EUI Working Papers

RSCAS 2012/14
ROBERT SCHUMAN CENTRE FOR ADVANCED STUDIES
EUDO Citizenship Observatory

THE PROS AND CONS OF IUS PECUNIAE: INVESTOR CITIZENSHIP IN COMPARATIVE PERSPECTIVE

Jelena Dzankic

EUROPEAN UNIVERSITY INSTITUTE, FLORENCE
ROBERT SCHUMAN CENTRE FOR ADVANCED STUDIES
EUROPEAN UNION DEMOCRACY OBSERVATORY ON CITIZENSHIP

The pros and cons of ius pecuniae: investor citizenship in comparative perspective

JELENA DZANKIC

EUI Working Paper **RSCAS** 2012/14

ISSN 1028-3625

Printed in Italy, March 2012
European University Institute
Badia Fiesolana
I – 50014 San Domenico di Fiesole (FI)
Italy
www.eui.eu/RSCAS/Publications/
www.eui.eu
cadmus.eui.eu

Robert Schuman Centre for Advanced Studies

The Robert Schuman Centre for Advanced Studies (RSCAS), created in 1992 and directed by Stefano Bartolini since September 2006, aims to develop inter-disciplinary and comparative research and to promote work on the major issues facing the process of integration and European society.

The Centre is home to a large post-doctoral programme and hosts major research programmes and projects, and a range of working groups and *ad hoc* initiatives. The research agenda is organised around a set of core themes and is continuously evolving, reflecting the changing agenda of European integration and the expanding membership of the European Union.

Details of the research of the Centre can be found on:
http://www.eui.eu/RSCAS/Research/

Research publications take the form of Working Papers, Policy Papers, Distinguished Lectures and books. Most of these are also available on the RSCAS website:
http://www.eui.eu/RSCAS/Publications/

The EUI and the RSCAS are not responsible for the opinion expressed by the author(s).

EUDO CITIZENSHIP

EUDO CITIZENSHIP is part of the European Union Democracy Observatory and publishes two kinds of working papers: (1) peer reviewed and previously unpublished manuscripts on topics of citizenship laws and policies covered by the observatory and (2) collections of edited contributions to EUDO CITIZENSHIP Forum Debates. The author who opens such a debate closes it also with a reply to the other contributions. For more information how to submit a working paper or how to contribute to a Citizenship Forum Debate, consult our website at http://eudo-citizenship.eu.

Series editors:

Rainer Bauböck (European University Institute, Political and Social Sciences)

Iseult Honohan (University College Dublin, School of Politics and International Relations)

Jo Shaw (University of Edinburgh, Law School)

Maarten Vink (University of Maastricht, Department of Political Science)

Research for the EUDO Citizenship Observatory working papers series has been jointly supported by the European Commission grant agreement JLS/2007/IP/CA/009 and by the British Academy Research Project CITMODES (both projects co-directed by the EUI and the University of Edinburgh).

The financial support from these projects is gratefully acknowledged.

For more information about the project please visit the project website at http://www.eudo-citizenship.eu

Abstract

The aim of this paper is to look at economic aspects of citizenship and compare states offering naturalisation to investors. By analysing different investor citizenship programs, the paper highlights the normative tension between those states that seek to maximize their economic utility and grant citizenship to investors by waiving all other naturalisation requirements, and those that uphold genuine ties with the polity as the core of citizenship by retaining them.

The paper is developed as a two-level analysis of investor citizenship, starting from a global overview of facilitated access to citizenship, which is a common, yet seldom used discretionary tool of the governments. In the context of the global comparison, the paper highlights the distinction between the facilitated naturalisation for investors in countries that offer residence in the first instance (e.g., the UK, the U.S., Canada, Belgium, Australia, Singapore), and those that waive other regular naturalisation criteria (e.g., Commonwealth of Dominica and St. Christopher and Nevis). Following the global overview, the paper offers a more in-depth comparison of European countries that offer citizenship by investment while dropping other requirements, such as residence, language and knowledge of the country for these applicants.

Keywords

Citizenship, investment, facilitated naturalisation, St Christopher and Nevis, Dominica, Austria, Montenegro

The pros and cons of *ius pecuniae*:[*]
investor citizenship in comparative perspective

1. Introduction

This paper looks at the economic inclusivity of citizenship regulation and draw parallels between different countries offering naturalisation to investors. The underpinning question of the paper is whether investor citizenship has a merely economic dimension in terms of attracting foreign capital, and whether and when there is also a normative argument for making naturalisation easier for investors. By answering this question, the paper highlights the tension in understanding the logic behind investor citizenship programs. That is, in deciding to naturalise investors, states can either maximize economic utility and grant citizenship to investors by waiving all other naturalisation requirements, or uphold genuine ties with the polity as the core of citizenship by retaining them.

Citizenship denotes the relationship between the individual and the state, including the rights and duties stemming from an individual's membership in the polity. Citizenship, as such, is a relationship of reciprocity (Held 1991: 20), which has both a political and a normative dimension. The political dimension of citizenship is intimately related to participation, through which individual members of the community exercise their will. The political aspect of citizenship has implications for the nature of the relationship between the individual and the state, as it also entails the individual's loyalty to the state and his or her identification with the polity. In cases of individuals born into a polity, this loyalty is assumed and exercised through the duties of citizenship (e.g. law abidance, taxation, military duty). Yet, citizenship is exclusionary for those aspiring to become citizens of a polity. This means that gaining membership to a polity entails fulfilling a set of conditions, which are aimed at proving an individual's commitment to the state he or she aspires to be admitted into. These conditions stem from the normative facet of citizenship and are encapsulated in nationality laws.

Naturalisation, or the admission of individuals into the polity, is a prerogative of the state. According to Spiro (2007: 34), naturalisation, albeit used only in exceptional circumstances, has existed in Ancient Rome, whereby citizenship could 'be conferred on an individual for great acts in the service to the community'. Nowadays, naturalisation conditions are far more regulated, and seek to ensure the establishment of genuine ties between the individual and the polity. They often entail the individual's physical link with the state (residence), his or her knowledge of the socio-cultural norms of the polity (language and culture tests), moral standing (proof of non-conviction), and financial sustainability (proof of income).

Yet, citizenship by investment can be obtained with or without residence. The investment may grant the individual the right to reside in another state and acquire citizenship subject to residence and other criteria, or it may result in the outright conferral of citizenship. The former is a common practice, adopted by a number of countries worldwide including the United Kingdom, the United States, Canada, Belgium, Australia, and Singapore. These countries offer premier residence[1] to investors, with the assumption that the investment will yield significant economic benefits to their country, while also creating strong links between the individual seeking to be naturalised and the state through mandatory residence. In many cases the residence requirement is the same as for ordinary naturalisation, but some countries may act on a case-to-case basis and reduce the residence requirement for investors (e.g., Austria, Belgium). By contrast, in some countries, the investment may confer citizenship upon an individual regardless of other naturalisation criteria. Although many countries have given the state authorities the discretion to naturalise individuals on grounds of cultural, economic, or other achievements, only two countries have developed detailed investor citizenship programs:

[*] Term coined by Joachim Stern.

