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Gambling Tourism and Economic Development: Some lessons from Macao

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Abstract:

This article aims to explore and document the relationship between forms of alternative tourism and economic development. More specifically, the subject of our investigation will be whether a small national economy is able to rely wholly or largely on tourist flows as a source of income and even to invest in a single type of tourism. Alternative forms of tourism, gaming tourism as well as the features of territorially limited countries and how they are linked to the case of Macau will also be objects of study and annotation. With the process of text production through scientific articles, statistical data and reliable data bases, we will attempt to 'cover' the investigated relationship as well as the stemming questions.

Key words: tourism, gaming tourism, development, growth, small countries.

1. Introduction

For scientific documentation of proof of the existence of the relationship between tourism and economic growth, reports on individual models of these two keywords (tourism and economic development) are presented in the following brief text. Admittedly, tourist activity is closely linked to the economic development of tourism reception areas. The vast majority of national economies in the world are based on, either quantitatively or entirely, the development of tourism forms with reciprocal benefits. The aim of this paper is to clarify the criteria with which certain areas attempt to diversify in tourism and create new trends, thus gaining competitive advantages over other destinations. Particularly, we will focus on small spatial areas, where opportunities for progress and prosperity are limited, so the development of tourism emerges as the only solution. This tourism differentiation is referred to as 'alternative tourism' and it is usually an element of spatially restricted areas - destinations. We believe that the additional value of this paper is not just its contribution to the

advancement of scientific dialogue. Its true value is the promotion of an economic model of a very small region – state, based entirely on gambling tourism. The case of Macao could be a fine example of the creation or revitalization of a financially collapsed small state national economy. Through this paper we will attempt to approximate via literature review the financial and socio-economical profile of Macao, although there are some serious limitations at the elaboration of this text. It must be pointed out that this manuscript have included a larger amount of recent research but a further empirical research would be useful to understand in more depth the economy phenomenon of Macao.

2. Literature review

Tourism is one of the key areas of human global activity and the 'effective economic power tool' for the reception areas. (Mishra et al., 2011). The international scientific literature is full of circumstantial research which directly associate tourism with economic growth (Dritsakis, 2004; Oh, 2005; Ivanov & Webster, 2006; Sequeira & Nunes, 2008; Samini et al, 2011; Lee & Brahmasrene, 2013). We can talk about a global industry that is growing rapidly and about a developmental way specially preferred by national economies of the third world countries (Brohman, 1996). At the same time, tourism constitutes a major resource of economic revenues and a way to increase GDP of destination countries (Bellumi, 2010). A link between tourism and development in a proportionate way - as one term of the relationship increases, the other does so respectively -is shared by Ivanov and Webster (2006), referring to models and tourism data on Spain, Greece and Cyprus. Poirier (1995) also agreed with this model, and concludes that tourism is a result of global liberalization policies. Especially for small spatial area national economies, the conclusions which researchers drew agree –more or less- that an economically viable and feasible solution is to develop alternative forms of tourism, based on the exploitation of the peculiarities of the characteristics of each region - destination (Huangetal, 2012). Even though some countries cannot attract external tourism, they invest to create and increase domestic tourism, like China in the early 1990s (Zhang, 1997). The literature about gambling makes a distinction between ‘gaming’ –which is the term for the legal form of the particular activity and ‘gambling’ –which characterizes mostly the illegal one, but the person who participates in those activities is named ‘gambler’ without distinction (Israeli & Mehrez, 2000). Also in this paper we will use the ‘Macao’ (English) and not ‘Macau’ (Portuguese).

2.1 Alternative (or Special) Tourism Forms

Already since the decade of ‘90 Weaver (1991) has foreseen the need to develop alternative aspects of global tourism activity. On the rise is the phenomenon of hyper-tourism observed in high tourism areas of interest and extends correspondingly to significant tourist offer areas - destinations. So there are destinations where mass tourism, product of the increasing global tourism industry, (Smith, 1994) ceases to be only a pillar of economic growth of the region and now a plethora of effects begins to show in a negative -and in many cases- unpleasant way. These effects caused ad hoc, upon mass

tourism, focus on sectors such as the environment, society, economy, etc. (Honey & Krantz, 2007). The major characteristic of alternative tourism is sustainability. Each tourism destination, which bases its attractiveness on a natural uniqueness, has a life-cycle, so rejuvenation of the tourism product is the solution (Getz, 1992).

