

**The
Passport Report**

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Part 1: Why you Need a Second Passport

How it All Started

The first refugee travel document was the Nansen Passport issued in 1917 to white Russian refugees in Europe. It was named after Fritzjof Nansen, the Norwegian explorer and delegate to the League of Nations. This passport successfully served hundreds of thousands of refugees as a document of identity for travel until the outbreak of World War II.

While the International Refugee Organization (IRO) replaced the defunct Nansen Passport Office from 1930 to 1945, it had no authority to issue identity or travel documents to refugees.

The 1951 treaty, Convention of the Status of Refugees, defined the rights of refugees. It only became operative in 1960 after the required 35 countries had ratified it. According to this convention, only those ratifying countries are authorized to issue travel documents to refugees. These countries are further authorized to determine which individuals are eligible to be recognized as refugees.

The result has created a large refugee population and economic pressures for some of the ratifies. In turn, some have refused to accept the legal responsibilities implied under terms of the Convention when declaring these refugees eligible. In some cases, the United Nations High Commissioner for Refugees Office (established in 1945 to replace the IRO), has given, without authority, the title "refugees-in-orbit" to those who are not recognized as eligible.

International law's UN Universal Declaration of Human Rights Article 13 states:

"Everyone has the right to freedom of movement and residence within the borders of each state. Everyone has the right to leave any country, including his own, and to return to his country."

Article 15 says: "Everyone has the right to a nationality. No one shall be arbitrarily deprived of his nationality nor denied the right to change his nationality."

However, countries the world over have spent most of their time restricting movement and making freedom of travel as difficult as possible. Hence this report.

Who Needs a Second Passport?
You, if your present passport or travel document:

1. Makes you a target for terrorists.
2. Could be revoked, confiscated or suspended.

3. Restricts your basic human right to travel in any way.
4. Subjects you to tax on your worldwide income, to currency controls or other confiscation.
5. Allows your government to control, restrict or monitor your travels.
6. Causes you delays, harassment or denies entry at any border.
7. Prevents you from working or settling anywhere you prefer.
8. Requires visas to visit places where you want to go.
9. Forces you into unwanted military obligations.
10. Identifies you as a citizen of an unpopular, immoral, aggressive or despotic nation.
11. Needs to be renewed or validated more than once each decade.
12. Limits your freedom to invest your money or borrow when and where you please.
13. Interferes with your freedom to pursue any investment opportunities or any other activity that brings you happiness without harm to others.
14. Last but not least, if your present citizenship requires too much bookkeeping and paperwork, making life a hassle . . . Then you may want to opt for more freedom. A second passport can be your passport to freedom.

Do Americans Need a Second Passport?

Perhaps people in countries facing civil war or political uncertainty, such as Hong Kong, may I need a place to go. But what about Americans? Don't Americans believe that everyone in the rest I of the world wants an American passport?

The truth is, some huddled masses and the wretched refuse of some third world shores may want to become Americans. But according to knowledgeable international lawyers and passport consultants, wealthy people (even those who might want to live part-time in the US for tax reasons) know better than to seek American passports. In fact, wealthy Americans create the greatest demand for second passports. Does this mean that American citizens are giving up their birthright in order to become citizens of banana republics and tin-horn dictatorships? Far from it!

During ten years of in-depth research and interviews the author has uncovered a fascinating story. The story of a trend by freedom-seeking individuals to imitate the multinational corporations. A surprisingly large number of these individuals are Americans. But they come from all over the world.

Why Brits do it

Over 600,000 United Kingdom citizens have been driven into exile because of high taxes. Once domiciled abroad, in Italy, Portugal, Singapore, Bermuda (and hundreds of other locations favored by the English), many Brits at first came home like migratory birds to spend six months each year (tax-free) vacationing in England. The tax collector, Her Majesty's Inland Revenue, then passed rules making long stays by former Brits more difficult. Today if a Brit maintains a home or apartment within the UK, even a single day's visit results in full income tax on worldwide income. Without a home the allowable vacation visit has been reduced to 90 days per year (after a three year continuous absence). Many Brits found that if they entered and left the UK on a non-British passport, the record of their entry and departure was never linked up with their income tax files. They could come and go in greater freedom, without counting the days.

Brits are individualists and freedom lovers. They don't like to be told they can't visit their old haunts or grandchildren unless they surrender up to forty per cent of their income for the privilege. Thus (ironically), Brits who love their Kingdom the most, those who like to spend time in the Motherland, are today most likely to have become citizens of another country. UK law allows unrestricted dual citizenship.

When do Swiss Need a Second Passport?