[1] Premier residence is residence granted on grounds of applicant's investment as used by Henley and Partners (2010).

Commonwealth of Dominica and St. Kitts and Nevis. In Europe, Austria and Montenegro also implement investor citizenship programs, but these are loosely regulated and thus more reliant on discretionary power of the state authorities. In none of these countries are prospective applicants bound by residence. Such a conferral of citizenship is based on the assumption that the investment in itself is a sufficient proof of an individual's commitment to the new polity. Given the degree of discretion that governments have in deciding upon naturalisation on these grounds, citizenship by investment programs have raised numerous contentious questions, including those related to tax evasion, extradition, and corruption.

2. Normative frameworks for understanding investor citizenship

In the context of the competitive market pressures that exist in the era of global economic interconnectedness, citizenship has become a good with which both states and investors seek to optimise their performance. According to Ong (2005: 627), 'nation-states seeking wealth-bearing and entrepreneurial immigrants do not hesitate to adjust immigration laws to favour elite migrant subjects, especially professionals and investors'. However, there is a manifest normative tension underpinning the decision of some states to grant citizenship to investors and the objections of others to such a practice. Hence a full understanding of the different ways of regulating and practicing of investor citizenship requires an insight into the economic club good theory of citizenship (Buchanan 1965) that provides an argument for the defence of investment-based naturalisation, as well as in the sphere boundary theory (Walzer 1983) which provides a rationale for rejecting it.

The economic club good theory of citizenship (Buchanan 1965; Frey and Eichberger 1999) offers an explanation as to why states would seek to co-opt individuals who invest money in the polity. Buchanan's (1965: 4) theory has an economic rationale in that membership in 'clubs', as polities indeed behave, should be based on a cost-benefit analysis. That is, polities produce club goods for their members and should therefore select for membership those individuals whose contribution will optimize the production of club goods. According to Buchanan (1965:8), '[t]he bringing of additional members into the club also serves to reduce the cost that the single person will face'. This argument also explains the conditions for naturalisation, whereby an individual is often required to comply with certain pecuniary criteria so as to be allowed to become a citizen of a particular state. By contrast, those who are already members of the polity are not required to meet such criteria. The explanation of this asymmetry of the polity's behaviour towards its members and those aspiring to that status is that only those people whose contribution can help to decrease the shared costs of membership should be naturalised. This also supports Reich's (1991: 18) 'idea that the citizens of a nation share responsibility for their economic wellbeing'. As the operation of markets within the polity entails transactions among individuals, companies, other states, etc., in order to maximise their economic security and performance, states seek to ensure that the naturalised individuals will pose no financial burden on their economies.

The same rationale is used to explain why polities would facilitate the naturalisation of investors. According to Frey, 'the optimal size of a club is reached when the marginal utility received corresponds to the marginal cost induced by an additional member' (2000:6). In fact, the contribution to the country's economy by the investor is disproportionately higher than the contributions of many of those who are already citizens of a given state. Since the benefits of the investment (such as the boost to the economy, opening of new jobs, etc.) vastly exceed the cost of admitting the investing individual to the 'club', the addition of that member would optimize or at least enhance the club's economic performance.

Yet, the economic logic behind facilitated naturalisation for investors undermines the very nature of citizenship. According to Walzer (1983), in determining their citizenship, states act as 'clubs', and thus have the prerogative to include or exclude prospective members according to their interest. Carens (1987) challenged this observation of Walzer's (1983) when he claimed that by doing so, states act as enterprises rather than as public communities, thus failing to acknowledge the boundary between the public and the private spheres: 'in the private sphere freedom of association prevails and in the public sphere equal treatment does' (Carens 1987: 269). This implies that in deciding on their membership criteria, states are bound to treat all individuals equally.

However, the conventional argument, also highlighted by Carens (1987; 1992) is that states have the moral obligation to treat as equals only those who are already their members. There is no obligation for states to treat those who want to naturalise equally as those who are already citizens. Yet, states do have an obligation to treat those who apply for citizenship as equals in the sense of not discriminating in morally arbitrary ways between them. Those who are non-members thus need to comply with the same set of criteria in order to become citizens. The departure from this logic, in contemporary citizenship legislation, is made through different criteria for naturalisation for certain categories of non-members, such as spouses of nationals, expatriates, recognized refugees, etc. The reason for facilitating naturalisation in these cases is premised on the assumption of their pre-existing ties with the aspired community of membership (spouses, children, expatriates), or humanitarian arguments and international legal obligations (refugees). These circumstances enable states to waive some of the criteria for admission, for instance, by reducing the residence requirement.

A similar logic operates in waiving all other criteria in cases of naturalising individuals on grounds of national interest, or exceptional contribution to the state. The logic of equal treatment is overridden by the asymmetry of gains for the community from an individual's membership, as outlined by Buchanan (1965). In countries that allow facilitated naturalisation on grounds of exceptional contribution to the state, rewarding such achievements is recognition of merit rather than of money or class. Naturalising investors by waiving all other criteria, however, equalises financial contribution with cultural, sports, and educational achievements. The latter are considered reputational gains 'which are not available for purchase', and thus investment violates the sphere boundary of money (Walzer 1983: 102). The fast-track admission of investors into a polity breaks the equality principle inherent in the citizenship legislation in that only wealthy individuals are able to offer a significant contribution to the state's economy. Thus, naturalisation of this kind gives precedence to one social class over others, breaching the sphere boundary of 'money' (Walzer 1983) by 'unlocking' blocked exchanges that limit the dominance of wealth. It reduces citizenship to a commodity that is traded for money and not for genuine ties with the state, as is the case in ordinary naturalisation.

Moreover, the discretion in the granting of investor has caused political controversies in a number of countries. Corruption and secret deals, which have manifestly happened in cases of investor citizenship,[2] violate the sphere boundary of money as 'political power and influence cannot be bought and sold' (Walzer 1983: 100). This fact, however, does not imply that naturalising the investor will affect political power by virtue of a single individual's participation in the polity's operation. Rather, the marginal influence of a single vote in a polity will be outweighed by the much stronger concern about corruption of those who have had the discretionary power to decide on the admission of such an individual.