2.2 Alternative tourism as a result of the negative impact of mass tourism

Thus, the need for differentiated –in relation to mass tourism- alternative tourism models gradually arises, which, despite the fact that they are addressed to a smaller piece of the tourism market, generate respectively reciprocal benefits not only in economy but also in other areas of human activity, ensuring also viability and sustainability of the tourism project. Specifically and in connection with the above, concerning the environment we could cite many cases of disaster – ecologically – of a part or even of an entire area with super tourist flow. For example, at coral reefs in the Caribbean (Cozumel Reefs National Park) much of the coral tissue is destroyed by tourists-divers from the vast number of cruise ships operating in certain areas. Honey and Krantz (2007) also refer to rare species of local fauna at risk of extinction due to the fact that they constitute ‘coveted trophy’ for the numerous tourists and at the same time, high marketable value product for the locals. Socially, there are cases, according to the Center of Ecotourism and Sustainable Development- like Majahual in Mexico, where a demographic alteration of the local population occurred because of the large turnout of economic migrants, who seek work in nautical tourism companies with economic activity in the region.

As for the impact on the economy, according to the same source, the number of tourist ratio (mass cruise tourism) and the financial income are inconsistent, since big companies do not procure products from tourism reception areas. They (the companies) provide almost everything for tourists (all inclusive), reducing this way the expected revenue. Finally, their ships usually flying Panamanian or Liberian flag deprive local economies, where companies operate, from revenue gained from taxation, (Honey & Krantz, 2006).

2.3 The contribution of alternative tourism

Depending on the characteristics that make up the identity of each small region – destination, alternative aspects of tourism are applied. According to Weaver (1991), in Dominica since the 1990s, the urgent need for new tourism trends, in relation to the mass model that characterized the region until then, occurred. So, tourist applications associated with mountain activities were promoted against until then almost monopolistic marine tourism. In another case, in Galapagos Islands, since the mid-2000s, against the plethora of cruise routes, companies gradually began to adopt the alternative model of 'sea hotels', smaller and greener vessels. These boats are traditional in the area, with carrying capacity of only a few dozens of visitors, and certainly do not provide the equivalent consuming potentials that a modern 3000 beds cruise ship provides, but offer a diverse tourist experience that

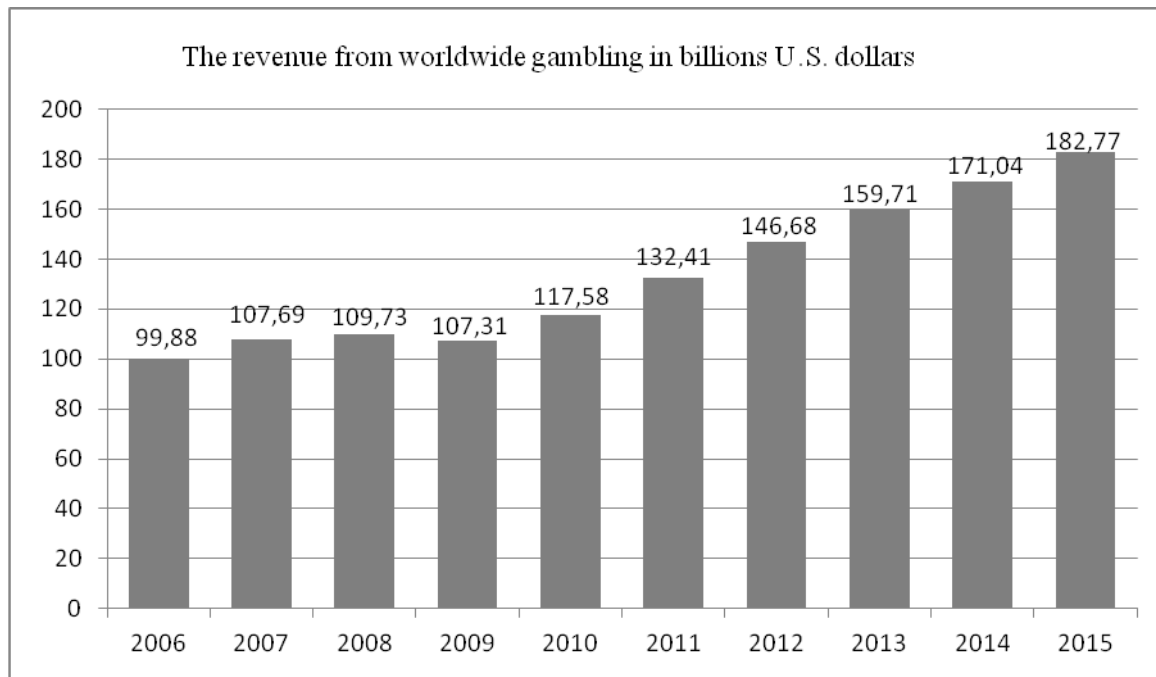
brings the visitor closer to the way of life in the archipelago and also allows the tourist to come into direct contact with the natural environment (Honey & Krantz, 2006).

