, general managers, board of governors and even governments make decisions, what are their motives? Are the decisions ethical? Were decision made out of selfish pride or was it for the greater good of its citizens and perhaps the state or country?

Isaac Asimov (GoldenProverbs.com) mentioned that one’s sense of morals should not hinder one from doing what is right. However who or what will ensure that decisions made by people in power or governments are ethical? Do ethics play any part in decision making?

The researcher hopes that this paper will be able to add to the body of knowledge in terms of ethics in the hospitality industry in light of the two newly opened casino-based destination resorts in Singapore. It is the aim of this researcher is to explore the various impacts of legalizing gambling and thus the building of casinos and/or casino-based resorts and to reveal if the decision was ethical. Such decisions have the possibility of impacts on the social, environmental and political landscape of a country. If in fact such impacts exist, was the decision by the government for the greater good and therefore ethical? Thus the decision to open the Integrated Resorts must be examined to determine if the decision was in fact for the greater good for Singapore.

Limitations

The scope of this paper is essentially about ethics but ethics based on the concept of the Utilitarianism principle as stated by John Stuart Mill (Kay, 1997) which is about doing the most good for the most number of people. Thus the author’s intention of this paper is to
compare and contrast the ethical issues and implications of various countries and/or cities that have decided to permit and allocate resources for casinos and/or casino-based resorts in terms of the Utilitarianism principle. When governments decide to allow casinos or casino-based resorts in their countries, is it for the greater good? How will such decisions benefit most citizens of the country or territory?

The researcher has also only focused on certain countries and/or cities for this paper as he intends to compare the integrated resorts of Singapore with other similar resorts that are not only up and coming but have established themselves to be mega resorts or destination resorts. These resorts would be found in Las Vegas, the Bahamas, Australia and Macau. Examples of such resorts are the Venetian, the Atlantis and the Wynn Macau. These established mega resorts and/or up and coming resorts could be casino-based or have the gaming element as part of the resort.

The other constraints of this paper are the limited time and resources available either on the internet or in print on the topic at hand. There are books and articles or research conducted on the topic of ethics and/or gaming but none about the ethical considerations of opening casinos let alone near or within major cities.
**Glossary**

**Asean** - Established on 8 August 1967 in Bangkok, Thailand, ASEAN stands for The Association of Southeast Asian Nations. ASEAN comprises of 10 countries; Thailand, Indonesia, Philippines, Malaysia, Singapore, Viet Nam, Brunei Darussalam, Lao PDR, Myanmar and Cambodia. [http://www.aseansec.org/64.htm](http://www.aseansec.org/64.htm)

**Ballast water** - water that maintains the stability of the ship and is discharged from a vessel. (EPA, 2009)

**Bilge water** - water that collects in the ship’s hull and may contain oil, grease, and other contaminants. (EPA, 2009)

**Casino** – a business operation that offers games of chance like table, slots and card games with other amenities such as entertainment that are marketed to customers seeking gaming activities. (Ninemeier & Perdue, 2008)

**Destination Resort** - These properties are seen as resorts in the truest sense. They serve as the primary motivation to visit a destination and have characteristically high levels of service. Properties provide most or all amenities throughout a guests’ visit and provide access to substantial recreation or leisure space. Properties frequently have capabilities for meetings/business. (Center for Resort and Hospitality Business, n.d.)

**Ethics** – is the science of judging specifically human ends and the relationship of means to those ends. It studies the impact of acts on the good of the individual, the firm, the community and society as a whole; a system of value principles or practices that defines right and wrong (Garret, 1966, Raiborn & Payne, 1990 )

**Gaming** – any activity that involves wagering (betting) something of value on a game or event with an unknown outcome. (Ninemeier & Perdue, 2008)

**Graywater** - waste water from showers, wash basins, laundries and kitchens. (EPA, 2009)
**Integrated Resorts** (IR) – resorts consisting of amenities like hotels, F&B outlets, retail shops, convention space, theatres, museums and theme parks with a gaming component (casino). (Lee, 2005)

**Resorts** - are full-service lodging facilities providing a full range of amenities and recreation facilities that emphasizes leisure experiences for the guests. Resorts serve as the primary provider of the guests’ experience, often provide services for business or meetings, and are characteristically located in vacation-oriented settings. (Center for Resort and Hospitality Business, n.d.)

**Solid waste** - food waste and garbage. (EPA, 2009)

**Mega Resorts** – look at Integrated Resorts.
PART TWO

Introduction

There are many reasons why countries or states legalize and even liberalize gambling; casinos are one of the main drivers of economic growth which includes job creation and tax revenues for the state or country, in addition increasing tourism numbers and even reviving the tourism industry. However perhaps one of the most important reasons as Grinols (2004) argues, is not about development associated with employment growth but that welfare or utility increases; the individual is better off.

The utilitarianism principle developed by John Stuart Mill was based on Jeremy Bentham’s concept of utility (Kay, 1997); it is about doing the most good for the most number of people. However, the concept is not about intentions rather it is about having ‘good’ consequences. It is about the actions being justified by the end result. The focus as stated in Part one of this paper is to contrast and compare the decisions made by various countries of Macau, the United States, the Bahamas, Australia and Singapore in developing casino-based resorts and determine if building of the IRs in Singapore was indeed in the best interest of its citizens.

Studies have shown that casinos and/or casino-based resorts like the Marina Bay Sands and Resorts World Sentosa in Singapore will not only bring in revenues in terms of taxation for the host economy, increase the number of tourists to the destination but also the creation of jobs for the local market (Garrett, 2004; Walker & Jackson, 2007). Therefore when governments decide to issue licenses to casino operators to set up casinos and/or casino-based resorts, did they have good intentions? Was there good or positive consequences?

In the early 1900s, Nevada had a reputation of having activities that were considered illegal or immoral in other states (Kilby, Fox, & Lucas, 2005) and perhaps that image has not worn off yet as it is common knowledge that Las Vegas is called “Sin City”. In Australia,
like other parts of the world, measures are in place and new safe guards in terms of regulations continue to appear to prevent and solve problem gambling (Australasian, 2009). Macau for forty years was considered seedy with connections to the underworld and associated with brothels (Balfour, 2006; Montlake, 2007). The Bahamas apparently is no different where the casinos have some connections with the Mafia in the United Sates (Davidson, 1967). Therefore when one considers that gaming could be associated with negative impacts to society, is building casino-based resorts really the solution to increasing tourist numbers or tourism receipts, jobs and improving the economy and therefore for the greater good?