Swiss men who want to avoid lifetime military summer camps may wish to change citizenship. There are other reasons as well. Swiss citizens have found numerous instances where they are discriminated against. Switzerland does not permit foreigners to own land or hold a job in Switzerland (with a few exceptions). Thus, other countries playing tit-for-tat, have reciprocity laws. The Swiss are thus prevented from owning land or seeking employment in a long list of countries. This sort of restrictive legislation is of course stupid and self-defeating, but it goes on all the time.

Beating the Computers

Many countries have lately tried to trap more people in their tax nets. To do this they have shortened the periods that tourists or visitors can stay from the previously almost universal six months to much shorter periods. In the US after 1987, a foreigner who stays for over 122 days per year may be held liable for heavy US income taxes on his worldwide income. He will have to go through an unpleasant grilling to get a tax clearance before being permitted to leave. In that tropical paradise Thailand, a similar rule requires tax clearance and a \$50 fee payable by those who spend over 90 days per year in the country. For Perpetually Tax-free Tourists who wish to avoid such paperwork and expense, all such problems and confrontations are avoided by having a second passport. One departs before the maximum allotted time on passport number one and reenters later on passport number two, thereby keeping the annual visits, as recorded in passport entry-exit stamps, to the short periods allowed - at least insofar as the computers which record such matters are

concerned. Some individuals prefer name variations on their different passports to assure even greater privacy and freedom of movement.

Avoiding Discrimination

During the Falklands defense, British passport holders were discriminated against and detained in jails all over South America. There is scarcely a country in the world whose citizens are not regularly victims of international tensions. In 1986-89 any prospective visitor to France had to stand in long lines to get a French visitor's visa, unless he held an EU passport. Previously, before an outbreak of bombing and terrorism, France had allowed visa-free entry from a long list of countries.

An individual who has a drawer full of passports can choose the most suitable for the time and circumstances. Why shouldn't you always travel with minimum inconvenience?

Cutting Through the Red Tape

Pakistan denied entry to hundreds of British tourists stranded at Karachi airport after the UK attempted to halt illegal Pakistani immigration by imposing visa requirements on Pakistanis. Brazil requires American tourists to get a personal letter of recommendation from the US Ambassador in Brasilia after the US imposed a similar requirement upon Brazilian tourists in the US. The diplomats and politicians play games while travelers must incur extra costs and spend hours in airport transit lounges and embassy queues trying to cope.

Government officials are constantly throwing up more barriers to property ownership and freedom of movement. Insulation from bureaucratic harassment is sought by individuals. Those who have the intelligence and money to procure alternate travel documents will do so. Second passports can circumvent many miles of red tape.

The Multi-Nationals

A multinational corporation has several citizenship's. By incorporating in more than one political jurisdiction, a company becomes a legal entity able to do business in each country of incorporation. The company may be owned by a parent in a foreign country, but local governments generally treat it as one of their own domestic corporations, i.e. a local citizen.

To induce a foreign company to set up shop, many governments offer special concessions. These may include up to 25-year tax holidays, discounts on energy and raw materials, free land, subsidized local labor, cash grants and other attractions. Why? Principally because ruling powers tend to stay in office when the populace is employed and prosperous. High rates of unemployment bring unrest and riot, whereas full employment is a mass anesthetic. The cost of giving a 25-year tax holiday to a company that creates jobs and would otherwise not come, is zero.

The impetus to form multinationals, however, did not arise because of courtship's and extravagant inducements. The movement didn't even grow primarily to exploit localized opportunities for profit. Instead, explosive growth of the multinational movement came about to evade restrictions and high taxes. These were initially justified and imposed upon corporations, largely to pay for World War II.

Currency Control

In order to retain assets within their borders, all countries have at one time or another restricted capital outflows. One reason for moving money from one country to another is fear of loss due to political changes or relative inflation rates. For instance, all currencies tied to the US dollar were in a serious decline during 1984-87. Sensible French or Italian corporate treasurers and individuals looked to the currencies of low inflation countries such as Japan, West Germany and Switzerland for a hedge.

Foreigners and foreign subsidiary corporations can manage currency hedging easily without running foul of laws that often provide criminal as well as civil penalties for doing no more than prudently protecting one's capital. Very few countries in the world permit their citizens to have foreign bank accounts, foreign currencies or foreign investments of any kind without strict controls, costly permits and special taxes. Dual citizens, like multinational corporations, can usually circumvent all currency controls.

High Tax Rates

Governments imposed tax rates after World War II that generally soared to over 50 per cent. These rates would have been considered confiscator prior to the war when international rates topped out at 10 per cent or so. No company can maintain a competitive edge and a healthy growth rate when over half of its profits are used to pay taxes.