2.4 Current trends in alternative tourism

As foretold, through minimal, but illustrative examples, each region -especially the small spatial extent areas - care to reclaim their tourist resources. A lot of examples and models could be mentioned, but in the interest of text economy we choose to quote some of the most representative ones. When we talk about trends in alternative tourism, cases like Tipi deserve reference, located in the wider area of the eastern Himalayas (Northeast India), which is a global destination for a very specific portion of tourists (Das & Deori, 2011). This region exploits its advantage, which is the ideal soil and weather conditions for growing orchids and attracts not only scientists, but generally everyone who is involved in the cultivation of this plant, reaping tourist revenue. In India, except orchidarium in Tipi (the third largest in the world), one can observe the model of development and promotion of areas to tourism destinations, with prevalent developmental tools the specific features of the regions, like the uniqueness regarding the morphology of a place, the people, the landscape architecture, maybe a special event associated with the life and activities of the site and so on. (Fazili & Ashraf, 2006).

3. The gaming (or gambling) tourism as an alternative form of tourism

Among the many other special tourism forms, gaming tourism (or gambling tourism) is included, and of course, we are talking about the casinos, hotel complexes with specially designated areas for conducting gambling. Rephan's research (1997) focuses on sixty-six counties in the U.S.A. with troubled economies, which found an outlet in the development of large casinos, transforming these way spatial areas, which did not have any highly lucrative land use, in tourist flow 'magnets'. Even in these cases other problems are created, but less important in relation with the financial benefits for the region and the local community. So, as the passion of some people to grow their orchids leads them to orchidarium of Tipi in central Asia, another passion - that of gambling- leads much larger numbers of people in specific places with high concentration of casinos and gaming sites (Las Vegas, Macau etc.). Indeed, addiction to gambling, or just enjoying the thrill of risk, is in absolute connection with a series of delights such as luxury travel, the abundance of material goods and so on. (Loo, Shi & Pu, 2015).



source: Statista, 2016

Gamification moreover constitutes an indispensable tool of marketing processes and is one of the key elements of creating experiences. Tourism also, as an activity, invests in 'experience', since this is essentially the commodity which it handles (Xu et al, 2015).

Already, since early 1990s, in the U.S.A. the gaming tourism has been seen as an innovative tourism development strategy "easily and quickly". Definitely all the factors and parameters should be considered and, first of all, the social impact of gambling. In any case, this tourism model has been applied extensively in the U.S.A., where this is one of the (first) most profitable business activities to develop areas which lacked specific characteristics, creating new touristic resources from scratch. (Nickerson, 1995)

4. Macau as a S.I.D.S. (small island developing state)

Macau, which it is not actually an island – it consists of two continental dry land territories and two islets- is considered to be a small island developing state (S.I.D.S.), because of its size and, therefore, is governed by the characteristics that outline the economies of small island countries. These characteristics are summarized below:

- small size (spatial area, population, GDP etc.)
- limited natural resources, which contribute to the creation of a state based on commercial imports to cover domestic needs, lacks and wants
- small domestic market driven by exports,
- market dependence on narrow range of offered products, services or goods,

- limited ability to influence domestic prices of products,
- limited possibility of exploiting scale economies, (Briguglio, 1995).

On the other hand, we often encounter cases of small countries with more developed economies than other countries as well as the need and the restrictions (referred to above), act as developmental triggers of an economy based mainly on services and transactions, such as tourism (Easterly & Kraay, 2000). Macao belongs to this category of countries. In the next section below there are more details about the area.

4.1 Gambling History of Macau

According to official information, which anyone interested can draw from the websites of Macao Tourism Ministry (DTM), and the Statistics and Census Service (DSEC), Macao is a complex of areas and not a single region. It consists of continental land sections and two islets. Geographically, it is located at the estuary of Pearl River on the coast of east China, in a distance of a few tens of kilometers from Hong Kong (Hobson, 1995). Until 1999 it remained a Portuguese colony since the 16th century, and after 1999 was ceded to China. Today it is a special administration district and the official title of the state is 'Special Administrative Region of Macao'. It occupies an area of 32 sq. km., which is constantly increasing with maritime area embankments aimed to cover the huge demand for land for the creation of superstructures, such as airports, bridges, etc. Macao is one of the most densely populated places on earth and also one of the most structured (DSEC, 2016). Macao was a financial, commercial and cultural portal between the west and the east for more than five centuries. In the late 19th century it also served as diplomatic affairs center too for four empires (Chinese, British, Spanish and Portuguese), as all of them had significant interests in the wider area of the Far East. At the same time, Macao remained an important port for the transportation of goods and ideas from the mainland of China to the west. The history of Macao gambling started in 1850's with the legalization of gambling on this particular region. China and Hong Kong do not permit gambling so that gives a great advantage for economic development to Macao. Familiar is the case of the State of Nevada which was for several years the only U.S. State where casino gambling was legal, so it attracted large pocket tourists for gambling purposes from all over the United States.