**Literature Review**

**Singapore’s Justification of opening the Integrated Resorts (IRs)**

**Leakages.**

Casino gambling with all its games can be considered a legitimate and popular form of entertainment (Eadington, 1995) and perhaps worth the investment. However not all the investment is an inflow of funds for the economy; leakages can occur. Construction of such a major project required certain raw materials that Singapore lacked. Sand was one such commodity that Singapore imported from its neighbor Indonesia. As a result, there was an outflow of money in order to purchase that sand.

Furthermore when the Singapore government considered about the Integrated Resorts, it was mentioned that there were potential loss of revenue of between SGD$1.8 billion and SGD$2 billion as Singaporeans traveled elsewhere to gamble (Chong, 2006). It could be inferred from this information that perhaps Singapore wanted to tap into this revenue and prevent monies being leached from the country. Is that the only reason that the IRs were built?
What other reasons were there for countries or states to build casinos and/or casino-based resorts? Were those reasons valid? Was it for the greater good?

**Tourism.**

When the Singapore government finally legalized gambling and allowed the Integrated Resorts (IRs) to be built five years ago (Remesh, 2010), it was because it needed to increase the demand for and motivate tourists to the island state. Together with the perception that Singapore is one of the third least corrupt of governments in the world, according to a report by Transparency International (2009), and being similar to other mega resorts around the world, the IRs will be an attractive tourism product to motivate tourists to Singapore.

**Singapore reinvents itself.**

In the early part of this decade, tourism was booming in the Asia-Pacific region. Singapore could take advantage of the boom as opportunities arose with the rise of budget airlines and the emergence of a growing middle class in many Asian countries including China and India. Many countries in the region not to mention the world, like London and Paris, were developing major tourist attractions and new tourism products (Lee, 2005; MTI, 2008). In order to compete with other countries, Singapore needed new attractions to create tourism stimulants (Lim, 2005) and casino-based resorts or the Integrated Resorts (IRs) was one such product; which was also part of the overall strategy to promote business in Singapore (Lee, 2005).

**What are the economic impacts of casinos?**

One of the many reasons to legalize gambling and to build casino-based mega/destination resorts is that they impact the economy of the region or gaming jurisdiction in a positive way. The cities of Detroit and New Orleans, built urban casinos like the Marina
Bay Sands in Singapore, to increase tax revenues for the local government, boost tourists, convention business and increase jobs (Eadington, 1999).

**Economic significance.**

Singapore’s decision to build casino-based destination resorts was in part based on that argument, that the country could not ignore the potential economic significance of the IRs as it will not only boost the tourism industry, increase jobs but also the investment of billions of dollars to the economy; in other words growth, as opposed to stagnation (Wong, 2005). When governments argue that there is a positive impact to the economy, they do not always mention that leakages or outflow of funds can occur.

The outflow or funds occur when the casino does not spend its profits locally. One example as Thompson and Quinn (2000) suggested is that South Carolina incurred an economic loss when it purchased video gaming machines from out of the state. Another example is of foreign labor that earns local wages and spends outside the gaming jurisdiction. The implications of such leakages could impact the economy negatively.

Eadington (1999) mentioned that the impetus of building a casino because of the economic benefit and as a tourism stimulant is not universal. Walker & Jackson (2007) states that there was not much evidence to suggest that casinos had much impact on the economic growth of the state. In fact the positive impacts of casinos are felt only in its inception but over time, the significance of this new tourism product to the economy wears off.

Grinols (2004) argued that the economic impact of the casinos was not beneficial to the local resident and further stated that the economic evidence presented did not tell the true picture because impact studies were conducted as opposed to cost-benefit analysis which was a much better gauge. Furthermore, Walker & Jackson (2007) stated that there was no link between how much the individual received (per capita income) and the revenues of a casino
based on data collected between 1991 and 2005. Therefore on this basis of economic benefit, is a casino-based destination resort for the greater good?

**External consumers.**

According to Eadington (1999), a major reason for building urban casinos in Australia was the fact that it would attract international tourists but as it turned out, most casino consumers were from the domestic market; only the tourist belts of the Gold Coast and the Great Barrier Reef had been successful in attracting international tourists. Nonetheless, in these areas, the numbers of tourists were relatively small but the wagers were of high amounts which greatly impacted the revenues and foreign exchange of the casinos.

For economic development to occur, the benefits must have value to society. Furthermore, to be of any significance, the majority of consumers that visit the casinos should be from outside the area of the casino (Garrett, 2003).

A paper by Mallach (2010) stated that for there to be a significant impact on the economy, it depended on the number of visitors the casino drew from outside the area. This snowball effect would reduce displacement of existing businesses, and the number of jobs it generates within the area, thereby increasing the positive effects of the casino.

**Casinos should be integrated.**

For tourism to increase and for there to be of any economic significance, casinos had to be part of other tourism products (Eadington, 1999), point in case; Las Vegas and the Singapore IRs, where mega resorts not only had the gaming element but also other complimentary amenities like high-end retail stores, F&B outlets, entertainment and the MICE component. However, according to Anderson (2005), although the contribution of revenue from casinos was relatively small in comparison to other contributors to the economy, in matured gambling jurisdictions, revenue from taxes was substantial.
**Boost to the economy of Macau.**

In the case of Macau, McCartney (2003) suggested that casinos had already been there for many years and the local residents have grown accustomed to the industry. Moreover, the reason to liberalize its gaming industry by the issuance of licenses to the Las Vegas casino operators was to boost its international image and reputation, turn its gaming sector into world class operations as well as for economic growth.

Lawrence Ho, son of Stanley Ho, intends to change Macau into a place that would not only attract families but also entice them to stay more than a day or a few hours, like that of Las Vegas where the average stay was four days (Intini, 2007). Ever since the gaming industry in Macau was liberalized in 2002, revenues surpassed that of Las Vegas but it also made it one of the new places to be for gaming and entertainment (Vong, 2008).

**Gaming contribution to Australia’s economy.**

A study made by the Allen Consulting Group (2009) stated that casinos contributed significantly to the Australian economy with 2.4 million visits being made to Australian casinos between 2007 and 2008 by over a million international tourists. Those tourists spent a total of $4.9 billion during that time. In addition, international high rollers or ‘whales’ spent $739 million during their visits to Australia within the same time.