3. Citizenship by investment: citizenship through premier residence

Citizenship by investment may or may not require the applicant to reside in the country prior to naturalisation. The former cases are more common, and are based on premier residence for investors, with the prospect of obtaining citizenship in the future. The premier residence programs have a clear economic rationale, which is based on financial priorities of states. Such programs often require the investor to relocate to the said country thus making it the focal point of his or her business activity. Obligatory residence yields both tax revenue and benefits for the recipient country through the

[2] See section 4.

multiplier effect of the investment on the state's economy (e.g., creation of jobs, consumption of goods, etc.). The investment contributes to the public good, while the investor is bound to reside in the country in order to become a citizen, which also implies the establishment of genuine ties between the individual and the community.

A number of countries in the world offer premier residence based on investment. Table 1 (below), constructed on information received from Henley and Partners represents a schematic overview of the criteria for investment, duration of residence granted in the first instance, the possibility to extend the residence granted, and the residence requirement needed to obtain the citizenship of these countries. Notably, Austria, which runs a separate citizenship-by-investment program, also has a premier residence program. The difference is that the former is based on a multimillion investment and a discretionary decision of the Austrian authorities to grant citizenship irrespective of the other criteria, as will be explained in the next section, while the latter requires the investor (who invests a lower amount of funds) to reside in Austria for a specified number of years, as indicated in the table.

Table 1. Premier residence: requirements and citizenship[3]

Country	Program/Law	Investment	Residence	Duration and Extension	Citizenship[4]
Austria	Domiciliation and residence act	€100,000 – per adult €50,000 – per child	Private residence	Individual	10 years
Canada	Immigrant Investor Program (federal)	Net worth C$ 1,600,000 and investment of C$ 800,000 to be maintained for 5 years	Landed status	5 years	3 years
Hong Kong	Capital Investment Entrant Scheme	HK$ 6,500,000 for 7 years in real estate	Permanent residence	2 years, to be extended for 2 years until year 7	7 years
Jersey	High Value residence Scheme	£500,000 resulting in £100,000 tax payment	1 K-category	3 years, extension of 2 years possible. Indefinite leave to remain (ILR) after 5 years	5 years
Monaco	Franco-Monegasque neighbour convention	'sufficient funds'	Carte de Sejour	1 year, extended annually in the first 3 years; valid for 3 years in years 4 and 5 of residence, and for 10 years beyond that	10 years
Panama	Reforestation Program	$40,000 or $80,000 in an approved Panama reforestation program	Reforestation Visa	$40,000 investment - permanent residency after five years requiring the visa to be renewed each year until the fifth year. $80,000 investment - permanent residency after	5 years

[3] Table constructed in line with Henley and Partners 2011. Amounts subject to change.

[4] Residence requirement. In some cases, such as marriage, or exceptional contribution, this requirement can be reduced. Further immigration rules apply in all cases.

				one year	
	Investor program	minimum investment of $150,000 and minimum of three, permanent Panamanian employees hired	Investor visa	granted provisionally for one year and after renewal is granted permanently with the right to be issued a local ID card	
	Small Business Investor Program	$40,000 and minimum of three permanent Panamanian employees hired	Small Business Investor visa	granted provisionally for one year, and needs to be renewed three more times before it is granted permanently with the right to a local ID card	
Singapore	Global Investor Scheme	S$ 1,000,000 and active business for 3 years	IC card	Permanent residence	2 years
	Capital Investor Scheme	Net worth S$20,000,000 and investment S$ 5,000,000			
Switzerland	Federal Act on Foreign Nationals	Investment that annually generates CHF 150,000 tax and creates several jobs	Swiss residency	depends on canton, investment, applicant's nationality	12 years
United Kingdom	Immigrant Investor Permit	£1,000,000 for 5 years in UK government bonds, share capital, or loan capital in UK firms	Tier 1 Work Permit	3 years, extension of 2 years possible. Indefinite leave to remain (ILR) after 5 years.	1 year after ILR, 6 years total (5 permanent residence, 1 ILR)
United States	EB-5 visa program	$500,000 in a pre-defined Regional Center	Green card	2 years (conditional Green card), after which – permanent residence can be granted	5 years

As the table illustrates, different countries have different policies related to premier residence for investors. The criteria differ not only in terms of the amount of investment required, but also in terms of the type of investment and its effect on economy. For instance, countries such as Panama, Canada and Switzerland require the investor to create several jobs for the nationals of those countries in order to obtain permanent residence status. Other countries base their decision to grant permanent residence on grounds of tax revenue collected from the investment. The United States, the United Kingdom, Panama, Hong Kong target their investment towards specific industries, while Canada also requires the investment to be maintained for 5 years.[5] In order to ensure the effectiveness of the investment, these countries have established specific regulation of how the investment should be handled in order to enable the applicant to require renewal of the residence permit after one to two years and eventually to receive citizenship. Hence, all of these countries require the applicant reside on its soil in order to be naturalised. Investors are also subject to a number of other ordinary naturalisation criteria. Countries with restrictive dual citizenship regimes, such as Austria and Singapore, require the investor to relinquish his or her citizenship of origin in order to be naturalised. The main rationale of such policies is to ensure that the applicant is indisputably related to the country in which he or she invests.

Therefore, in countries in which premier residence programs are in use, the investment merely facilitates the fulfilment of one of the conditions for the acquisition of citizenship. The applicant needs to undergo the standard (or slightly facilitated)[6] naturalisation procedure once the remaining criteria are fulfilled. For the states implementing these programs the rationale is to create economic benefits from investment, while conditioning the applicant to establish durable personal and business ties with that country prior to naturalisation. In such cases, the violation of the sphere boundary of money does not occur manifestly as the right to naturalisation is derived from residence, which is also required in cases of ordinary naturalisation. This supports Carens's (1987; 1989; 1992) argument that the logic of equal treatment should be applied in cases of naturalisation and is another objection against granting investor citizenship in the absence of residence or other genuine links.

4. Citizenship by investment

As a part of the facilitated naturalisation procedures, citizenship by investment is available in a number of countries worldwide, yet regulated in more detail only in St. Kitts and Nevis, Commonwealth of Dominica. Two European countries, Austria and Montenegro, also have the practice of granting citizenship to investors, although the regulation of this practice is less detailed than in the Caribbean islands. In all of the mentioned countries, investor citizenship programs have an economic rationale. That is, these programs are either aimed at recovering the state's economy, as is the case in the Caribbean islands, or to have a positive spill-over on the state's business climate, like in Europe.

