

## STREET TALK

### On The Road Again

By Business Journal Staff

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In a somewhat unexpected move, Republican gubernatorial candidate Dick DeVos named Oakland County Clerk and Register of Deeds Ruth Johnson the GOP candidate for lieutenant governor.

Let's face it: The race hasn't been against Gov. Jennifer Granholm for several months. If Granholm hasn't delivered a reason to vote for her in the past 45 months, she isn't going to in the next three. Everybody wants to see a change in Michigan — the only undecided factor is whether DeVos is a positive one.

Johnson should go a long way toward appeasing those who have reason to think he isn't.

She's a former public school teacher who paid her own way through school (starting at a community college, no less), and as a state representative exposed corruption in the Oakland Intermediate School District. At the state and county levels, she has advocated environmental issues, cost cutting and prison reform. She's also run a small business, and earned the National Federation of Small Business Award in 2004.

Johnson also hails from the county that killed the SBT, even though Oakland County Executive L. Brooks Patterson would have been a more popular choice. And did we mention she's a woman?

In retrospect, local hopefuls such as Senate Majority Leader Ken Sikkema (R-Wyoming) probably weren't ever in the running. Such a move would have polarized a state only now getting used to its west coast as a political power. Come Christmas, however, West Michigan pols could find high-level adviser appointments in their stockings.

\*\*It's safe to assume Johnson is opposed to gaming expansion, particularly in and about Allegan County. But do you know who isn't? Donald Holecek, director of the Tourism Resource Center at Michigan State University, likely the state's foremost tourism expert.

"There are several issues that are frequently brought up," Holecek told the Business Journal. "That casinos bring with them more bankruptcies, more crime, more family-

related problems, and the list kind of goes on and on.

“But when people have really taken a look at this, it just doesn’t exist.”

In the Detroit area, where the university’s research has focused, there has been no negative impact of any sort. Granted, the city inspired movies like “RoboCop,” “8 Mile” and “The Crow,” not to mention Devil’s Night, the only underground event built around arson.

There was a fellow who committed suicide at a black jack table, Holecek noted, but “he obviously had quite a bit of other problems as well.” Such an occurrence will likely not happen in this country again, he argued, as the adoption of the Internet is keeping problem gamblers at home.

While he doesn’t feel there is a sociological difference between private and tribal gaming, many of the concerns unique to tribal enterprises are easily dismissed.

Don’t pay taxes? Michigan compacts allocate 2 percent of Class III tribal casino revenue to local municipalities and 8 percent to the state. The tribes have donated more than \$235 million to the Michigan Strategic Fund, from which the state provides the ever-popular MEGA grant.

All the money goes to Vegas? Sure, what happens in Vegas stays in Vegas; but that casino managers take Grandma’s pension back to Nevada is an exaggeration at best. The Soaring Eagle Casino & Resort in Mount Pleasant has to pay its 4,000 employees somehow.

In the three-county Mid-Michigan area, the casino is the second largest employer next to Meijer, which is taking a much larger share back to Walker than what the Saginaw Chippewa Tribe is shipping to Vegas.

Plus, the Chips had enough money to pay Jack Abramoff to attack the Wayland casino, with \$9.4 million left over to campaign for a 2004 constitutional amendment to limit gambling expansion in Michigan.

The Sault Ste. Marie Tribe of Chippewa Indians had enough profits from its Kewadin casinos to purchase a 90 percent interest in the private Greektown Casino in Detroit.

Another concern is that tribal lands could be used to erect a Wal-Mart, manufacturing facility or other enterprise to compete with private business.

“I know a lot of tribes are looking for ways to diversify their economic base,” Holecek said. “But they haven’t taken advantage of those opportunities, and quite frankly, why would you want a Wal-Mart when you can add 500 more slot machines?”

Holecek believes casinos could provide what Michigan tourism desperately lacks:

entertainment and nightlife. His data suggests 13 percent of all leisure travelers to Michigan visit a casino, and suggested Grand Rapids promote itself in conjunction with a new casino as it has with the lakeshore.

The only legitimate concern, he said, is that casinos can displace other hospitality businesses. Prior to the Detroit casinos, roughly a million dollars a day crossed the Canadian border to the Casino Windsor. In Detroit, some areas that don't offer gaming have suffered.

“That’s what you get when you have a monopoly,” Holecek said. “Gaming gives casinos a competitive edge. But the problem is that there isn’t enough expansion. If the state were to just legalize it and let people compete for licenses, everyone would be better off.” **BJX**

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