The multinational corporate structure allows a company to make component parts and sell profitable services in a low tax jurisdiction, thereby minimizing taxation. For example, suppose a plastic part costs 2 cents to manufacture. It sells for \$1.00. If that part is wholly manufactured in the US, UK, Germany, Sweden or any other high tax jurisdiction, the 98 cents profit is eroded by a tax of 40 per cent or more.

If, however, the component part costing 2 cents is made in a no-tax zone such as Panama, and the home company is billed for \$1.00, a 98 cent tax-free transfer payment profit is accumulated and retained offshore. Loan transactions, insurance, shipping and other services are typically rendered by offshore corporations or individuals. Profits from these offshore activities thus build up capital abroad.

The Whole World is a Tax Haven

A high income individual American could change nationality, move part or full-time to a tax haven and continue to render services to his old company. He could be paid tax-free offshore.

A TAX HAVEN CAN BE ALMOST ANY COUNTRY OTHER THAN ONE'S NATIVE LAND

An individual can and should be a multinational if his tax payments are of greater value than the benefits received from his home country.

The Rolling Stones moved to France in order to escape high British income taxes. Yet many wealthy Frenchmen are in the UK in order to avoid high French taxes. This anomaly is caused by the fact that most high tax countries exempt foreigners who reside there less than six months a year.

Thus, a foreigner who winters in California for four months, travels or lives outside the US for three months and then spends the remaining five months in his own country will typically pay no taxes anywhere! More important, this individual will not be subject to currency controls, investment restrictions and burdensome paperwork brought about by bureaucratic tax and accounting requirements.

The multinational (two passport) individual has the same advantages as a multinational corporation.

In order to enter and live in a foreign country for six months as a tourist, one generally needs a passport. Several countries also require visas from tourists. And in order to remain longer, to work or purchase a home, a Residence Permit is often needed.

"Non-work residence permits" are typically granted to entrepreneurs and others who do not compete on the local job market. A citizen of any country (with the exception of the US and the Philippines) need never acquire a second passport for tax reasons. He simply moves and can then live anywhere outside of his homeland to escape taxes.

What's the Most Expensive Passport in the World?

The US is the only major country in the world that imposes the same tax rates upon US citizens who live abroad as it does upon US residents.

The resulting equation becomes a simple one for non-resident wealthy Americans. By giving up US citizenship, your net income is, at minimum, doubled. Your taxes are higher than you think they are, and getting higher all the time. Remember, that even a 28 per cent federal rate is but a component of the total bite. State and local taxes typically run to around 20 per cent. Then there is an additional federal surcharge for large incomes. Thus,

for unsheltered taxable income in the US, the effective rate is well over 50 per cent. Why pay it when one can just be a tourist visiting the US on a non-US passport?

Despite what President Bush's lips had to say or what President Clinton envisages for America, high taxes are here to stay and are as American as good old apple pie and baseball. Furthermore, US tax regulations will continue to change constantly and will continue to be complex and confusing. Retainers for tax lawyers and accountants will become increasingly expensive, and necessary, in order to protect American taxpayers from making small mistakes that quickly mushroom into huge fines and severe criminal penalties.

US tax collectors, known as the Internal Revenue Service (IRS), are notorious worldwide as a law unto themselves, behaving as extremely difficult and disagreeable tyrants. They have the power to make administrative seizures and confiscation that require the defendant taxpayer to go to court or to prove his innocence. IRS power is totally contrary to the US theory of "presumption of innocence until proven guilty by due process of law". Constitutional protections (privacy, no self incrimination, freedom of speech) have no application to tax matters in the US.

A second passport and less than six months (now reduced to 122 days) annual stay in the US avoids these confrontations and eliminates the myriad of full disclosure and detailed financial filing requirements. One may own real property in the US, hold securities and open US bank accounts without being a citizen of the US. It is best to accomplish this through nominees such as foreign banks or trustees for complete privacy.

Foreigners who become US citizens must give up their freedom, privacy and at least half their taxable income for the rest of their lives. Even if that income was generated by assets accumulated prior to becoming a US citizen. It is easy to see why the US passport is often called "the most expensive passport in the world"!

Naturally, US tax rates fluctuate and so-called tax shelters are available to US citizens and resident aliens. Yet it is far easier to avoid all US taxes and the tyranny of the IRS if one is not a US citizen and has no taxable assets there. Knowing all of this, would you still want to become or remain a US citizen? The clear answer for anyone of substantial means is "no". In 1990, the US Justice Department ruled that FBI agents may enter foreign countries and arrest Americans or foreign nationals wanted for federal offenses. This "snatch authority" will require presidential sanction in each case. Tax-dodgers have less security too, now the IRS has right of access to passport renewal information made abroad. Within a few years, as current passports expire, all non-filing US-nonresidents can be traced.