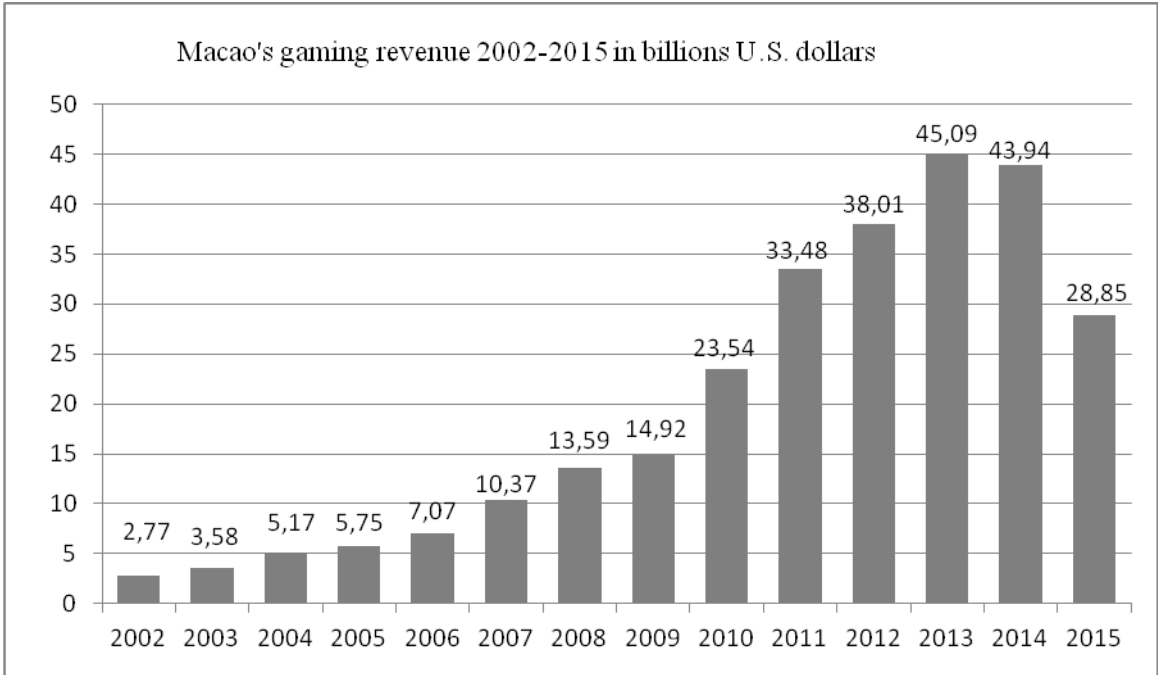
This long-standing local tradition in trade, commerce and services forges 21st century Macao, the 'ultimate destination' with respect to gambling tourism worldwide. All numbers show an increase in sectors such as development, economy, income, investments, gaming tourism flows and casinos. This growth started with the birth of Macao State, peaked in the mid-2000s and continues rapidly to the present. (Sheng & Tsui, 2009). Indeed, the 'effect' of Macao which, just in a few years, sprang into the global economic and tourist scene, became widely known through the sources that the internet provides and achieved formatting an image that links desire to destination (Choi, Lehto & Morrison, 2007). Macao as S.I.D.S. bases its economy by 85% on tourism (DSEC). While Macao applies as

