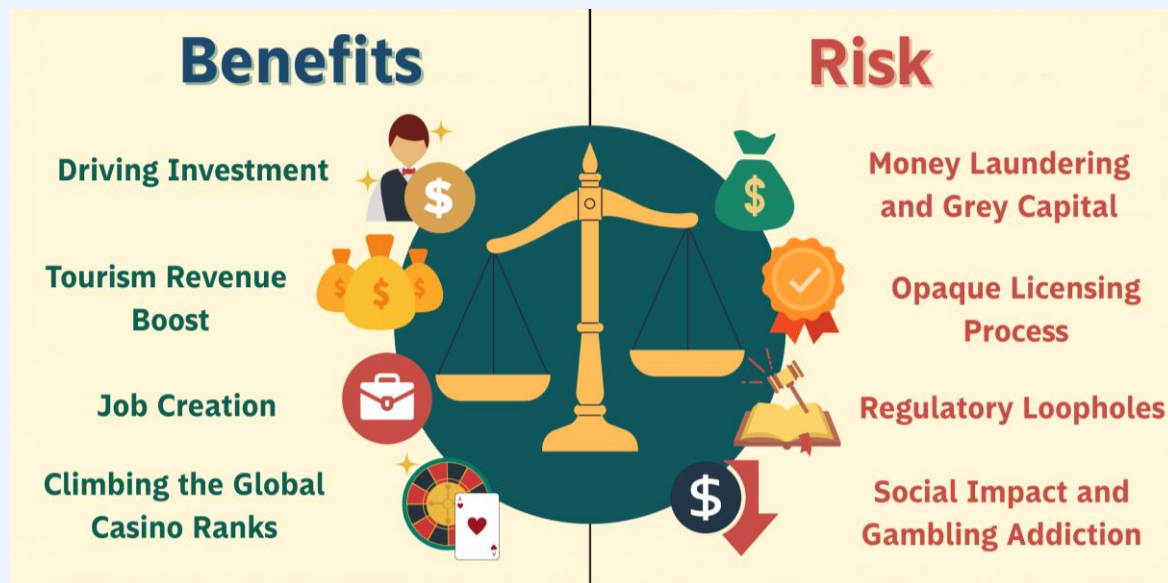


Betting on the Future: Thailand's Big Casino Gamble - Boon or Burden?



“Thailand’s future depends on playing its cards right—not gambling its social fabric for a quick win.”

Under the leadership of Prime Minister Paetongtarn Shinawatra, Thailand’s proposal to develop “Entertainment Complexes” with legalized casinos is gaining momentum. Inspired by successful models in Singapore, Macau, and the Philippines, the government sees this mega-project as a potential economic engine to attract foreign investment and boost tourism.

The initiative gains urgency as Thailand searches for new growth drivers in the post-pandemic recovery phase. Regional competition is intensifying, with Vietnam and Cambodia aggressively expanding their casino sectors and attracting international players. Thailand’s decision will determine whether it secures a competitive share of this growing market or risks losing out to its neighbors.

Economic Promise vs. Social Risk: Striking the Right Balance

Each entertainment complex is expected to require over 100 billion baht in investment, generating 119–238 billion baht annually in tourism revenue, creating 15,000 direct jobs, and contributing 12–39 billion baht in government tax

income. Citigroup even forecasts that Thailand could surpass Singapore to become the world’s third-largest casino market by 2031, with estimated annual revenues of 315 billion baht.

However, the potential economic gains come with significant risks—most notably in four critical areas:

1. Money Laundering and Grey Capital

Despite Singapore’s world-renowned regulatory strength, the country faced a record 81-billion-baht money laundering scandal in 2023. With Thailand ranking 108th in the Corruption Perceptions Index (CPI), vulnerabilities in governance and oversight raise serious concerns.

2. Opaque Licensing Process

The draft bill proposes casino licenses lasting up to 30 years with renewal rights, overseen solely by a policy committee behind closed doors. This approach risks monopolization, favoritism, and the concentration of power among a few business groups—undermining fair competition and transparency.

3. Regulatory Loopholes

The current framework lacks clear guidelines on the proportion of casino space within the complex or location restrictions, granting excessive discretion to policymakers and leaving room for abuse or mismanagement.

4. Social Impact and Gambling Addiction

Despite proposed restrictions—banning individuals under 20 and imposing a 5,000-baht daily entry fee for Thai nationals—concerns remain. Chulalongkorn University's Gambling Studies Center reports that 40% of online gamblers admit to addiction. Without strong controls, Thailand risks a surge in gambling-related social problems, family breakdowns, and rising healthcare costs.

Global Lessons: Success Stories and Cautionary Tales

1. Macau – High Rewards, High Dependency

With \$28.35 billion USD in casino revenue (2024) from iconic venues like Galaxy Macau and Venetian Macau, Macau thrives but remains economically over-reliant on gambling, making it vulnerable to global shocks.

2. Singapore – Strict Rules, Strong Returns

Marina Bay Sands and Resorts World Sentosa generate over 440 billion baht annually, contributing 1–2% of GDP. Strict measures include a \$150 SGD daily entry fee for locals and robust addiction support systems. Yet, Singapore still faced major money laundering challenges.

3. Philippines – Fast Growth, Loose Oversight

City of Dreams and Okada Manila generate over 220 billion baht annually but suffer from regulatory gaps, repeated corruption cases, and money laundering scandals.

4. South Korea – Targeting Tourists, Protecting Citizens

Complexes like Paradise City and Kangwon Land primarily serve foreign visitors, earning 320 billion baht annually while effectively minimizing domestic social risks.

5. Las Vegas – Diversified Entertainment, Sustainable Success

A global benchmark, integrating casinos with conventions, entertainment, and sports, Las Vegas attracts over 42 million visitors annually under strict regulatory oversight.

Navigating the Risks: Smart Regulation and Oversight

To maximize economic potential while safeguarding social stability, Thailand must adopt a robust, transparent, and balanced regulatory framework. Priority measures include:

Thailand should establish an **independent regulatory authority** with full legal power to oversee licensing, monitor financial transactions, and enforce compliance. Entry controls must be stringent, including a national self-exclusion system, family-requested blacklisting, and onsite gambling addiction support services. Complex design should cap casino floor space at 3–5%, emphasizing family-friendly facilities such as hotels, theme parks, and convention centers to diversify revenue sources.

A **transparent and competitive licensing process** is vital—international operators should compete based on investment scale, local employment quotas, and social responsibility commitments. Equally important is the creation of a **dedicated Financial Intelligence Unit (FIU)** to monitor transactions, enforce anti-money laundering measures, and require large transaction disclosures in real-time.

The government must also implement a **clear taxation policy**, with a legally mandated share of casino revenues directed to fund social welfare programs, addiction treatment, public infrastructure, and community development.

The Regional Race is On

With Cambodia's NagaWorld expanding and Vietnam piloting casino access for locals, Thailand faces increasing pressure. Further delays risk ceding market share to regional competitors aggressively capturing foreign investment and tourism.

Jackpot or Social Time Bomb? Governance is the Key

Ultimately, the success of Thailand's Entertainment Complex project will depend not on its scale or ambition, but on the strength of its governance, regulatory integrity, and long-term vision. Without clear, enforceable rules and

robust oversight, the anticipated economic gains could be outweighed by deepening social costs and reputational risks.

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Strategic Outlook and
Transformation Management
Office of the President