Foreigners are Always Treated Better than Citizens

Generally, anyone with papers identifying them as a foreigner can avoid most unpleasant police and bureaucratic contacts. My driving license was once taken by a pickpocket in an

English speaking country. The policeman making the theft report insisted upon arranging for me to obtain a replacement license issued by the local authorities so that I could continue my Australian tour with a rented car. The test was difficult, and I flunked it. Locals would have to wait six months before applying again. I was given a short oral course by the friendly director of the department and an oral re-examination. The result was an immediate license. "We try to help our overseas visitors," I was told.

Foreigners are more likely to obtain friendly, if not red carpet treatment since most governments encourage tourism. Nasty, local bureaucrats or customs officers may do their worst to their own countrymen, but few will harass foreigners. One exception may be the world infamous US immigration officers. They are mean as junk yard dogs to everyone. But guardians of the United Kingdom's borders and the Spanish Civil Guard, for instance, are always kind and helpful to tourists of obvious substance, although not always so nice to natives. Backpackers do not always get the same welcome! In any event, local citizens, backpackers or otherwise are far more likely to be strip-searched or abused than foreigners.

Americans coming home from Panama or the Cayman Islands can expect the proverbial third degree, complete with body search. Any affluent American, unless he is otherwise protected, is suspected of being in the money laundering business. He will be grilled. Any other nationality can import and export as much currency as they please with no reaction from US officials. Incidentally, cash bundles do show up on those airport X-ray machines. Customs officials of the country you are leaving will often seize large amounts of cash (over \$30,000) if you can't prove it was legally obtained, ie tax paid money. The crime of money laundering is always the flavor of the year.

How a Dual National Made US \$175,000 on a US \$600 Investment in Three Weeks

While a second passport is not being touted as the way to make a great fortune, reports from many of our clients indicate that a second nationality can lead to unexpected cash-making opportunities. One unusual situation occurred in 1985 when United Airlines announced a promotional contest. Anyone who could touch down in all 50 states of the US within 50 days, using United Airlines, would win unlimited first class air travel for one year.

An individual we'll call "Joe" had just acquired his second nationality. He was already aware of a "See the USA" air pass promotion that provided 30 days of US air travel for US \$600. This promotion was limited to non-US citizens or non-residents. A qualification that Joe could now meet.

He entered United's contest using his non-citizen's "See the USA" air pass and became one of 73 individuals to win. During the awards ceremony, Joe learned that he was the only one to make it on a \$600 air pass. Other entrants had spent over \$6000 on air tickets.

Joe then rang up over \$175,000 in first class airline trips in 1986 and 1987, all of which were paid for by United Airlines.

United's contest ended long ago. However, at the time of writing, the "See the USA" air pass program is still operating for non-US citizens. Other countries have similar deals for foreigners. In Italy for instance, tourists obtain free road insurance and 15 per cent discount coupons for gasoline. Non-EU citizens may purchase vehicles in Denmark at a substantial discount and obtain free two year international tax-free tourist plates that give *de facto* immunity on parking and traffic tickets.

Another example of the money-making potential of dual nationals involves an American Paraguayan. He bought a fully loaded top-of-the-line Mercedes Benz in Stuttgart for US \$30,000, drove it all over Europe and the US and sold it in the US after one year for a neat \$20,000 profit - after paying for shipping, EPA conversions and customs. He then bought a tax-free Cadillac convertible in the US which he sold in Switzerland for a similar profit. Although he could probably have accomplished this without a Paraguayan passport, he knows through experience that US customs authorities aren't so easy going with a US passport holder. Instead, they tend to impound an imported auto in order to find fault with its smog conversions.

In addition to ever-present situations to turn opportunities into cash, respectable foreign visitors who maintain their good humor and politeness will normally obtain exceptional courtesies from immigration, police and customs officials.

Banking Passports

In the course of writing the first few editions of *The Passport Report*, we often heard lawyers use the term "Banking Passport". Until then, we had never heard of it. But after our initial rejection of the concept as something possibly illegal and certainly unpatriotic, we have had a change of thinking. Especially for people who live in unfree countries, the concept of a "Banking Passport" now seems quite reasonable.