many types of tourism as its spatial limitation allows it, gaming tourism proves to be by far the most efficient form of tourism. It must be noted that the government of Macao invests heavily in all touristic areas. In 2005 the historic center of Macao joined the World Heritage Sites of UNESCO, giving in this way one more tool to this small spatial area to support the tourism project (Huang, Thaur & Yang, 2012). Macao is a gold mine for casino operators all over the world. Empirical data collected by Wong and Rosenbaum (2012) shows that Macao's casino visitors are motivated mainly by five factors. These factors are: entertainment and novelty seeking, leisure activity, escape from pressure, casino sightseeing and socialization (Wong & Rosenbaum, 2012). The gambling tourism development model was the spear of the strategic planning of Macao since the early 2000's. They followed the model of Canada, which benefited for decades from the fact that the law did not permit casino activity in most of the United States. As Canada attracted gaming tourists from the U.S.A., Macao draws tourism from China and Hong Kong. In the same way, Egypt absorbs the Israeli market, as in Israel there is no policy for the liberalization of gambling yet. Very recently – February 2016- Israel Prime Minister Benjamin Netanyahu declared legalizing gambling in the country. That is why, a special committee has already been appointed to explore possibilities for opening up a few casinos at the region of Eilat. We should note that tourism in Israel has been collapsing by the year and this is one of the solutions series for its invigoration. However, the difficulties on this current situation are numerous as, although Israel is a western culture country, it remains a Jewish state, where the connection between state and religion is very tight. The dilemma is among positive financial impact and negative social impact. Researches show that gambling activity affects criminality increment (Israeli & Mehrez, 2000). As Egypt takes advantage of this situation, the same way Macao remains a monopoly market for gambling in the region of China and will remain a highly successful gambling destination for Chinese and Hong Kong tourists until casinos in the region are legal (McCartney, 2005). Macao uses its cultural and historical Chinese – Portuguese background to give the market a differentiated touristic gaming experience and to distinguish itself from Las Vegas and other popular gambling destinations. (Gu, 2004).

4.2 Macao: the world's 'hottest' gaming market

Indeed, previous years' predictions –based on research- have come true (Velotta, 2005) and Macao is the number one gaming destination in the world. With only one fourth of Las Vegas size, Macao almost monopolizes the huge Chinese gamblers' market and increases continuously the gaming revenue; and this revenue is a manifestation of Macao's financial competitiveness as gambling destination. The case of Macao proves that it is possible for a small-scale investment to generate great revenue in a short payback period. (Gu & Gao, 2006). So Macao forms its national image as the world's no. 1 gaming destination and easily reaches this goal because the entire governmental policy is oriented towards this target. Despite the fact that Macao dominates the first position of gaming destinations, it has to learn a lot of things from an 'old player' and to adopt some 'Las Vegas style'

management strategies, without changing its unique Chinese gaming playground identity. Macao has to invest more on sectors like hospitality and air traffic, developing low price carriers' policy. (Loi & Kim, 2010). In this world's largest casino market some of the most known properties of the casino industry were established such as 'The MGM Grand', 'The Sands', 'The Wynn' and 'The Venetian', transporting the Vegas experience to the former Portuguese colony (Wong and Rosenbaum, 2012). In 2006 Macao overtook Las Vegas in gaming revenue with almost \$ seven billion income and became the world capital of gambling (Li et al, 2016 b), in eight major region – markets: China, Taiwan, Hong Kong, Japan, Philippines, United Kingdom, Korea and United States (Song & Witt, 2006). Especially for Chinese gamblers it is necessary to point out that they have a cultural tendency to gamble, and statistically the Chinese are to gamble most frequently in comparison with other nationalities (Li, Yin & Luo, 2015). So Macao's economic development is not disconnected from its advantageous geostrategic placement, very close to the largest gambling market in the world: China. In addition Macao's gambling tourism managers and marketers are very good connoisseurs of Chinese gaming behavior and its motivation, and provide the appropriate high quality and well-chosen casino services and products, offering this way the right gaming experience to the right market target (Park et al, 2015).



source: University of Las Vegas (2016)

4.3 The many faces of Macau

Through research conducted at tourist information sources on Macao (like Macau Governmental Tourism Office, travel agencies, web tourist sites etc.), the scientific group that dealt with this issue concluded that Macao itself presents many faces, each of which is geared to specific potential tourists.

So, apart from gambling, Macao also constitutes a cultural tourism market, with the architectural uniqueness of its historic center and its modern superstructure as its spearhead. 'Venetian Resort' is the largest casino in the world and the 6th largest building. Therefore, Macao decisively invests in creating images in order to export the tourist experience as a commercial good (Tang et al, 2007). Although Macao's economy is largely based on tourism, especially on gaming tourism, which contributes about half of the gross domestic product, the banking sector and textile exports constitute part of the regional economy (Chu, 2011). Of course, DMOs play a key role in the shaping of the image of Macao as destination (Kong et al, 2015). Macao created an image of Asia's Las Vegas and that is what a visitor traveling there expects, as 85 % of the tourists in Macao go there to gamble (Kong et al, 2015).