**Casino’s positive impact deteriorates.**

No one doubts that that gambling gives a positive boost to the economy; Las Vegas is proof. The city’s economic development, job growth, low tax burden and the strong private and public sector investment is testament to that. However, in the case of Atlantic City, the success of gambling did not rejuvenate the rest of the city and the business community (Dunstan, 1997). In addition, the study by Walker & Jackson (2007) inferred that given time, the positive economic effect of the casinos would be greatly reduced. The reason was the competition with other casinos within the same area or neighboring areas which competed for
the gambling dollar. This is currently happening in the Bahamas (The Nassau Online, 2010) where the country is facing competition from states such as Florida which is legalizing gambling thus making it much easier for Floridians to drive to the casinos rather than take a plane trip.

In the case of Singapore, what will happen if other neighboring countries decide to legalize gambling? Will the economic benefit last and will the individual be better off because of the Integrated Resorts? On the other hand it will be interesting to see the effects of the two IRs against the other gaming jurisdictions around the Asian region like Malaysia, Macau and Australia.

**Casino impacts on employment**

**Employment and gaming.**

Some studies pointed out that gambling often did not increase the number of new jobs (Banks, 2002; Garrett, 2003). Furthermore, jobs in services like F&B, retail, and entertainment that are part of the economy are often moved or ‘cannibalized’ by the gambling industry as spending patterns shifted towards gaming. However in Australia, casinos are major employers, with some being the single largest employers in certain cities (The Allen Consulting Group, 2009).

Garrett (2003) suggested that the spinoff of the casinos may indirectly generate non-casino jobs as consumers demanded non-casino goods and services. According to Garrett, the income derived from employment created at the casino could be spent on goods and services; housing, entertainment, food and beverage. Suppliers of such goods and services would demand for labor and thus employment will be increased.

In his later study Garrett (2004) concluded that employment gains benefited areas with high unemployment rates. However, in order for casino or mega resort to have a positive impact, labor should come from within the jurisdiction, thus lowering the unemployment rate
within the area of concern. If the labor were to come from outside the jurisdiction, the local unemployment situation would not have changed (Garrett, 2004; Stevens & Williams, 2004) and thus there would be no benefit. In addition, there could be a net outflow of money as the ‘foreign’ labor spends their wages outside of the local area (Stevens & Williams, 2004).

**Singapore’s IRs and employment.**

The two Integrated Resorts (IRs) of Singapore are expected to have 35,000 job openings. It is common knowledge in the Singapore hospitality industry there is a manpower shortage and many hotels have hired foreign workers to fill up positions. No one doubts that the IRs will require labor but where will the labor come from?

A contact working at a local hotel had mentioned to this author in personal communication that it is not just from the hotel but from other hotels too that staff have left and started work at the IRs (I. Ong, personal communication, June, 2010). Where will the manpower come from then to fill up these vacant positions? With no empirical evidence however this author believes that hires will come from outside Singapore. Till today, the IRs are still in need of labor to man the various positions. Therefore in order to fill up those positions, how will the IRs as well as the other local hotels manage the manpower shortage?

The most important factor is skill-sets must be matched with the requirements of the organization thus for the IRs to have significant economic value, the human resources must have the relevant skills. Therefore will the IRs benefit the unemployed in Singapore?

**Flawed perception.**

Dunstan (1997) stated that although casinos created significant number of jobs, it was not a good enough reason to legalize gambling. Some studies suggest that facts presented by others about the gains of casinos on employment levels could be flawed; it failed to establish what employment levels were in the absence of the casinos (Grinols & Mustard, 2001; Taylor, Krepps, & Wang, 2000). In addition the positive impacts of casinos on employment were
difficult to quantify. The effects of gaming could contribute to the economy provided there is greater value for society. Moreover, impacts of the gaming properties could be negative or positive depending on the level to which the casinos substituted for or complemented consumption of other local businesses (Garrett, 2004).

**Casino impacts on society**

**Benefits and costs to Australian society.**

The Allen Consulting Group (2009) on the other hand studied the social impacts in Australia and concluded that casinos had contributed positively to society. In the report, it confirmed findings that society was better off because when casinos were legalized the consumers of the casinos enjoyed themselves and therefore were considered better off.

The Australian Government Productivity Commission (2009) examined the costs of gambling and it was between AUS$1.8 billion and AUS$5.6 billion. These costs were measured in terms of bankruptcy, suicides, depression, lowered productivity, relationship breakdown, job loss and anxiety (which could have magnified through gambling), and crime like fraud, which according to the report is most prevalent with gambling. Furthermore, these costs impacted the community; family, friends and colleagues as well as police, courts and health care. The Commission found that 5 to 10 other people were affected for every single problem gambler, (Australian Commission, 2009). It further stated that when problem gambling counter measures were undertaken, the benefits could be raised. However, the actual benefits may be lowered as these benefits did not apply to problem gamblers that lost huge amounts of money. However in the same study, the social benefits of gambling were high; billions of dollars, but the costs were equally high.

**The case of Macau.**

According to Vong (2008), the quality of life of the community could suffer as a result of gaming as a tool for economic development. In the study, Vong stated that the rise in
property prices made it beyond the purchasing power of an average resident of Macau, petty theft and fraud linking casino employees have arisen, traffic jams have increased, and environmental conditions have deteriorated.

**Consumer spending.**

In a 2005 study by Kearney, when a state lottery was introduced, households spending shifted in response to it. A study conducted by Rose (1998) stated that casino gamblers spent less on other goods and services while spending more on gambling. There are also claims that such substitution could be as high as 100% but there were very little empirical data confirming it. However, according to Thompson, W., Gazel, R., & Rickman, D. (1995) earlier, the substitution rate of spending less on other goods and services was 30%.

In Australia, a report by the South Australia Centre for Economic Studies (2006), the substitution percentage was lower; an estimated 2.91% of household disposable income was devoted to gambling. It further stated that the sources of funds could be taken from non-gambling expenditure, switching of current gambling expenditure from one form of gambling to another or from the individual’s savings.

When a casino or casino-based resort or IR as the case of Singapore, is built, based on the various studies as stated above, it can be inferred that individuals will reduce expenditure on non-gaming items and in addition, the reduction in expenditure would not have been substituted from other forms of gambling. What that means is that these households still gambled as before but now another portion is drawn from the income to service the new gaming product on top of the other gaming options; opportunity costs are high, affecting not only the individual but their families and society as a whole.