Let's say that Mr Smith is a citizen of the United States of Arrestia. As you know, Arrestia, hereafter called USA has all sorts of currency laws and restrictions. USA makes the unreported transfer of cash abroad a major felony-crime of money-laundering punishable by 25 years in the poky. It makes having a secret account abroad to preserve assets against government confiscation (by inflation or otherwise) a crime. Incredibly, failure to file detailed reports of all activities four times a year and pay one-third of your income to the State is also a crime. One can file all these reports and pay, but such disclosure defeats the whole purpose of most Arrestians. To have a nest egg that is judgment proof and above all, government proof.

There are persistent rumors that the USA will follow the example of its mentor the former USSR and simply declare all banknote over US \$20 to be null and void because cash is

something used only by criminals and drug dealers. Confiscation of private property is the logical solution of bureau-rats to all conceivable civic problems.

In our example, Mr. Smith is an Arrestian who has wangled the right to travel abroad freely. He also makes an occasional deal where the profits could be paid into a foreign account. He would probably be glad to pay a reasonable tax on such profits. But if he did pay a tax and reveal the nature of his foreign business (or publicly report where he keeps his assets), he would never have anything squirreled away for emergencies or retirement. So he stashes his cash and unwillingly accepts the risks of being a criminal by depositing some of his wealth outside of the US. The father of President John F Kennedy once remarked that there were so many laws, it was impossible for any businessman not to be a criminal. That was 60 years ago! Now, laws on the books have multiplied 10,000 times.

As a result the US (as in the United States of America) has a prison population ten times as big as the average country in Europe and is in fact the number one jailer on a per-capita basis, in the world, surpassing by far South Africa and the former Soviet Union who were the old champs at keeping their citizens in the poky. The United States of Arrestia is only slightly better. Thus, Smith wants to be low profile.

"Offshore Financial Advisers" tell Mr. Smith that he can control yet conceal, secret assets by means of trusts, holding companies, foundations and other expensive legal entities requiring annual costs of at least £2000 or more to set up and around £1000 or more per annum for care and feeding. The disadvantage of such arrangements (necessary for active businesses, but not needed for mere asset management) is that not reporting such activities is illegal anyway. To make things worse, with offshore trusts or other vehicles:

- a) Someone else knows your business. Those persons are not necessarily:
 1. Discreet
 2. Honest
 3. Cheap to feed
- b) Your advisers (or new partners in crime) will say they need to be able to sign checks (to insulate you, they say) and control your funds. But all too often the adviser:
 1. Makes bad business decisions
 2. Makes mistakes
 3. Is not available when you need him
 4. Steals or at best
 5. Gets into some difficulties unrelated to you and to save his hide gives you up.

You can't sue anyone for telling your secrets without stirring up an even bigger can of worms.

As Ferdinand and Imelda Marcos learned when their personal financial records were splattered all over the newspapers, they could be charged with many crimes even though advisers assured them that everything was "legal". [*Moral of story*: There is little or nothing one can do in business, politics or tax-avoidance that can't be turned into a criminal prosecution. Once you are in court, you will be financially ruined before you are finished - win or lose.] The best protection may be to do whatever you are doing without witnesses or paperwork. Avoid giving information to friends and confidants. They could turn into enemies!

THE BANKING PASSPORT IS AN OPTION FOR A CHIEVING PRIVACY AND CONTROL

The old alternative was setting up a corporation, foundation or trust. You create a separate legal entity. Perhaps it was offshore, which just means not in your native country. The corporate treasurer (not you) signs checks. You are supposed to control things behind the scenes. It works, sometimes. But what if you create another person with another nationality and a full set of identification? Will this serve the same purpose more cheaply and effectively? Can this be done legally? For the person with passive investments, the answer is, yes! So let us now return to Mr. Smith.

Assume that the Grand Duchy of Freedomia will accept any (rich) person as a citizen and issue them a passport. Assume further that Freedomia (like most English speaking countries) permits its citizens to use any name they like on their passports. Presto! Shazam! You have created something like a corporation or holding company or foundation, but you have complete control. The new person you have created is the only completely reliable and trustworthy person in the whole world. Why? Because it is you, yourself!