4.4 The characteristics of the Macau economy

In 2011 Macao rose to the top of the wealthier economies of East Asia. Some of the characteristics of the economy are summarized in the following:

- Ten years planning: since 1999, when Macao returned territorially to China, it was decided by both governments that the vehicle of a rapid economic growth would be tourism. By 2009 a continuous growth of 13% per year ensued. Since 2010 onwards the growth exceeds 20%. (Li & Zeng, 2015)
- The dominant gaming industry: the global opening of this market was carried out in 2002, while Macao had already embarked on its developmental 'journey'. Large gaming companies moved their investments from the U.S.A. to Macao. Similarly China loosened its border policy with Hong Kong and Macao, offering a first substantial mass of tourists in the beginning period of the Macao tourism market (Li & Zeng, 2015)

Quality of life in Macao

The quality of life in Macao corresponds to the standards of western countries, despite the fact that in the area of eastern Asia the average is much lower. For about half a million residents of Macau the number increasing significantly over the years) the state is, among others, a welfare privileges and benefits " umbrella ", that can be compared with the Scandinavian countries. Unemployment remains at controllable low levels, while Macau is also a country attracting economic migrants from across the Pacific. Rato and Davey conducted research and came to the conclusion that the data are positive in relation to quality of life: life expectancy, health, interpersonal relationships, sense of security, communication, economic situation, security for the future, state, enterprises etc (Rato & Davey, 2010).

Macao with numbers

All indicators on economy, tourism and development in Macao have been escalating since 1999 until 2015. Visiting digital data and information bases on reliable statistical websites such as the World Bank (WB), the Central Intelligence Agency (CIA), the STATISTA, and government of Macao services like DSEC (Department of Statistics and Census of Macao), the DTM (Department of Tourism of Macao) one can accumulate a large number of information and data on Macau economy. State Macao services, in particular, maintain data lists and constantly publish new ones and in most cases concerning the very recent past. In 2013 the CIA estimated the income per capita in Macao at \$ 89,000; ranking Macao in third place, while a year later, according to the classification given by the World Bank, Macao came in first place with Qatar (US \$ 140,000 income per capita). From the plethora of economic data that 'photographs' Macao development, those that are worth mentioning are the ones directly related to tourism, as this is leading the Macau economy. According to Statista, revenues from tourism in Macao in 2014 reached 44 billion dollars, of which 43.27 came from casinos and gaming tourism. Even more specifically, 32 of them came from a single game; poker (Statista, 2014).

Also another finding of Wong and McKercher in 2011, exploring elements of DSEC, is that until 2008 50% of visitors entered by land border with China, while another 40% by sea by ferry boats which connect Macao with China. The average stay was five to seven hours, sometimes less than the time that was spent on the ship for a visitor going to Macao. The desired index targeted in 2008 for Macao was 1.4 days stay in the country per visitor. (Wong & McKercher, 2011)

So we observe that gambling and industries operating around them (touristic structures, casinos, hotels, etc.) are the backbone of Macao's economy. The DSEC also has informed us with detailed tables of data monthly, since 2008 to the current month on tourist arrivals. What figures indicate is that tourist flows ranging from 1,500,000 to 2,000,000 visitors each month have been steadily increasing over the last eight years. At the same time, a paradoxical feature - drawn again from DSEC- regards hotel accommodation, which for November 2015 amounted to 930,000, about half compared to the monthly average of tourists. So we understand that this tourism economy model does not rely so much on the duration of the visitor's journey, as on the range of stakes for the game that the 'consumer' of gaming tourism spends. It is also estimated that the revenues for the Macau market per visitor come to about 1500 to 1800 U.S. dollars per guest -without of course including the gambling revenue.

4.5 Tourist Information Centers – bidirectional information collectors and providers

Regarding the elements with which Macau constantly enriches its databases, they are largely derived from the TIC (Tourists Information Centers). These centers are designed to serve tourist needs, to provide information about the tourism possibilities of a visitor to Macau and to identify major attractions. At the same time the same centers work both ways as they observe and record the trends of tourists, shaping this way a tourist demand identity. Furthermore, they intervening promoting sites and

tourist possibilities of their preferences. To a large extent, the proper operation of such information centers is based on their human resources and on its continuous training too (Wong & McKercher, 2011).

In addition, as clarified in a previous paragraph, although the tourist vision of Macao was and remains oriented towards gambling, in no way does it keep an indifferent attitude to new tourist exploitation opportunities. Let us not forget the fact that the wider area of eastern Asia is evolving in recent years into a very powerful global tourist 'player' with many competing destinations within a game of progress and rapid development (Lee, 2008). According to researchers Zhang and Hitchcock, a new type of visitor flow in Macau is 'Chinese female tourism.' In fact, it is a tourist stream from China for social relations purposes. We quote that the vast majority of gambling tourists are men. This means that in a small spatial extent there is a large concentration of men most of whom are quite above the average economic level, so need is created for some and opportunity for others. Therefore, this gaming tourism feature triggers another type of alternative tourism, which developed in parallel and proportionally to this (Zhang & Hitchcock, 2013). The percentage of this visitors class (female) is far from negligible and exceeds 10% of arrivals from China (Ong & Cros, 2012).

