

## Citizenship for sale

## Pledge of allegiance

## Buying citizenship is surprisingly easy

**W**ADS of cash, obliging bureaucrats, and an urgent need for fresh travel papers are a connection that in most countries is dealt with by the police. But there is a respectable end to the trade. In most rich countries a hefty investment brings a visa that can eventually turn into a passport: \$500,000 typically secures an American "investor visa". For the British equivalent it is £200,000 (\$392,000). But three countries—Austria, and the Caribbean island states of St Kitts and Dominica—have refined the process further, offering citizenship, in effect, for cash.

For the typical respectable applicant, a rich person from a poor country who wants to avoid hassles with visas, it looks tempting. Awarded to foreigners who provide scientific, artistic, cultural or economic benefits (ie, investment), an Austrian passport—which requires neither prior residence in Austria, nor any knowledge of German—allows visa-free entry to 125 countries and territories; St Kitts and Dominica allow entry to more than 50, including Britain (but not America). Compare that to 25 mostly poor countries for Indian passports. Customers may also be people from countries such as America, whose citizenship may expose them either to terrorism, or to the tax authorities.

Austrian officials say their scheme is rarely used (though statistics are secret) and strictly policed. Applicants have to prove they are making an extraordinary contribution to Austrian life and cases are carefully assessed, says an official at the Ministry of Economic Affairs: "It's not just a matter of handing money over and getting citizenship. It's a really tough process." St Kitts also emphasises the cleanliness of

its 24 year-old system, which has accepted fewer than 500 applicants in total. "There have never been any abuses," says Shawna Lake of the island's government.

But the right advice can oil the wheels even in the most squeaky-clean system. Henley & Partners, a consultancy, offers to "liaise with the various government agencies and ministries, and then prepare and lodge your application". Informal approvals from the agencies and ministers concerned, it advises, should be gained before the investment is made.

Few would want to impugn the integrity of Austrian officialdom, which issues, Christian Kälin, a lawyer at Henley & Partners, estimates, only a few dozen such passports each year. Caution is particularly advisable given the way that the passport business has gone awry in other countries. Grenada and Belize sold citizenship widely and unwisely in past decades. In Ireland, a scheme under which 107 passports were issued proved in some cases to have enriched a disgraced former prime minister, the late Charles Haughey.

When that was exposed, it embarrassed some new Irishmen. Having joined what was once termed the "Rolls-Royce of passport programmes", they achieved unwished-for prominence in the press. The late Mahmoud Fustok, a Saudi diplomat with ties to that country's royal family, organised Irish passports for 15 of his relatives. In 1985 he paid Haughey 50,000 Irish pounds (about \$100,000 today) for an investment, he later told a judicial inquiry, in a horse whose details he couldn't remember. That's one way of putting it. ■

## My country 'tis of thee

Citizenship application requirements  
Average amounts, \$

	Austria	St Kitts	Dominica
Investment*	>2.5m	>200,000	None
Government fees	5,000	35,000	82,700
Professional fees	300,000	15,000	15,000
Processing time	9-12 months	3-14 months	5-12 months
Interview	No	No	Yes
Language requirement	No	No	Yes (English)

Source: Henley & Partners

\*Estimated