Thus Mr. Smith, does not go to his lawyer and say, "Set me up with an offshore holding company". Instead he says, "Set me up with a new passport from a truly free country, or if none is available, then at least a country that does not care about its offshore citizens. That way, I won't have to serve in any army to kill people, spend half my time filling out silly forms, pay any more income tax or inheritance tax, VAT etc. or allow myself to be treated like some sort of resource, whose only purpose is to be exploited to pay for things I don't even believe in. Give me a new name and a new passport." For a one-time fee in the US \$20,000 range, that is exactly what many lawyers can do. If Mr Smith read *The Passport Report* he might do it himself, for free! Either way, Mr. Smith, now stops at his safe-deposit box just across the border whenever he leaves Arrestia. He deposits his passport. Then, like Superman, he switches passports, thus changing identity to (for instance) "Sherlock Holmes Acourt, Earl of Freedomia". The noble title is, of course, an optional extra, and for low profile purposes is definitely not recommended! But we like a little humor in our otherwise dull presentations. So as a sideline we help deposed ax-monarchs

peddle noble titles. Titles can impress young girls, sometimes. But we digress, back to that new PT with the new ID, Mr. Smith.

If Sherlock Holmes Acourt, also known as Smith of Arrestia is a PT, he probably never visits either Arrestia or Freedomia with his new Freedomia Passport. He keeps the two identities completely separate. When back in Arrestia for rare visits, Sherlock Holmes Acourt doesn't exist, at least not on any Arrestian computer. If any Arrestian spy should ever learn that someone named Sherlock has an account at the Terribly Secret Bank & Trust Company of Liechtenstein Ltd. the Arrestian investigator will ignore it. What does he care if some citizen of Freedomia has a secret account. Everyone knows that the Freedomia government is a bunch of anarchists who don't tie up their citizens with the heavy Arrestian ball and chain of taxes on worldwide income, currency restrictions and long jail sentences for almost everything. For those readers who haven't figured it out, Freedomia is every country in the world except the "Socialist Republics" and the Union of Socialist Arrestia (USA).

Getting back to Smith and his new passport. What has he accomplished? Smith has a new identity. With it he can judgment-proof his assets and do things that have no connection with Mr Smith of Arrestia. He can even do things that are legal everywhere else, but might be slightly illegal in the eyes of the despots of Arrestia. Even if those dastardly secret snooper agents of Arrestia (planted in Swiss banks etc.) should intercept a communication or letter regarding "Sherlock Holmes Acourt" there would be no connection between Sherlock and Smith. Unless Smith sent out communications direct from Arrestia in his alias or blabbed about his new arrangements.

If some day the vicious Arrestian dictator, Cardinal Flimsy Wolsey decided to torture all citizens by making them come home to Arrestia and constantly listen to his renditions of *Le Figaro*, Smith would have the option of staying abroad as Sherlock. If the Arrestian government decided it would not renew the passports of citizens abroad unless they paid some exorbitant sum (like 50 per cent of their income) just for the privilege of having an Arrestian passport, Smith could simply become Sherlock for good, stay away from his native country and put his expensive Arrestian passport to its highest and best use. Perhaps as toilet paper.

As a dual Arrestian-Freedomian, it is possible that many countries would accept Smith as a tourist (without requiring a visa) or resident just because he was a citizen (and/or noble) of Freedomia. In any event, with two passports to choose from, he can travel or immigrate more easily in an emergency than most people.

If you read *PT (Parts I and II)* you know why having a second passport is such a good idea. The concept of a "banking passport" is simply that for a one-time expense and/or effort, one can become a new person. This separates one from activities or assets best kept confidential.

In the perfect world of our imagination, private property would of course be a sacred protected right. There would be no laws against an individual using (or hiding) his legally acquired assets any way he wants to, but unfortunately, the rulers of Arrestia think (and have passed laws to support their views) that all property is theirs to re-distribute. Your ass and your assets are equally the property of the State.

Politicians can always figure out new ways to squander your money. National budgets expand to absorb available resources. A favorite boondoggle is to hire more bureaucrats who don't work or produce anything but are very good at tying us up in red tape.

If we are to exercise our natural right to own property and the duty to provide first for our family and our own comfortable retirement, we must figure out some way to place our nest egg somewhere beyond the grasp of those socialist minded officials who now have power over our A+A (Ass and Assets or, if you prefer, Property and Posterior).

The "banking passport" is just one of many tools available in the pursuit of freedom. It is nothing magical, and it is nothing new. International types have been using passports of convenience ever since passports were invented by Napoleon to prevent Frenchmen from leaving their country to avoid excessive taxation and military service. Passports have always been nothing more than a way to restrict freedom and to control people. In order to overcome unnatural barriers to the basic human rights of free travel and freedom to move assets, we can consider obtaining second or third sets of travel documents. Circumventing restrictions with appropriate paperwork is the traditional job of lawyers. It has always been the way to regain freedom or keep assets that governments would steal. Only wicked governments restrict travel. Only criminal governments who fear having their citizens living freely abroad force their citizens to return in person to renew passports. Only greedy and unreasonable governments make passport renewals dependent upon the payment of large sums of money (like an income tax on worldwide income - without any benefits). Only the most evil, despotic governments forbid or make dual-citizenship difficult for their citizens to obtain.