**Casinos and other industries.**

Casinos as a new product could be effective to the economy initially but casinos as a new product could also displace other industries (Grinols, 2004). Studies by Kearney (2005)
and Walker & Jackson (2007) showed that this happened when compared with lottery spending. The result was, when the casino industry expanded, there was a tendency that other businesses and industries contracted (Dunstan, 1997). The contraction of the other industries meant unemployment rose.

**Carrying capacity.**

McCartney (2003) in his study of Macau stated that when casinos or even casino-based resorts opened, the impact to the host community was due to the carrying capacity of the area or jurisdiction. This affected how the locals perceive visitors; their tolerance and attitude towards tourists. In addition there were the issues of rising noise and water pollution, littering, traffic jams, and natural environment destruction.

Singapore being physically larger with many more citizens may not encounter the same issues and both the IRs are within the tourism/leisure areas of Singapore. As such, although the locals may visit these areas, most do not live close by and thus the level of tolerance and attitude towards tourists may not be greatly affected.

**Casinos and crime.**

Crime is one factor that anti-casinos advocates argue will increase as a result of legalizing casinos. During the final days before the Portuguese territory was handed back to the People’s Republic of China, many events led to the gaming industry in Macau being thrown into disarray. The triads and organized crime were prevalent which was not unlike the assassinations outside Chicago casinos in the 1920s. One of the ways to bring back law and order, restore its damaged image was to liberalize the gaming industry as well as to put in place the People’s Liberation Army soldiers in Macau (Lo, 2005). In terms of ensuring that people are not worse off as compared to the greater good, sound policies and regulations, checks and balances should be in place to ensure that crime was managed.
Stitt (2001) in his study of the effects of casinos on crime suggested that there was no conclusive evidence that crime increased as a result of the casinos. Ginols & Mustard (2006, p. 44) on the other hand concluded in their study that in fact crime rates were contained in the initial opening of the casinos due to the increase in staffing by the local law enforcement agencies. However this increase in staff could not be sustained and as a result crime rates increased over time due to the casinos.

**Problem gambling.**

Problem gambling can certainly be associated with any form of gambling whether at a casino, river boat, cruise ship or other forms of gambling. In a study by Ka & Ozorio (2005), it stated that casinos were the fourth most popular type of gambling in Macau with social gambling being the most popular form of gambling. However, studies also show that those that abuse substances including alcohol and drugs are most likely to be problem gamblers (Toneatto, Ferguson, & Brennan, 2003; Zack, Stewart, Klein, Loba, & Fragopoulos, 2005). There is no concrete evidence to link specifically problem gambling with casinos or that casinos are the cause of problem gambling. Although in one study (Kushner, Abrams, Donahue, Thuras, Frost, & Suck, 2007), the subjects had the urge to gamble given the fact that they were in a casino setting and this was because the sights and sounds of the casino stimulated the physiological and psychological urge to gamble. Therefore if the casinos are *not there* perhaps that motivation to gamble would be decreased however in the same study, there were participants that were not motivated to gamble given the same stimuli.

**Contribution to society.**

Gambling can be beneficial to society if such organizations contribute back to society. When the Macau SAR (Special Administrative Region) decided to liberalize its casino industry, it approached various countries on condition that should they set up casinos in Macau, they should be able to create jobs and hire a certain percentage of locals, second,
financially support social projects like schools and public facilities and third, like the Hong Kong Jockey Club, be able to support charity work (Lo, 2005).

**Conclusion to Literature Review**

A common thread among studies conducted, is that successful development policies should show that the benefits are greater than the costs. Furthermore, these policies should also determine if such benefits are shared by the wider population; a real improvement to their individual well-being. However, based on the literature review, casinos may not be for the greater good when the cost and benefits of gambling are equally high and the people/citizens of the land do not benefit.

As in the case of Singapore the IRs have just opened and as such, no evidence exist to substantiate the point above and therefore further research and data collection need to be conducted. However based on the review of literature above, although not as extensive as the author would like, it can be seen that under different circumstances and conditions, in different gaming jurisdictions, the effects of the casinos have different affects on the economy. The casinos and casino-based resorts certainly create employment and the result of such properties, could either offer direct or indirect employment. However, other industries could be ‘cannibalized’ because of the casinos and/or casino-based resorts and therefore unemployment may be raised.

Mega resorts with such tourist offerings of theme parks like Disneyland or Universal Studios and entertainment like The Lion King or KA by Cirque du Soleil, world class and renowned restaurants with well known chefs with Michelin-stars do not seem enough or as viable to attract tourists. On top of all these amenities, a casino is required to stimulate tourism as in the case of Singapore and other countries/cities.

This researcher has not come across literature that deals with integrated resorts without the gaming element but governments need to study the effects of the casinos on its society; to
determine if such properties with the gaming element are indeed for the greater good of its society. Perhaps what people (government?) want and intend is an area for the adults because if it is for the family, there is no difference between a theme park like Disneyland or Universal Studios. The casino lends an element of the integrated resort being an adult ‘play ground’ as opposed to an attraction for families and children or even wholesomeness.

In conclusion, the purpose of this study was to contrast and compare the implications and the ethical issues of the decisions made by governments of Las Vegas, Macau, Bahamas, Australia and Singapore, to allow casinos and/or resorts with gaming facilities in their respective countries. However, there are no clear answers as there are many evidences for and against having casinos and in the same light casino-based resorts. Economic growth increases in the initial stages with the new casino but over time it wears off. Governments must study different jurisdictions before and after the casinos are built. Although in the US, there are many states that have legalized gambling and built casinos, the arguments concerning costs and benefits cannot be resolved and therefore there are still many other states that have yet to follow. Nonetheless, the potential revenue that will be generated from the Integrated Resorts in Singapore and the possibility that many other gaming jurisdictions are able to manage the negative impacts of gambling, and Singapore is certainly doing its best to control them, the decision that the Singapore government made to legalize gambling has indeed been a logical and thus an ethical choice for Singapore.
PART THREE

Introduction

Casinos and casino-based resorts are touted as drivers for the economy including tourism and sustainability. Such properties could enhance the overall attractiveness, vitality and dynamism of the tourism product to attract tourists and not unlike other countries, Singapore envisions that the IRs will transform the City State into a cosmopolitan, dynamic and modern destination for business, MICE and leisure.