4.6 'Gaming Promoters': Tour Operators in Macao's Tourism Industry

In Macao the profession of gaming promoter is legal. Gaming promoters have existed actually in Macao since 1970's, but they were licensed and regulated by Macao's Government only in 2002 and since then they have been a basic pillar of the lucrative gaming market. Their profession is absolutely useful, as they recruit continuously new customers, especially from Mainland China and Hong Kong. They operate exactly like tour operators, arrange contracts with casino companies and many times they reserve gaming tables one year before. Gaming promoters have legal status in Macao, where they have created some serious companies, like 'Iao Kum Group Holding Company Ltd.', which is listed in the NASDAQ, with stock code: IKGH (Godinho, 2014). Other major companies with activity in the gaming promoting sector are 'Dore Holdings Limited' and 'Neptune Group Ltd.', which are listed in the Hong Kong bourse. A target group for these companies is VIP costumers, and for this reason casinos provide special areas, which are called 'VIP rooms'. The taxation and the chip in these areas are higher than the other parts of the casinos. The payment method for the gaming promoters is liberal and Macao's law leaves it to the market (Godhino, 2014).

5. What about the future? Problems and obstacles at the powerful Macao model economy?

Macao's gaming industry has suffered greatly and revenue has tremendously decreased since 2015, when the government of China decided to crack down the corruption at the public sector. As a result of this campaign, Macao lost in this very last year a lot of high rollers. (Li et al, 2016). Another factor

that impacted negatively on Macao's tourist flows, and therefore its economy, was the tighter visa policy from the side of China. Among others, a new smoking ban in the casinos in combination with a greater supervision of Union Pay cards, which is a very popular way of withdrawing money by the gamblers in Macao, add more pressure to a segment of VIP high rollers (Li et al, 2016 b). At the same time, competitive Asian destinations 'steal' a lot of Chinese gamblers from Macao. Although destinations like Cambodia, Vietnam, Philippines and South Korea have not got the gaming brand of Macao, they rapidly invest on casino industry (Steaven, 2014). This fact is supported by other authors too. The region of pacific Asia is becoming a very competitive environment as casinos located in Malaysia are pursuing Chinese gaming tourists aggressively. These casinos are designing very serious and careful marketing strategies to extract part of the Chinese gaming market (Zeng et al, 2012). In the Philippines, casinos cannot be compared with those of Macao, but the state applies other attractive strategies, like lower tax rates for the casinos. Telephone betting also is allowed in many casinos (Lu, 2016). The expansion of gambling legalization in the U.S.A. and Australia will also affect Macao's economy in the future. Macao's 32 km² surface may not be enough to antagonize upcoming gaming destinations, so perhaps Macao should benefit from the gaming tourism revenue and plan a new favorable strategy for re-investment of this wealth to other tourism sectors. (Mieiro et al, 2012). We have also to note that the Government of Macao will not grant any further casino licenses until the current agreements expire in 2022 (Vlcek, 2012). That fact is a major limitation to the economic development of Macao.

The success of gaming tourism business does not come about accidentally or by fortunate circumstances, but it is based on multi-step plans, renewal of the touristic destination, readiness to gamble the revenue and to seek strategic partners, investments in making more attractive the surrounding region and, of course, the market limitation of new competitive entries. Experience from the United States such as Foxwoods Casino Resort for example , one of the biggest casinos in the world, demonstrates that creativity, life cycle estimation and strategic management are basic factors that lead to a continuous and sustainable growth for any touristic business related to gamble. (d' Hauteserre, 2000).

Option of a non gaming tourism destination?

As we have noted in a previous section, Macao is in danger of losing its privileges as 'World Gaming Mecca' and is already suffering a diminution to the gamble revenue in this very last year. The entrance of new competitive gaming destinations in Pacific Asia in combination with the Chinese campaign against corruption led to a revenue reduction more than 30% in 2015 (UNLV, 2016), in relation with 2014. An alternative option is the transformation of Macao to a cultural tourism destination using all the financial benefits of the last decade. Its strong point is the existence of the historic city which has already been characterized as UNESCO World Heritage City (Chu, 2015). The uniqueness of the cityscape is based on the rare combination of Portuguese and Chinese architectural elements. The

designation as a UNESCO World Heritage City was the key to the traditional urban landscape conservation (Simpson, 2008) and ironically the reason for a large old buildings lot demolition, as some habitants and investors worried about the listing of these buildings to the 'heritage'. Something like that could be an obstacle to the development which is based on casinos and luxurious hotels construction. According to Chu (2015), Macao remains a 'city of culture' despite the dream of 'fantasyland of gaming', and efforts have to be made by the local government aiming at the equivalence of those two destination identities.