If your government does any of these things, it may be time to vote with your feet and move your Ass and Assets elsewhere. Or at least position yourself to be able to move when the time is ripe. Who, these days, can seriously argue that their government will "provide for and protect them"?

Only people who do not love freedom submit to the dictates of despots. The PT will make governments exercise some restraint upon their greed and arrogance. If more people had the paperwork in hand to put A+A out of their jurisdiction, governments would no longer be the number one cause of misery and premature death in the world. Just as citizens of the ancient Mayan civilization disappeared into the jungle when the government began claiming all the best young virgin girls for human sacrifice (as a form of tax payment), such wasteful misuse of our A+A must be stopped today. We hope this has given you some food for thought!

The author welcomes all input, suggestions, improvements. As Ben Franklin said, "If we don't all hang together, we will hang separately!"

Extradition - It Needn't Affect You

Extradition is the process whereby a State returns an individual to that State in which he has been accused or convicted of an offense. In such a way, someone who considers leaving friends and family, home and heart in order to escape from persecution or jail might also fear being dragged back home to face the music. The truth is that with over two hundred different countries in the world, no one need know where to begin looking. Even if they did know where you went, legal extradition is not available for most of the situations that people run away from.

Some nations prohibit or criminals conduct that others consider to be normal or even beneficial. In Quebec, Canada, a seller of English language books was convicted of having an English language sign in his window because all signs in Quebec have to be in French. Of course, no nation would extradite such a "criminal".

In the US, individuals receive stiff sentences for selling vitamin pills if they claim that health benefits accrue to users, even if the claims are true. In some countries, private commercial transactions or ownership of a foreign bank account is a capital crime, as is defection. Most countries, however, do not extradite for such crimes.

Generally, there is no extradition for:

1. Private debts or civil matters.
2. Quasi-criminal matters such as failure to pay alimony, child support or taxes.
3. Political matters such as treason or fiscal offenses such as currency control violations.
4. Victimless or moral crimes such as prohibited sexual relations, slandering the state or refusing to abide by restrictions imposed upon racial or religious minorities.
5. Offenses which aren't serious (felonies) in the sanctuary jurisdiction. "Sanctuary" is the place where you go after committing an offense elsewhere.

However, extradition does still exist. The first US extradition treaty was with Great Britain in 1794 and permitted extradition between the two countries of citizens for murder and forgery. Extradition can occur in formal or informal legal processes. When a country recovers an individual informally it does so through unofficial methods. This often occurs at US borders when the Border Patrol, immigration and customs personnel trace the fugitive through personnel working on the other side of the border. In some instances, fugitives are forcibly abducted and returned for trial or punishment. A famous example of informal extradition occurred in 1960 when Adolf Eichmann was kidnapped from

Argentina to stand trial in Israel for Nazi war atrocities committed in the Second World War.

Informal extradition requires no treaties between the countries involved. Formal extradition, on the other hand, involves quite a process. Supposing the US wishes to extradite a fugitive from a foreign State. First, a US government diplomatic agent requests that the individual be surrendered by the foreign State. The foreign State will investigate the situation and, if an extradition treaty holds between its country and the US, it will generally surrender the individual. In a formal extradition such as this the legal principles of specialty and dual criminality must be observed. Through the principle of specialty, the requesting State can try the fugitive only for those offenses on which the extradition was based. Dual criminality requires that the crimes of which the fugitive is accused be considered crimes in both countries.

Currently, extradition of fugitives to the US is done through Mutual Legal Assistance Treaties which have been set up between the US and other countries to promote cooperation in the exchange of information and evidence. Countries which have MLATs with the US are Anguilla, Argentina, Belgium, British Virgin Islands, Canada, Cayman Islands, Columbia, Italy, Jamaica, Mexico, Montserrat, Morocco, Netherlands, Nigeria, Panama, Spain, Switzerland, Thailand, Turks and Caicos Islands, United Kingdom, and Uruguay. In fact, the US has some kind of extradition treaty with most of the countries of the world. Countries which do not have extradition treaties but do maintain diplomatic relations with the US are Afghanistan, Algeria, Armenia, Bahrain, Bangladesh, Bophuthatswana, Brunei, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, China (People's Republic of China), Ciskei, The Comors, Cote d' Ivoire, Djibouti, Equatorial Guinea, Ethiopia, Gabon, Guinea, Guinea-Bissau, Indonesia, Jordan, Korea (South), Kuwait, Laos, Lebanon, Madagascar, Mali, Marshall Islands, Mauritania, Micronesia, Moldova, Mongolia, Mozambique, Myanmar, Namibia, Nepal, Niger, Oman, Philippines, Principe and San Tome, Qatar, Russian Federation, Rwanda, Saudi Arabia, Senegal, Sudan, Syria, Togo, Tunisia, Uganda, Western Samoa, Yemen, Zaire, and Zimbabwe. Countries which have neither diplomatic relations nor extradition treaties with the US are Andorra, Angola, Bantu Homelands, Bhutan, Bosnia, Cambodia, Ciskei, Cuba, Iran, Korea (North), Libya, Maldives, Serbia, Somalia, Taiwan, Transkei, Vanuatu, and Vietnam.