When governments decide to legalize gambling and build casinos and/or even casino-based resorts, there must be considerations as the impacts of such a decision are not minor or trivial. It does not matter what the gaming floor space is, the point is that the product is present and legal; thus there are not only benefits but the existence of costs.

A state or country will enjoy increased tax revenues which could be used for social projects and non-gaming businesses could benefit. The demand for labor will increase as well as the skills and knowledge. In addition when consumers come from outside the area, the benefits will even be greater.

However there are many negative impacts to society and the economy as a result of casinos. Crime and problem gambling, individual debts, burden on the health care system and local law enforcement agencies to name a few, are just some of the cost associated with gambling.

In this part of the paper, the author will present those elements that governments should consider before they decide to legalize gambling and thus build casinos. The framework in which these elements reside constitutes toward the greater good and governments should be guided by them in the decision to allow casinos such that it would not be based on profits alone but on ethical considerations for which the greatest number of people will benefit within the state or country.
Results

There are many reasons why a country or state builds casinos and there are many implications as a result of that decision to legalize gambling. Furthermore, there seem to be little ethical considerations as far as this researcher could conclude when governments decide on that line of action. However, based on the literature review, this researcher could infer that the single most important reason the casinos were built ultimately was for the economy as a whole. Whether it was for tourism, employment, MICE and the betterment of the business environment, it was perhaps in the end the greatest benefit for the people within the region and therefore to an extend for the greater good.

Impacts of the IRs

Tax Revenue.

Governments and casino advocates argue that casinos will bring in money to the state or country through the taxation of revenues. This is an alternative source of income which could benefit the community.

- Revenue in matured gaming jurisdictions was substantial (Anderson, 2005).
- Tax revenues from casinos could be used to benefit the community.
- Compared to other contributors to the economy, revenues from casinos were small.

Singapore’s economy is diversified and is not based solely on tourism or the IRs but the income certainly could be useful. Such revenue for the state or country could be used to develop infrastructure and superstructures; essentially an economic development tool for the state or country as a whole.
Tourism.

One of the other reasons that states or territories decide to legalize gambling and thus build casinos is to attract tourists to the area. These tourism products can complement and enhance the other tourism products and thus motivate tourist to the state or territory.

- Tourism is one of the key sectors that contribute to the Singapore economy. The goal is to achieve SDG$30 billion in tourism receipts with 17 million visitors by 2015 (STB, 2010).

- Proponents of casinos or casino-based resorts argue that the gaming element will increase tourism numbers. When Singapore legalized gambling, it was to increase the demand for and motivate tourists to the island state (Remesh, 2010).

- Casinos had to be part of the tourism product to be of significant economic value (Eadington, 1999).

- Families could be attracted to such places and there will be reason for the adults to stay longer. Going by the revenues that Macau received, the argument might be valid.

- The demand for non-gaming products, services and amenities will subsequently go up; in essence, the casinos could be for the greater good because on the whole the economy will be better off and thus the majority of the people within the gaming jurisdiction will benefit.

Singapore is small in physical size with no natural resources. In order for tourism to flourish, it had to rely on made-made structures like the IRs to stimulate tourists from the traveler generating regions to Singapore. It seemed with the IRs in operation, it has indeed attracted the tourists to the island state. There were over 6 million visitors to Singapore from
January to July this year, more than the previous 2 years with July being the only month to see over 1 million visitors and the first in a single month (STB, 2010). The STB estimates that by the end of the year, visitor arrivals may be as high as 12 million (MIT, 2010) and that could be attributed not only to the IRs but events like the recent inaugural Youth Olympic Games and the F1 race.

With increased visitor numbers in the first half of the year 2010, the IRs could be playing a vital role in motivating tourists to the country. On the other hand, the increase in visitor numbers could also be due to the better economy. Certainly further research has to be conducted to determine the actual reason for this positive increase.

**Employment.**

Any business could actually create jobs and thus lower unemployment. It is of course the intention that a new enterprise like casinos and/or casino-based resorts would do more than that.

- Casinos could be major employers, with some being the single largest employer.
- Casinos may indirectly generate non-casino jobs as consumers demanded non-casino goods and services.
- The demand for non-gaming services and amenities will increase the demand for labor; reducing unemployment.
- To lower the unemployment rate within the area of concern, labor should come from within the area.
- The casinos would reduce displacement of existing businesses and increase the number of jobs it generates within the gaming jurisdiction.
- The two Integrated Resorts (IRs) of Singapore are expected to have 35,000 job openings.
In territories where there are casinos, unemployment increased due to the decrease in demand for other non-gaming businesses as spending is shifted to gambling.

Although any kind of business will create employment, for real unemployment to fall, labor must come from within the area of the business. It is pointless to create a business or a casino for example, and labor comes from outside that environment. The unemployment levels will remain unless the business hires labor from within the area. On the other hand, labor must have the relevant skills and knowledge for the available jobs. The IRs in Singapore certainly have many job vacancies but unless the labor possesses the necessary skills, knowledge and experience, the IRs would not hire them.

Singapore has skilled and experienced labor for hotel administration but few have the necessary requirements for the casinos. Nevertheless, the capabilities for those that are interested in the casinos will be built up within the next few years while those that already possess skills in the areas of the hotel will surely see an improvement.

**Revitalize.**

An Integrated Resort is an amalgamation of food and retail outlets, theme parks and hotels. With the many amenities and services available, the casino-based resorts could revitalize an area.

- To create tourism stimulants, Singapore needed new attractions (Lim, 2005) and the Integrated Resorts (IRs) was such a product; which was also part of the overall strategy to promote business in Singapore (Lee, 2005).
- Macau liberalized its gaming industry to turn it into world class operations and to rebuild its international image and reputation.

The Integrated Resorts certainly can rejuvenate Singapore. Both the IRs have brought with them something that Singapore lacked; *edginess*. Singapore is a ‘safe’ country in more
ways than one and for it to continue to be ‘relevant’ it certainly had to make the difficult choice of legalizing gambling. Together with the infrastructure and superstructure that is already present, the IRs, like a capstone, might certainly boost Singapore’s international image and make the island state the choice destination for both leisure and business. The increase in tourist numbers and events have certainly proven the IRs have put Singapore on the map!