Yet, these programs are subject to much contestation, not the least due to the implications of investor citizenship on the polity's day-to-day operation. In fact, the number of naturalisations on these grounds is not as high as to generate a significant political shift in any of the countries that operate these programs. However, the discretion that the authorities have in granting membership in the polity to individuals merely on grounds of investment raises four interrelated questions: 1) have the naturalised individuals established genuine ties with their new state; 2) does the fact that investment is equalised with reputational gains violate the sphere boundary of money; 3) what effect does investor citizenship have on the principle of equality between a) members of the polity and naturalised investors and b) naturalised investors and other applicants subject to ordinary naturalisation. Additionally, in many countries this type of naturalisation caused political controversies, which is a further indicator of the 'unlocking' of blocked exchanges.

[5] Canadian Investor Citizenship Scheme was established in 1986, and required a passive investment (i.e., deposit). Yet, after a number of controversies that the program raised in relation to the genuine ties of the naturalised individuals, the program was first redesigned in 1999, and also recently, stipulating higher degrees of investment, and regional quotas. A separate Quebec Investor Program is in place (see: Redesign of the Immigrant Investor Program, web http://www.immigration.ca/permres-business-redesign.asp).

[6] 1) in cases where residence is generally difficult to obtain; 2) in cases where the ordinary residence requirement is reduced (case-to-case basis).

4.1. Facilitated naturalisation on grounds of national interest

Most of the countries in the world have provisions that facilitate naturalisation to foreign nationals on grounds of their exceptional contribution to the country's society, economy, sports, or culture. This type of naturalisation is rarely used, although citizenship laws commonly contain clauses for it. Commonly, if the state exercises its prerogative to naturalise a foreign individual on grounds of its national interest, it waives other naturalisation criteria. In addition, provisions stipulating this discretionary right of states to offer citizenship to foreign nationals often waive the requirement for the person in question to relinquish their citizenship of origin. This fact confirms the 'special status' of such individuals in the states in which they have been naturalised. In particular, in states that forbid dual citizenship, the principle of equality is disrupted because extraordinarily naturalised persons are able to retain their nationality of origin unlike ordinary citizens. The procedure in itself has a moral dimension on behalf of the state as, in principle, it seeks to reward those individuals who have *de facto* made a significant contribution to the state. Interestingly, genuine ties, which in cases of ordinary naturalisation are enshrined in language, culture, and socialisation (residence) requirements, fade away in light of the state's prerogative to decide upon its national interest.

4.2. Long established ius pecuniae programs: St. Kitts and Nevis and the Commonwealth of Dominica

Investor citizenship has been a long established practice in two Caribbean islands - St. Kitts and Nevis and the Commonwealth of Dominica. Both countries have developed programs targeting specific branches of economic activity. Given the geographical position of these two states, their low level of GDP per capita, and the lack of competitiveness on the global market, investor citizenship programs aim to improve their overall economic performance. In St. Kitts and Nevis and the Commonwealth of Dominica the naturalised investor is presumed to have established strong economic ties with the new community of membership. However, since the investor is in possession of the passport of St. Kitts and Nevis or the Commonwealth of Dominica, but is not bound to reside therein, his or her level of political engagement in these polities is lower than that of an ordinary citizen (or a transnational migrant). These programs are schematically presented in Table 2 (below).

Table 2.
Investor citizenship in St. Kitts and Nevis and the Commonwealth of Dominica: an overview[7]

<table>
<tr><th>Country</th><th>Type of Contribution</th><th colspan="2">Investment Options and Other Fees</th></tr>
<tr><td rowspan="4">St. Christopher and Nevis</td><td rowspan="4">Investment or donation</td><td>Investment</td><td>Donation</td></tr>
<tr><td>400,000 USD in a pre-approved real estate project that cannot be resold during the next 5 years and that does not qualify the next buyer for investor citizenship</td><td>Lump sum donation to SIDF:
250,000 USD – single applicant
300,000 USD – family with 3 dependants[8]
350,000 USD -family with 5 dependants
450,000 USD -family with 7 dependants
• Additional 50,000 USD for each additional dependant</td></tr>
<tr><td colspan="2">Other Fees</td></tr>
<tr><td>Legal fees for real estate closing (1.5 per cent of the purchase price)
Government assurance funds (0.2 per cent of the purchase price)
Property tax (0.5 per cent of the land's value per annum)
Property insurance (0.5 per cent of the land's value per annum)

Registration fees
Due diligence fees</td><td>Registration fees
Due diligence fees</td></tr>
<tr><td rowspan="4">Commonwealth of Dominica</td><td rowspan="4">Donation</td><td>Single option donation</td><td>Family option donation</td></tr>
<tr><td>75,000 USD donation</td><td>100,000 USD donation for a family with three dependants[9]
- 15,000 for every other minor child
- 25,000 for every dependant between the age of 18 and 25</td></tr>
<tr><td colspan="2">Other Fees</td></tr>
<tr><td colspan="2">Procedural fees - 2,200 USD per applicant
Due diligence fees – from 5,000 USD per applicant
Professional and legal fees – from 15,000 USD per option</td></tr>
</table>

7 Table constructed in line with the information received from Henley and Partners 2011. Amounts and fees subject to change.

8 Spouses and minor children

9 Spouses and minor children

St. Kitts and Nevis, a federation of two islands in the West Indies, runs the oldest program for granting citizenship on grounds of investment. The program was established by the adoption of the Constitution and Citizenship Act in 1984, one year after the islands were granted independence from the United Kingdom. Chapter VIII of the Constitution of St. Kitts and Nevis regulates in detail the modes for the acquisition and loss of citizenship before and after independence (art. 90 to 95). The ordinary naturalisation procedure is rather restrictive and subject to a fourteen years residence requirement (art. 92). Yet, Section 3 (5) of the 1984 Citizenship Act of St. Kitts and Nevis stipulates that 'any person can apply for naturalisation and may be eligible for citizenship on payment of prescribed fees, if the Cabinet is satisfied that such person has invested substantially in St. Kitts and Nevis'. The investor citizenship option thus created was heavily grounded on the economic downfall that the islands faced at the time of independence. The weak economic performance of St. Kitts and Nevis in the following two decades, the lack of competitiveness in the global agricultural market, the falling prices of sugar which was the island's main industry, and the devastating effect of hurricanes on the country's GDP, are all problems that eventually sparked the two strands for acquiring the citizenship of these West Indies' islands: the real-estate option, and the Sugar Industry Diversification Foundation (SIDF) option (Henley and Partners 2010).