Need for sustainable development

Although the swift economic growth of Macao was a remarkable phenomenon, data and statistics show that since 2015 the situation does not seem good. Gambling does not have anymore the past glory, and it has been considered 'guilty for the worst economy of the world' (Lu ,2016). Consequences of this depression on gambling industry are evident, and a lot of scholars are speaking for needful changes in the economy model towards a sustainable development. All these previous years Macao has followed the 'leading industry' model. This model is based on a theory of the American economist W. W. Rostow, but Macao's gambling industry is a completely different case as it does not base its development on national resources, but on foreign capitals. That was the 'Achilles heel' of Macao's economy. According to Piao Zhenzi (Lu, 2016), Macao's new sustainable economy model must put emphasis on its main enterprising force: small and medium-sized enterprises. It has to support them and build a new regional form of economy, characterized by vigorous vitality and social stability, obtaining this way a sustainable and stable development.

Effects of gambling tourism

After accepting the fact that tourism in a region forms the culture and lifestyle of the indigenous inhabitants (Proenca & Soukiazis, 2008), effects recorded by researchers will be reported further on. So, according to the above authors, the effects are -first of all- economic. The figures reveal an increase of per capita income in reception areas compared to other non-touristic areas. Likewise, the increase in revenue from gaming tax corresponded to an increase of Macao citizens' benefits, such as numerous financial allowances for them (Benton, 2015). From a sociological perspective the impact mainly alters the traditional relationships between the members of the local communities of reception areas. The influences are more prominent when it comes to limited geographically areas, where the human relationships are stronger. An important sector that receives large part of the impact is the environment which is often replaced entirely because of the forced change of land (sometimes of sea too) use to cover touristic needs, that are increasingly growing; more and bigger casinos, more public works and more and more touristic facilities (Wu & Chen, 2015). Another empirical research (Wan, 2013) on seventeen different key communities in Macao reached the conclusion that the development

of gaming tourism activities had no negative effects on the locals. The results show that the local population's financial status is increasing by the year. The population also believes that the impact of gaming tourism to sectors as society and environment is negligible. On the other hand, a similar research in Singapore (Xinhua et al., 2013), about the impact of gaming tourism there, concluded to the exact opposite. In Xinhua's research, negative financial effects and social cost are mentioned. Through a third research about the same subjects (Wu & Chen, 2014), which was materialized in both countries, it was discovered that both of them were correct, and the gambling tourism impact on economy, society and environment is totally different in Singapore and Macao. Especially for Macao research shows that residents support completely the gambling activities as their high quality of life is directly connected to the tourists visiting repeatability. It is obvious that the casinos activity will continue to expand in the coming years, creating this way new and better employment opportunities for the local people (McCartney, 2005).

As we are talking about the socio-economic impact, we have to mention that an empirical research – focused on casino dealers (Chan et al, 2015) - proves that those employees suffer negative changes in their family life, despite their positive financial situation. About 48.000 dealers in Macao are affected by the casino culture, which negatively influences their family and parental relationships. In addition, we must not overlook the fact that Macao's gaming-based development, such as in Las Vegas, has been accused of having ties with organized crime groups (Khatani, 2015).

As regards the environment, the ecological disaster began in the 1920s, when it was decided to cut almost all of the original forest for building construction use and for doubling the city surface area. (Zadori, 2016). In the 21st century, Taipa Island and Coloane Island connection into a united land project destroyed large part of the remaining natural environment polluting irretrievably Macao's specific biodiversity. Furthermore, there was no precaution for water and air pollution. Policy for waste was based on burning or exporting to the continent. Authorities only in the very last years have started to pay attention to the environmental pollution problem and to manage projects in order to address it. These projects also include precaution for secure flatlands against the possible rise of the sea because of climate change. (Zadori, 2016)

5. Conclusions

Through this short study we reach a series of conclusions, the most important of which is that the rapid development of a national economy from scratch is achievable. The case of Macao teaches us that the exploitation of the traditional identity of the locality and its population in combination with modern considerations of economy can be the vehicle for the route to growth. At the same time, a full perception of opportunities, threats and possibilities, as well as planning and management illustrate that strategic planning, vision, implementation an improvement are indispensable terms when speaking about development and sustainability. A further conclusion is that alternative and special

forms are the future of tourism, especially for limited land areas and small states economies. At this point, the question is raised: could it be possible for Greece – as a small state- to follow a customized version of the Macao development model in order to base its economic progress on tourism, exploiting all its strengths and potential touristic sources. Finally, one could reasonably conclude that gaming tourism and gamble constitute an integral part of human activity and a very important tool for growth and development, if we overlook moral, religious and political issues.

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