**Table Summary**

The figure below (Figure 1) is a summary of reasons that different countries have based their decision to build casinos and/or casino-based resorts. The economy is the main reason that a state/country would decide to legalize gambling and thus build casinos. The economy will include tax revenues, tourism, employment, and rejuvenation of the state or country.

<table>
<thead>
<tr>
<th>Countries</th>
<th>Elements</th>
<th>Tax Revenue</th>
<th>Tourism</th>
<th>Employment / Skills Set</th>
<th>Revitalize</th>
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</thead>
<tbody>
<tr>
<td>United States of America</td>
<td></td>
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<td>✓</td>
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</tr>
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<td>Macau</td>
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</tr>
<tr>
<td>Bahamas</td>
<td></td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

*Figure 1. Reasons for building casinos and/or casino based resorts*
Leakages

Not all the investments however are an inflow of funds for the economy; leakages can occur. Investment in casinos can cause leakages in the economy but also the prevention of money flowing out of the country.

- For Singapore the construction of the IRs required the purchase of sand which constituted to an outflow of money.
- There is the potential loss of revenue when Singaporeans traveled elsewhere to gamble (Chong, 2006).
- Foreign labor earn wages locally but spending outside of the area.
- Casinos spending profits outside the gaming jurisdiction, purchasing resources externally.

Certain resources like expertise and raw materials will come from outside the state or country which has to be paid for and therefore an outflow of money. In the case of Singapore there certainly were such leakages when raw materials were purchased in order to build the casinos but also the purchase of gaming machines. However, another kind of leakage that perhaps Singapore was trying to prevent was the amount of revenue lost as Singaporeans gambled outside the country. By building the casino-based resorts here, it has not only attracted locals but consumers from outside of Singapore thus plugging the leakage and at the same time increasing the inflow of money.

The Economy and the controversies

Singapore could not ignore the potential economic significance of the IRs and made the decision to build casino-based destination resorts. These resorts will not only be a boost to the tourism industry, increase jobs but also the investment of billions of dollars to the economy; in other words growth, as opposed to stagnation (Wong, 2005). However, the truth of the matter is; casinos are a kind of oxymoron.
• The positive impacts of casinos are felt only in its inception but over time, the significance wears off.

• Leakages or outflow of funds can occur in the development of the casinos.

• The impetus of building a casino because of the economic benefit and as a tourism stimulant is not universal (Eadington, 1999).

• There is little evidence to suggest that casinos had much impact on the economic growth of the state (Walker & Jackson, 2007).

• The economic impacts of the casinos were not beneficial to the local resident.

• The economic evidence did not tell the true picture because impact studies were conducted as opposed to cost-benefit analysis which was a much better gauge (Grinols, 2004).

• There was no link between how much the individual received (per capita income) and the revenues of a casino based on data collected between 1991 and 2005 (Walker & Jackson, 2007).

• Casinos would reduce displacement of existing businesses and increase the number of jobs within the territory.

• To be of any economic significance, consumers should be from outside the region of the casinos and it also depends on the numbers of such consumers (Garrett, 2003; Mallach, 2010).

• Impacts of the gaming properties could be negative or positive depending on the level to which the casinos substituted for or complemented consumption of other local businesses.

Although many states and/or countries have argued that legalizing gambling and thus building a casino will boost the economy, there are many evidences to prove otherwise. Studies have shown that non-gaming businesses are affected negatively when the gaming
industry expands. In the case of Singapore, earnings for F&B receipts have fallen at some local social clubs as consumers spent their time at the IRs. In addition, such social clubs that provided slot machines also saw their gaming revenues decrease (Ng, 2010) as the IRs certainly provided more variety and created more excitement therefore attracting gamblers there. Furthermore, these individuals that gamble have another avenue on which to spend money and thus reduce their disposable income further. The industry must be regulated and put into place measures like the self-exclusion orders to control who can gamble.

When one looks at Las Vegas, with its job growth, low tax burden and the strong private and public sector investment, it is a testament that it is prospering and doing well! On the other hand, Atlantic City with its casinos did not revitalize the city or the business community.

In a Development Bank of Singapore (DBS) report, Resorts World Sentosa and Marina Bay Sands contributed 0.3% or $470 million to Singapore’s GDP in the first half of the year and likely to contribute a total of 0.7% by the end of the year. In the same report, DBS stated the economic gains could be significant when the spinoffs of other industries are taken into account. These could include the inaugural Youth Olympic Games (YOG), the yearly F1 race, increased MICE events, more tourist spending due to increase in tourist arrivals and the on-going construction of the IRs (Today, 2010).

A state or country cannot rely solely on the casinos to foster economic growth and development. Take for example the Bahamas, because of the recent downturn, the tourism industry took a beating and the economy was affected. Furthermore, when the state of Florida legalizes gambling, the casinos, the tourism industry and thus the economy of the Bahamas will be greatly affected.
In general, the casinos have contributed to the economy of the state, region or country. To maintain that effect that all states and countries want, it depends on how the casinos with their amenities complement existing businesses. Perhaps a balance must be sought. There must be enough casinos to boost the economy but not enough to ‘cannibalize’ other non-gaming businesses.

Social Impacts of IRs

When the decision is made to legalize gambling, a state or country will experience not just positive impacts but negative social impacts as well.

- The rise in property prices made it beyond the purchasing power of an average resident of Macau. Petty theft and fraud linking casino employees have arisen.
  Traffic jams have increased, and environmental conditions have deteriorated.
- Consumer spending is neither reduced nor substituted.
- Bankruptcy, suicides, depression, lowered productivity and crime like fraud, are most prevalent with gambling.
- As if costs to the community like suicides, bankruptcies and lowered productivity are not enough, 5 to 10 other people were affected for every single problem gambler, (Australian Commission, 2009).
- The carrying capacity of a region could affect how the locals perceive the tourists within the gaming jurisdiction.
- There was no conclusive evidence that crime increased as a result of the casinos.
- Crime rates were contained in the initial opening of the casinos due to the increase in staffing by the local law enforcement agencies. However this increase in staff could not be sustained and as a result crime rates increased over time due to the casinos.
Discussion

How will governments manage the negative impacts of the casinos and in the case of Singapore, the Integrated Resorts are very new and the full impacts have not been felt yet; either positively or negatively. However, any decision made by governments will have both negative and positive consequences. The most important matter is to ensure that the negatives are suppressed and the positive ones are magnified. In the case of the greater good, the only concern for any government is to ensure that its decisions are in the best interest of all and thus the greater good for the greatest number of people.