The real estate option allows the prospective applicants to purchase real estate in St. Kitts and Nevis, and thus become eligible for facilitated naturalisation on grounds of investment. The program, developed to bolster the islands' tourism sector, is highly regulated in that there is a minimum investment in real estate (currently 400,000.00 USD)[10]. In addition, the real estate project may not be at the applicant's disposal. Rather, it needs to be selected from a list of property pre-approved by the federation's government and it may not be resold for five years after the purchase. The current list of property includes tourist resorts, harbour developments, golf course terrains, etc. (Government of St. Christopher and Nevis 2011, website), which reflects the aspiration of the islands to become an attractive tourist destination. In addition, any property purchased in St. Kitts and Nevis for the purpose of facilitated naturalisation does not qualify any further buyers for investor citizenship. That is, if the person is granted citizenship of St. Kitts and Nevis after having used the real estate option, the property is removed from the list, which prevents the abuse of the property for naturalisation purposes.[11] In addition to investing in the property, the applicant is liable to pay a number of other governmental fees for him or herself and any dependants.[12] These data are presented in more detail in Table 2 (above) and reflect the economic rationale of the investor citizenship program of St. Kitts and Nevis.

The SIDF option was established in 2006, when the possibility to purchase governmental bonds in the amount of 250,000 USD in order to qualify for investor citizenship was terminated (SIDF 2011). The introduction of the SIDF option was the result of the closure of St. Kitts and Nevis's sugar industry a year before, following the pressures on the country's government by the European Union (EU) and the World Trade Organisation (WTO). The fall of the sugar industry, which accounted for 93 per cent of the country's agricultural production (Williams 2003: 4),[13] was induced by high production costs and the non-competitiveness of the Caribbean sugar cane on the global market. The fact that the sugar industry employed only 8 per cent of the federation's workforce, facilitated the establishment of

---

10 Real estate prices in St. Kitts and Nevis are rather high, and it is unlikely that the applicant will be able to obtain naturalisation through the minimum required investment.

11 For instance, if all the subsequent buyers of that property would obtain citizenship by investment, this could possibly lead to corruption, i.e. reselling the same property for a marginal price in order to qualify for citizenship.

12 Only unmarried dependants under the age of 25 qualify for this program.

13 Arable land area of St. Kitts and Nevis accounts for 24 per cent of the island's area. The 10,000 acres that were used to grow sugar cane have been relocated to other industries, and some land has become available for investment through the real estate option.

SIDF, a charity aimed at 'conducting research into the development of industries to replace the sugar industry; funding the development of these alternative industries and providing further support to secure the sustainability of such industries' (SIDF 2011). Unlike the real-estate option, SIDF qualifies the applicant(s) for naturalisation after a lump sum donation into the SIDF Escrow Account supervised by the Ministry of Finance of the Federation. The amount of the donation required ranges from 250,000 to 450,000 USD, depending on the number of applicants, as illustrated in Table 2 (above). In cases of failed applications, the donation is returned to the applicant, minus the application processing fee of 3,500 USD per person.[14]

The economic rationale of investor citizenship in St. Kitts and Nevis is further stipulated in the 1984 Citizenship Act, which notes that

> a person is entitled, upon making application under this subsection to the Minister in the prescribed manner and upon payment of any fee that may be prescribed , to be registered as a citizen of St. Christopher and Nevis without any rights of voting save under and in accordance with the provisions of any law governing the qualification of voters, if the Cabinet is satisfied that such person has invested substantially in St. Christopher and Nevis (section 8).

Hence, naturalisation by investment does not confer all of the citizenship rights to those who have acquired the citizenship of St. Kitts and Nevis but have opted not to reside there. The 2007 amendments to the National Assembly Election Act stipulate that suffrage is granted to those citizens of St. Kitts and Nevis who have been ordinarily resident in one of the islands for a 'continuous period of at least twelve months immediately before the registration date' (art. 42). The federation operates a re-registration system, which indeed confirms the primacy of residence over citizenship when determining suffrage. As a consequence, citizenship by investment in St. Kitts and Nevis, offers the individual full membership in the polity, and some of the privileges stemming from the formal association between the individual and St. Kitts and Nevis. However, rights and duties inherent in the concept of citizenship (such as participation, and taxation) are not transferred on the beholders of the country's passport, as they depend on the establishment of a genuine link with St. Kitts and Nevis through residence.

The second oldest investor citizenship program is the one of the Commonwealth of Dominica, and is based on an economic rationale very similar to the one of St. Kitts and Nevis. Dominica gained independence from the United Kingdom in 1978, and since then, the country's economy has been based on agriculture, which employs around 40 per cent of the island's population (UNDP 2010). As a result of adverse weather conditions, including frequent hurricanes and the volcanic terrain in Dominica, coupled by the decrease in the world prices of bananas, which are the country's primary crop, the country's economic performance has been on a downward slope (US Department of State 2010). The desire to attract investors in order to bolster the country's economy has resulted in the establishment of the investor citizenship program, which has been running in Dominica ever since 1993.

The 1993 amendments to the country's Naturalisation and Citizenship Act provided the legal grounds for the investor citizenship program. The new rules stipulated that the government may have discretionary powers in waiving the five year residence requirement that is in place in the ordinary naturalisation procedure. Pursuant to article 8 (2), 'The Minister may, in such cases as he thinks fit – (c) waive the residence requirement in special circumstances.' The investor citizenship options described in detail in Table 2 (above) are available to single applicants and to families.[15] The amount of investment ranges from 75,000 to 100,000 USD, in addition to other processing and governmental fees. According to the government of Dominica, the investment thus received is directed towards both

---

14 Applicants are required to undergo a due diligence procedure, and pay the required governmental fees associated with the application.

15 However, family members over 21 years of age need to apply through the single option.

public and private sector (Government of the Commonwealth of Dominica 2011, website). Unlike in St. Kitts and Nevis, Dominica does not have specific programs (such as SIDF) targeted by the investment. Rather, the government has the discretionary powers in allocating the funds to public projects, including '(1) building of schools, (2) renovation of the hospital, (3) building of a national Sports stadium and (4) towards the promotion of the Offshore Sector' or to private sector projects dealing with agriculture, tourism or information technology (Government of the Commonwealth of Dominica 2011, website). On the one hand, such a policy allows Dominica to tackle the immediate economic concerns, such as poor agricultural performance in a certain calendar year because of hurricanes. On the other hand, it lacks consistency of a long-term program aimed at economic recovery, since it has multiple and shifting beneficiaries.

Similar to the case of St. Kitts and Nevis, Dominica does not require the investors who have obtained citizenship to reside on the island. Equally, admission into Dominican citizenship does qualify the person for certain rights of membership, but suffrage and taxation are based on residence. In particular, the House of Assembly (Elections) Act, includes an oath for the prospective electors, who declare that they had resided in Dominica for twelve months prior to being registered as electors, that they are domiciled in Dominica, and that they have resided for at least six months in the constituency whereby they are registered (Section 37). Therefore, in both cases of investor citizenship in the West Indies, citizenship is formally conferred upon the investor, who may use those benefits of membership that are not dependent on residence (e.g., free travel). Benefits and duties of citizenship that are dependent on the individuals' participation in the polity and the identification with it still require the establishment of stronger ties with the polity by having it become the individuals' focus of life or business activity.