The economy in general is affected by the casino/s and/or casino-based resorts and following are suggestions to counter the negative effects of such properties:

**Employment**

To reduce unemployment, labor should come from within the gaming jurisdiction or locally. However, the labor must have the specific skills/knowledge required by the casinos and also the willingness to work in the hospitality industry.

When the decision to legalize gambling and build casino/s, facilities must be made to train those that are unemployed in the areas of hotel/casino operations. This author believes that not everyone will be suitable of the hospitality industry however the choice should be given to the potential labor from within the state, region or country. Like Singapore, the government has set up facilities and put aside billions of dollars in training grants to assist those that are unemployed, those that are thinking of upgrading or even those that decide to switch careers. Opportunities must exist to enable the local labor to have a chance to work in these new casino-based resorts or establishments and training gives such an advantage. Of course the willingness by labor to work in the hospitality industry must be present if not the grants will not amount to anything. The skills and knowledge learnt are transferrable which makes such labor employable anywhere within the region thus reducing unemployment.
In Singapore, the movement of staff was initially influenced by the IRs but later as the economy got better; staff movement was to other hotels rather than the IRs. This author thinks that this is not an issue about the IRs or the casino-based resorts but how the individual Human Resource departments intend to deal with their retention issues.

Casino-based resorts and/or casinos are in fact sources that provide job opportunities for the unemployed within the state, territory, region or country. In Singapore, the IRs have managed to reduce unemployment to 2.1% (Sim, 2010) which means that those employed by the two new Integrated Resorts were hired from within Singapore and those unemployed now have gainful employment. Those employed will now have income that could be spent on goods and services locally. Suppliers of such goods and services will demand labor and if managed well, unemployment rate can and will remain low.

**Cannibalization of businesses**

The right combination or number of casinos and/or casino-based resorts, it seems, must be present to encourage tourism but not that many that it will cannibalize other businesses. It will therefore depend on how these properties complemented, enhanced and mutually benefit the other businesses found in the locale thus not end up cannibalizing them.

In Singapore, the two IRs for instance, with the addition of convention space has not affected the existing MICE industry. In fact there were additional events on top of the regular ones. The only challenge is the competition from outside of Singapore from places like Hong Kong and Mainland China (Huang, 2010).

Other sectors of the economy like the food & beverage industry may not feel the negative impacts of the IRs as they are actually comparatively some distance from most residential areas. This means that the locals will continue to eat and shop and seek entertainment where they have always done so. Unless the locals make the choice to go to the IRs for food and drinks, shopping or entertainment, these non-gaming businesses would not
be affected much. Moreover, the kind of F&B and retail outlets differ from those found within the IRs and on top of that, the type, variety and number of outlets will also differ. Furthermore, the IRs are built to be self-contained and therefore, the services and amenities found within the IRs are certainly open to the public but would cater more for in-house guests. In fact impacts to surrounding F&B establishments might be minimal as a result.

Therefore for states or countries that is contemplating to legalize gaming or to build casinos, have to carefully consider what type of non-gaming businesses will be within the property or be allowed within the property. This is to ensure that existing product offerings are enhanced not just for the tourists but also for the locals (greater good).

**Competition**

Globalization and competition go hand in hand. To be competitive or have a competitive advantage, the casino must also complement the other tourism products for it to be an effective economic driver. Casinos or casino-based resorts are not the only tourism products a state or region has. There could be in existence other products but they could also be developed. To rely entirely on the casinos or casino-based resorts to boost the economy will not be a good idea as in the case of the Bahamas. The state, region or country must have other economic drivers.

On the other hand, a gaming jurisdiction could surely be affected by the development of casinos in neighboring regions and an example is the IRs of Singapore. Across the causeway, the casinos in Malaysia have seen a fall in visitors from Singapore since the IRs opened (Sim, 2010) which might be a lesson to be learnt.

The casinos must be built such that it attracts the right kind of customer but also continue to change and improve based on the needs and wants of the guests. The two IRs in Singapore have different target markets; one for business and MICE while the other is more for families. Furthermore, the casinos together with the superstructures and infrastructures
will mutually complement and benefit each other, making the tourism product more attractive and sustainable, extending the positive impacts.

**Crime**

Casino crimes would be the concerns of the property. Casino security will have to be updated in the ways crimes occur within the casinos and to work with local law enforcement agencies to ensure that casino related crime will not spill over to non-gaming areas. Both parties should share information and update the other so that no undesirable elements are permitted to enter the state, territory, region or country. This not only ensures casino related crimes are prevented but makes the environment within where the casino operates to be a safe and secure area for consumers, local and foreign to enjoy themselves.

**Problem gambling**

This societal problem does not happen just because of the casinos. As long as any form of gambling is permitted locally, there will be such problems. However, like many gaming jurisdictions, problem gambling can be arrested with the enactment of self-exclusion programs, using cash only; not being able to use credit facilities and Automated Teller Machines (ATMs) being situated a distance from the casino entrance. The casinos would have to ensure that such measures will be enforced; it will be in their best interest.

In Singapore there is also the casino levy which is applicable to citizens and permanent residents. The levy is SGD$100 which is valid for 24 hours after which the person will have to leave or pay another $100. This certainly may not be much of a deterrent but together with the self-exclusion and/or family exclusion orders, there is a measure of safeguard against problem gambling including suicides, depression and bankruptcies to name a few. For non Singaporeans or permanent residents, they are ‘free’ to gamble and that is that point as to be of any economic significance, consumers of the casinos should come from outside the area.
Finally casinos can contribute to society by giving back to society in terms of support for social projects like schools and public facilities. Furthermore, governments could ensure that in order for the casino to operate within the area, a certain percentage of the local labor must be hired. In addition, in terms of ensuring that people are not worse off as compared to the greater good, sound policies and regulations, checks and balances should be in place. Agencies can be set up to monitor and implement measures to ensure that the negative impacts are continually managed.

**The Greater Good Model and the Greater Good Checklist**

With an international reputation and image of being a garden city: green and clean and for having good governance, the set up of the Integrated Resorts in Singapore might dispel the opinion that gambling is something negative associated with vice, prostitution and undesirable elements. More importantly, the IRs could be for the greater good; increase in tourists’ numbers, increase tax revenues and generally a better economy as a whole.