4.3. European experience: ius pecuniae programs in Austria and Montenegro

Although a number of European countries have provisions for facilitating naturalisation on grounds of exceptional cultural, economic or other achievements, at present, only Austria and Montenegro offer citizenship to investors.[16] Unlike in the cases of the Caribbean islands discussed in the previous section, investor citizenship programs in the two European countries are far more discretionary. That is, some regulation of the nature and amount of investment exists, but the programs are not as openly enshrined in laws as in the former two cases.

In principle, the European investor citizenship programs are used only in a few cases annually. Interestingly, citizenship regimes of both Austria and Montenegro are rather restrictive. Both countries pose high residence requirements (10 years), and neither allows dual citizenship in cases of ordinary naturalisation. In cases of investor citizenship, not only are the language and other requirements waived, but also the residence criterion and the obligation of the investor to relinquish his or her other passport. This practice represents a disruption of the equality principle on two levels. First, investors are given preferential treatment compared to applicants subject to ordinary naturalisation criteria. Second, the equality principle is also disrupted between the exceptionally naturalised investors who are able to become dual nationals and ordinary citizens, who would normally lose their citizenship of origin should they seek to become naturalised in another country.

---

[16] Another European investor citizenship program was running in the Republic of Ireland from 1989 to 1994. According to Art 16 (a) of the 1956 Irish Nationality and Citizenship Act exceptional naturalisation could be granted to people of 'Irish descent or Irish associations' while waiving other criteria. In this context, the interpretation of 'Irish associations' allowed for the development of the Investment Based Naturalisation Scheme. The scheme was terminated in 1994 due to the perception that Irish passports would become depreciated, as the investors 'have little or no connection with Ireland and […] no plans to strengthen those connections' (Seanad Eireann Debate 2002, web), but no legislative change took place. The 2002 Report of the Review Group on Investment Based Naturalisation considered such an interpretation of 'Irish associations' to be too broad. The subsequent Irish Nationality and Citizenship Act (2004) limited the associations to relationship to an Irish citizen by 'by blood, affinity or adoption' thus terminating the investor citizenship program (see Handoll 2009).

Contrary to the investor citizenship programs in St. Kitts and Nevis and in the Commonwealth of Dominica, data about the European experience are much scarcer and more difficult to obtain. Table 3 below presents a schematic overview of the required amount of investment in the two countries. Data on associated fees were unavailable.

Table 3. Investor citizenship in Austria and Montenegro[17]

Country	Type of contribution	Investment option and other fees
Austria	Investment	Substantial active investment, generating new jobs, and bringing new technology
		Other Fees
		Legal fees starting with 30,000USD
Montenegro	Investment	Investment in Montenegro of at least 500,000EUR
		Other Fees
		N/A

Investor citizenship in Austria is regulated by article 10(6) of the Citizenship Act, which stipulates that the requirements of residence and single citizenship are not applicable if 'the Federal Government confirms that the granting of nationality is in the particular interests of the Republic by reason of the alien's actual or expected outstanding achievements'. Hence, an individual may be granted admission into Austrian citizenship at the discretion of authorities, whereby common good, public interest and public wealth are taken into account, along with the overall assessment of the applicant's character (article 11). According to the Municipal Department for Immigration, Citizenship, and Registry offices in Vienna, an individual needs to prove 'exceptional achievements rendered or about to be rendered in the special interest of the republic of Austria. Exceptional achievements are well above average and cannot be achieved by other persons of the same level of education or training. It is incumbent upon the federal government of Austria to decide whether naturalisation is in the special interest of the republic of Austria' (MDICRO 2011). Yet, from this author's personal correspondence with the same source, there is no derived legislation regulating the exact amount or type of investment, and other criteria, as is the case in the Caribbean islands. Henley and Partners (2011) note that 'citizenship is not granted on the basis of investment alone. The foreign investor must make an extraordinary contribution alongside his investment, such as bringing new technologies to the country or creating a substantial number of new jobs'. In addition, this company maintains that in order to qualify, the applicant must make an active investment in the Austrian economy, whereby it will have a multiplier effect in terms of generating jobs or export sales (Henley and Partners 2011, website). As a consequence, investment in state bonds is not considered to qualify an individual for investor citizenship.

In the context of such broad legal definitions, the government has a margin of discretion in determining whether an individual should be naturalised or not. This has generated recent controversy in Austria, which shows a clear violation of the 'blocked exchange' between money and political power (Walzer 1983). The affair involving a Carinthian Freedom Party (FPK) politician Uwe Scheuch, who allegedly promised to facilitate the granting of Austrian citizenship to a Russian investor in return for a five million Euros investment in Carinthia and a 5 to 10 per cent donation of this amount to FPK (Austrian Times, web). This case has sparked a parliamentary inquiry by the Green Party from January 2010 about Art 10(6), i.e., Austria's discretionary approach to investor citizenship. Replying to the questions as to why the 'guidelines' were kept secret from the public (question 7), and why the policy of investor citizenship has not been adopted in the form of a legal text

[17] Table constructed in line with data collected by this author, and information received by Henley and Partners. Program in Montenegro currently on hold.

(question 8), the Ministry of Interior replied that the federal government requires the ministries to adopt opinions on individual cases. In order to reach such decisions, the different ministries have developed their own internal 'criteria', which are not binding, but help to assess each individual case objectively and ensure continuity in decision-making (Reply 4270/J XXIV GP). Following a court case, the abovementioned affair resulted in a prison sentence of 18 months for Scheuch (12 months suspended). The case is currently under appeal before a higher court, and the decision is expected in 2012 (see Baubock 2011, website).

The second European (yet non-EU) country that grants investor citizenship is Montenegro, one of the former Yugoslav republics. Provisions related to extraordinary naturalisation are found in the article 12 of the Citizenship Act, which refers to persons whose admission to Montenegrin citizenship is of the benefit of the state for scientific, economic, cultural, economic, sports, national or other reasons (art. 12). The category of people covered by the scope of art. 12 is not bound by the residence requirement, or the requirement to relinquish the individual's citizenship of origin. At the time of the adoption of the law, the final decision to grant Montenegrin citizenship in such cases was a discretionary power of the Ministry of Interior. The 2010 amendments to the 2008 Citizenship act enabled the President of Montenegro, the Prime Minister, or the Speaker of Parliament to propose candidates for naturalisation. Although such competence may imply that some discretionary power has been taken away from the executive, it is still the Ministry of Interior that makes the final decision on whether the benefit to the state suffices to grant the person in question Montenegrin citizenship.

In June 2010, the government of Montenegro adopted the Decision on the Criteria for Determining Scientific, Business, Economic, Cultural and Sports Interest of Montenegro for the Acquisition of Montenegrin Citizenship by Admission. Apart from laying out in more detail the conditions for the acquisition of citizenship on grounds of scientific, cultural, economic, or sports interest of Montenegro, the aforementioned decision establishes the category of 'citizenship-by-investment'. Montenegrin 'citizenship-by-investment' is available to those individuals who have invested in Montenegro's economy, or donated funds to Montenegro. Pursuant to the decision, such persons should be 'established experts or investors of undoubted international reputation' (art. 3). Following the scrutiny of an independent consultancy agency and an opinion of the Ministry of Finance, individuals who invest 500,000 euros in Montenegro will qualify for 'citizenship-by-investment' (see Džankić 2010). While the establishment of 'citizenship-by-investment' is consistent with the government's course of opening up Montenegro's economy to foreign investment, it also causes some ambiguities (see Džankić 2010).

In the first half of 2009, the Montenegrin press revealed that the former Prime Minister of Thailand who has been convicted of corruption – Taksin Shinawatra – received a Montenegrin passport (and thus Montenegrin citizenship). Despite the many attempts by civil society organisations, the Ministry of Interior refused to reveal the details of this issue, referring to the Law on the Protection of Personal Data (Jovićević 2009). Eventually, the Montenegrin authorities revealed that Shinawatra has been naturalised on grounds of his multi-million investment in Montenegrin tourism. The Montenegrin investor citizenship program has, however, sparked different reactions internationally. An unnamed member of the governing coalition in Germany – Christian Socialist Union (CSU) – has criticised the government's decision and announced that it might request the reinstatement of visas for the citizens of Montenegro. In contrast to the announcements of the Montenegrin government that the funds invested must be 'undisputed' and the origins thereof 'proven', CSU implies that this decision might affect the previous progress Montenegro had made in the area of border management and immigration control (*Vijesti* 12/08/2010). They also emphasise that the link between the citizen and the state, envisaged in the concept of citizenship may not be established solely on grounds of foreign investment. By contrast, the Canadian Ambassador in Belgrade (also representing Canada in Montenegro and Macedonia) John Morrison commended the Montenegrin model of 'citizenship-by-investment', and compared it to the Canadian one (B92, 16/08/2010).[18] Morrison emphasised the significance of foreign direct investment for the development of the country and noted that he expected that the issue of the origins of investment will be handled by independent expert agencies. The offset of such reactions to Montenegro's investor citizenship program have put its implementation on hold, as some subsidiary legislation has been forwarded to the EU institutions for opinion.

Yet, if the investor citizenship programs available in Europe are compared to the ones in the Caribbean, it is notable that the latter are far more regulated by laws, and that as such they give far less discretion to the Ministries. As such, the Caribbean programs, in principle, leave less scope for the violation of sphere boundary of money and the unlocking' of 'blocked exchanges' (Walzer 1983). Neither Austria nor Montenegro have a clear economic program within which the investment is made, as is the case in St. Kitts and Nevis. On the one hand, this allows the European countries to naturalise investors whose economic contribution perhaps exceeds the benefits that the state would have from either a targeted investment or a donation to the state. On the other hand, it raises issues over the discretionary power granted to authorities in determining the aptness of an individual for naturalisation, which may result in controversies described above as well as violations of the sphere boundary of money.

5. Conclusion

In examining the membership of polities, it is important to consider the emergence of new transnational, supranational and subnational political spaces (Baubock 2003). Investor citizenship is one of the issues that help to understand the rights and duties of citizenship beyond the borders of the state. In the attempt to examine the economic dimension of citizenship, this paper offered a comparison between those countries that offer naturalisation on grounds of investment. By considering the different approaches of countries to this type of facilitated naturalisation, the paper examined whether the country waives other criteria, especially residence, when offering citizenship by investment. A further subject of analysis was the interplay between the economic rationale for investor citizenship programs, in terms of the countries' need for attracting foreign capital, and the conflicting normative arguments against facilitating naturalisation for investors.

In the context of theories of citizenship, this study argued that investor citizenship represents a violation of the sphere boundary of money not the least because citizenship should not be granted on grounds of wealth and social class and thus reduced to a commodity that could be bought and sold. Rather, countries that have general provisions for facilitated naturalisation on grounds of exceptional contribution to the state equalise the 'economic' (i.e. pecuniary) contribution with reputational gains violate the sphere boundary of money, as the latter fall within the domain of 'blocked exchanges' (Walzer 1983). Moreover, countries that implement investor citizenship programs and offer a degree of discretion to their authorities open up the scope for bribery, as exemplified in the examples above. This is a further violation of the sphere boundary of money, since 'bribery is an illegal transaction' and the exchange between money and political power and influence is a blocked one.

So as to provide an answer to the multitude of questions surrounding both the theoretical and the practical implications of investor citizenship, this study first looked at the practice of facilitating access to citizenship to investors, while retaining the residence criterion. Premier residence programs are operated by a number of countries, including Austria, Canada, United Kingdom, Panama, Hong Kong, United States, etc. In such cases, investment is not the grounds for citizenship. It merely facilitates the residence criterion for naturalisation, as it makes it easier for the applicant to obtain a residence permit. Yet, applicants are required to undergo ordinary naturalisation procedures, which

[18] Unlike Montenegro, Canada grants permanent residence to investors who invest in Canada for five years. Following three years of residence, investors may qualify for Canadian citizenship.

indicates the emphasis in these countries on the establishment of a permanent link between the applicant and the polity whereby he or she aspires to become a member.

In a separate section, the paper also examined those countries that grant citizenship on grounds of investment by waiving other criteria. In this respect, two general strands are noticeable and have been described in the study: 1) facilitated naturalisation for investors, which although rarely used, is fully a discretionary tool of the governments; 2) facilitated naturalisation for investors through programs developed in order to target specific aspects of the countries' economies. Thoroughly regulated investor citizenship programs are available only in St. Kitts and Nevis and the Commonwealth of Dominica. They have a clear economic rationale, and are designed to target the recovery of those industries, which have been affected the most by the global economic developments. In St. Kitts and Nevis, the two segments of the investor citizenship programs aim to recover the economy from the failure of its sugar industry: a) real estate (including land formerly used to grow sugar cane); and b) SIDF (charity for former sugar industry employees). The analysed investor citizenship programs in Austria and Montenegro are not as regulated as the ones in the Caribbean islands, as they are not directed towards specific industries. In particular, the Austrian investor citizenship program is closer to the facilitated naturalisation on grounds of exceptional contribution than to a proper citizenship by investment. As noted in this paper, the margin of discretion of authorities in granting investor citizenship in Austria is rather large, and the procedures are not publicly available. The procedures in Montenegro were subject to a similar degree of discretion until recently, when the government announced the details of the investor citizenship program, possibly due to public pressure over the Shinawatra case. Hence, given the controversies that surround investment based naturalisation schemes, *ius pecuniae* is still a rather delicate aspect of citizenship.