Governments that intend to legalize gambling and as a result build casinos should determine if that decision is for the greater good. There are many reasons that a state or country might intend to build casinos (Figure 1) but are those reasons for the greater good? Are those reasons valid?

The Greater Good Model was developed based on the literature review in Part 2 and the discussions in Part 3 of this study. When governments match their decision to build casinos against the model (Figure 2) they should be able to determine if by building a casino or casino-based resort, the property will indeed help with tourism, tax revenue, and employment and revitalize the state or country. By this, the government can be assured the decision will be for the greater good. However to guide them further the Greater Good Checklist (List 1, see Appendix) was also developed.
Before governments of the states or countries decide to build casinos, they should be able to map their plans against the Greater Good Model above.

**Figure 2. The Greater Good Model**

The Greater Good Checklist of questions (List 1, see Appendix) was based on those elements found in Figure 2. The questions could further guide or help governments of states, territories, regions or countries to determine if they are legalizing gambling for the right reasons. An affirmative answer will show that when governments decide to legalize gaming and build casinos, it is not based solely on profits. Furthermore, this will ensure that the most benefits will be derived from those entities for the overall good of the state or country and therefore the greater good for the most number of people.

**Conclusion**

The implications of deciding to legalize gambling and to build casinos or casinos-based resorts are the presence of both negative and positive impacts. The negative impacts are costs to society but like all things, there are also positive impacts which will benefit the region as a whole and therefore to society.

Evidence show that casinos are a boost to the economy of a state or country but this effect wears off over time. In addition, casinos could not only ‘cannibalize’ other industries
which in turn increase unemployment but with a new gaming product, consumers will increase spending to service that habit. Furthermore, society is affected negatively and that includes problem gambling, lowered productivity, suicides, and additional stress on healthcare, local law enforcement, family members and increased crime. However there are ways to overcome such negative impacts.

This researcher has given suggestions to enable both present and future gaming jurisdictions to counter the negative effects of the casinos in the long run. Having sound policies like the use of exclusion programs and casino levy that prevents problem gambling from happening and good governance, having strong law enforcement to counter crime. Furthermore, ensuring that the tourism products complement each other will make certain the non-gaming businesses stay viable and the demand for the casino to continue to attract guests from outside the location.

When the Singapore government considered what was best for Singapore, it chose to legalize gambling and allowed the development of two casino-based resorts. It decided to progress rather than be left behind. As at May 2010, about $70 million has been collected through the casino levy in Singapore which could benefit the community in terms of research or studies and to provide programs for problem gambling. In addition, the IRs have provided jobs and could certainly build up the capabilities which will benefit Singaporeans. Moreover with the two Integrated Resorts located within an urban and non-urban setting, these tourism products are in place to revitalize Singapore. Furthermore, tourist arrivals to date have certainly increased compared to the previous two years. In terms of the draw to Singapore, the two IRs certainly have much to offer as tourism products.

Nonetheless, it is too early to assess the impacts of the Integrated Resorts as they have just started operations and in addition, are not fully operational yet. However, when the Greater Good Model was applied and the Greater Good List of questions asked, it certainly
showed the Singapore government had made the right choice to legalize gambling and build the casinos. The greatest good for the most number of people in Singapore has been achieved and thus the decision was an ethical one.

**Recommendations**

Singapore currently is one of the newest gaming jurisdictions in Asia. Macau apparently is still building casino-based resorts and there seem to be no stopping for them. However, based on what information that has been gathered, this author would recommend that a comprehensive study be conducted if any state or country intends to legalize gambling. The study should focus on certain states or countries; past and present areas with casinos over an extensive period of 10 years. The study should be divided into 2 parts; 5 years before the casinos come into existence and 5 years after. This would allow a state or country to establish based points itself and thus would be able to find out if in fact a casino or casinos would be for the greater good if it was built in that territory.

As the Integrated Resorts in Singapore are relatively new, further research would need to be conducted and that Singapore continues to observe the other gaming jurisdictions for new developments as well as to monitor the situations in Singapore. In addition, it would be interesting to find out if the Integrated Resorts have any impacts on the casinos around Asia. Furthermore, how other casino-based resorts will affect Singapore; an example would be the first integrated resort that will be built in Siem Reap, Cambodia, by 2012.

States, territories, regions or countries that are contemplating legalizing gambling should consider the type of casino and/or casino-based resort to build. There are different models with different offerings that in the end could ensure the success of the casino and/or casino-based resort as an economic driver and thus for the greater good for the most number of people.
Another recommendation before any government decides to legalize gambling is that they should carefully consider the impacts of the gaming element on the state, territory, region or country. With the suggested solutions this author has given and the continued efforts by the local authorities to continually monitor and implement new measures, it can certainly help keep in check the negative impacts.

The final recommendation to governments is that their decision should be based on the Greater Good Module and the Greater Good List of questions as stated above. The Greater Good List of questions could be further developed with more in-depth questions to guide states, territories, regions or countries. The model as well as the list of questions is a diminutive guide that if followed, will assure that the decision to legalize gambling is indeed for the greater good.
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http://govinfo.library.unt.edu/ngisc/reports/ecoimprpt.pdf


Appendix

List 1. The Greater Good Checklist.

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Will the casino or casino-based resort increase tourism?</td>
<td>(    )</td>
<td>(    )</td>
</tr>
<tr>
<td>2. Will tax revenues be increased because of the casino?</td>
<td>(    )</td>
<td>(    )</td>
</tr>
<tr>
<td>3. Will the casino create jobs, improve, and enhance skills and knowledge?</td>
<td>(    )</td>
<td>(    )</td>
</tr>
<tr>
<td>4. Will the casino revitalize/ rejuvenate the state, territory, region or country?</td>
<td>(    )</td>
<td>(    )</td>
</tr>
<tr>
<td>5. Will the casino benefit the economy on the whole?</td>
<td>(    )</td>
<td>(    )</td>
</tr>
<tr>
<td>6. Will the casino prevent spending the gambling dollar elsewhere?</td>
<td>(    )</td>
<td>(    )</td>
</tr>
</tbody>
</table>

*Note.* Government of a location planning to legalize gambling should be able to make an affirmative check against each of the questions listed. This will show that the decision is for the greater good.