References

Austrian Nationality Act 1985 (FLG I No. 37/2006)

Bauböck, R. (2010), 'Studying Citizenship Constellations', *Journal of Ethnic and Migration Studies* 36/5, 847-859.

---- (2011), 'Austrian regional party boss condemned for offering citizenship in exchange for party financing', *EUDO website*, at: http://eudo-citizenship.eu/citizenship-news/492-austrian-regional-party-boss-condemned-for-offering-citizenship-in-exchange-for-party-financing [accessed: 15 August 2011]

---- (2003), 'Towards a Political Theory of Migrant Transnationalism', *International Migration Review*, 37/3, 700-723.

Buchanan, J. (1965). 'An Economic Theory of Clubs'. Economica(32): 1-14.

B92, 16 August 2010, archive

Carens, J (1987). 'Aliens and Citizens: The Case for Open Borders', *Review of Politics*, Vol. 49/2 : 251–73

Carens, J. H. (1989). 'Membership and Morality. Admission to Citizenship in Liberal Democratic States'. *Immigration and the Politics of Citizenship in Europe and North America*. R. W. Brubaker.Lanham and London, University Press of America**:** 31-49.

Carens, J. H. (1992). 'Migration and Morality. A Liberal Egalitarian Perspective. Free Movement'. *Ethical Issues in the Transnational Migration of People and of Money*. B. Barry and R. Goodin. Pennsylvania, Pennsylvania State University Press.

'Citizenship not for sale, Minister says on 'corrupt Scheuch' claims', *Austrian Times* (21 January 2011), At: http://www.austriantimes.at/news/General_News/2010-01-21/19891/Citizenship_not_for_sale,_Minister_says_on_'corrupt_Scheuch'_claims [accessed: 15 August 2011]

Džankić, J. (2010), 'Transformation of citizenship in Montenegro: a context-generated evolution of citizenship policies', *CITSEE Working Paper* (March 2010), School of Law, University of Edinburgh.

---- (2010a), 'Lineages of Citizenship in Montenegro', *CITSEE Working Paper* (November 2010), School of Law, University of Edinburgh.

Fox, Jonathan (2005), 'Unpacking transnational citizenship', *Annual Review of Political Science* 8, 171-201

Frey, B. and R. Eichberger (1999). *The new democratic federalism for Europe : functional, overlapping, and competing jurisdictions*. Cheltenham, UK, Edward Elgar.

'Give me your Gucci-clad masses. It is ever easier to buy your way in' (2011), *The Economist* (3 December 2011), At: http://www.economist.com/node/21541054 [accessed: 11 December 2011]

Government of the Commonwealth of Dominica (2011), *Official Website*, At: http://www.dominica.gov.dm/cms/ [accessed: 15 August 2011]

Held D. (1991), 'Between State and civil Society: citizenship', in Andrews G (ed.) *Citizenship,* London, Lawrence and Wishart.

Henley and Partners (2011), *Official Website,* At: http://www.henleyglobal.com [accessed: 15 August 2011]

----. (2010), *Residence of Choice*, document courtesy of H&P, personal correspondence 12 July 2011

Irish Nationality and Citizenship Acts 1956 - 2004 (as amended by Act No. 38 of 2004)

Jovićević, B. (2009), 'Šinavatra dobio pasoš protivno zakonu', in Radio Slobodna Evropa, (07 May 2009). http://www.slobodnaevropa.org/content/article/1623549.html. [accessed: 15 August 2011]

Municipal Department for Immigration, Citizenship, and Registry offices (MDICRO) (2011), *Official Website*, at: http://www.wien.gv.at/english/administration/civilstatus/ [accessed: 15 August 2011]

Odluka o kriterijumima za utvrdjivanje uslova za sticanje crnogorskog državljanstva prijemom (Službeni list Crne Gore 47/08, amended Službeni list Crne Gore 80/08).Zakon o crnogorskom državljanstvu (Službeni list Crne Gore 13/8).

Ong, A.(2000), 'Graduated Sovereignty in South-East Asia', *Theory Culture Society* 17, 55-71

----. (2005), '(Re)Articulations of Citizenship', *Political Science and Politics* 38/4, 697-699

----. (1999). *Flexible Citizenship: The Cultural Logics of Transnationality*. Durham,NC: Duke Univ. Press

Reich, P. (1991), *The Work of Nations: Preparing Ourselves for 21st Century Capitalism*, New York: Vintage Press.

Seanad Eireann Debate (2002), Vol. 170 No. 26. Web. At: http://debates.oireachtas.ie/seanad/2002/12/19/00010.asp [accessed: 19 September 2011]

Spiro, P. J. (2007), *Beyond Citizenship: American Identity After Globalization,* Oxford: OUP.

Saint Christopher and Nevis Citizenship Act, 1984 (No. 1 of 1984)

St. Christopher & Nevis National Assembly Elections Act (No. 1 of 2002)

Sugar Industry Diversification Foundation of St. Kitts & Nevis (SIDF) (2011), *Official Website,* At: http://www.sidf.org/ [accessed: 15 August 2011]

Tarrow, S. and D. della Porta.(2005). 'Conclusion: Globalization, complex internationalism, and transnational contention', *Transnational protest and global activism*, ed. D. della Porta and S. Tarrow, Lanham: Rowman & Littlefield, 227-46.

U.S. Department of State (2010), *Dominica: Background information,* At: http://www.state.gov/r/pa/ei/bgn/2295.htm [accessed: 15 August 2011]

Vijesti, 10-14 August 2010, archive

Vijesti ,12 August 2010, archive

Vlada Crne Gore (2010), *Vlada Crne Gore počinje realizaciju programa „ekonomsko državljanstvo",* At: http://www.gov.me/vijesti/98694/Vlada-Crne-Gore-otvara-program-ekonomsko-drzavljanstvo.html [accessed: 15 August 2011]

Walzer, M (1983). *Spheres of Justice* U.S., Basic Books.

Zakon o crnogorskom državljanstvu (Službeni list Republike Crne Gore 41/99).

Author:

Jelena Džankić

Robert Schuman Centre for Advanced Studies, EUI

Villa Pagliaiuola

Via delle Palazzine 17-19

I-50014 San Domenico di Fiesole

Italy

Email: Jelana.Dzankic@eui.eu

EUDO CITIZENSHIP contact and submission of working papers:

email: eudo.citizenship@eui.eu

http://eudo-citizenship.eu