US prosecutors have become more powerful with the arrival of MLATs. They can order search warrants in foreign jurisdictions, freeze assets before trial and access financial records. US prosecutors are most powerful in their MLATs with Argentina, Spain and Uruguay since governments of these countries are required to assist even if their constitutions do not consider the fugitive's offenses to be criminal. However, it is worth noting that the Bahamas, Panama, United Kingdom (and their Caribbean colonies), and Uruguay are not obliged through their MLATs with the US to assist US prosecutors who are pursuing an individual for tax offenses.

As for fleeing to the US, forget it. Foreign countries requesting extradition of an individual from the US need demonstrate "probable cause" alone and the US Federal Court will issue a detention order for the individual under suspicion. The Secretary of State makes the final decision and if he issues a surrender warrant, the fugitive will be returned to the authorities requesting the extradition.

Whenever a sanctuary country wants to be rid of an individual, deportation or rendition is the normal process. Quite simply, the undesirable is placed on an outbound boat or plane to the country requesting the extradition or to a jurisdiction indicated by the requesting country. Unlike extradition, rendition is an administrative affair without the formality of judicial review or appeals. The result is similar, of course, and the fugitive is sent back to the country which seeks him. In practice, extradition is granted only in connection with criminals considered to be dangerous to the sanctuary country. These would include:

1. Contract murderers.
2. Major narcotics dealers.
3. Other undesirables such as child pornographers and child molesters.

It should be noted that, although extradition gets a lot of publicity, it is a relatively rare event.

How Fugitives Avoid Capture Indefinitely

We will not dwell upon justifying someone becoming a fugitive. Suffice to note that for all of the situations where someone is properly accused and deserves to be brought to justice, there are also some situations which are clearly a miscarriage of justice and common sense, if not also a mistake of law. The point is that some people who have been falsely accused or have made a mistake or have paid their debt to society probably deserve a chance to start anew. If they arrive in a new country and live a clean trouble-free life for many years, generally past problems will fade away. A fugitive is generally "home free" if he can keep a low profile and separate himself from his past.

Your Individual Goals

95 per cent of the solution to any problem lies in clearly writing it down and then listing your options.

WG Hill

Would you drive a car without a spare tire? Probably not! The cost of emergency protection is low when you consider the inconvenience it may save you. Being stranded just once makes anyone a believer in spare tires. Unfortunately, you usually won't get a second chance to consider the merits of a second passport. Too often people put off taking the necessary steps to protect themselves against crisis situations.

Adversity occurs with unfortunate and increasing regularity. Terrorist incidents, kidnappings, hijackings, revolutions, wars and social changes are the most obvious. But what about divorce? Child custody disputes? Unjust accusations of crime? Crippling litigation? Confiscator tax claims? For any business person who achieves an above average level of wealth, these problems are becoming almost inevitable.

A proliferation of laws and regulations seems to almost make even breathing a criminal offense. You don't have to be a bad person to face jail or the loss of all your property any more. Growing the wrong crops on your farm, selling goods at the wrong prices, inadvertently causing a negative environmental impact, overhearing a conversation and not reporting it to the authorities, causing a traffic accident while under the influence of a prescribed medicine - all of these newly-defined crimes and many inadvertent acts or omissions could mean financial disaster or even a jail term. This is true in all first world countries.

It may seem unlikely now, but like cancer, getting caught in the grind wheels of a bureaucracy is an unpredictable thing. Until it happens, you don't believe it could happen to you. Our usual belief is that problems will happen to the next guy or the folks in the next country. This means that the majority of people are not prepared. They do not have an escape route. They do not have options.

Of course it is foolish to run away from every problem at the first sign of trouble. It is equally foolish to place yourself in a vulnerable position. Why take a beating that could have been avoided? Having a second passport, like having spare cash for emergencies, is just a type of self preservation.

Do you need diversification? Clearly you do. Consider this. Simply being a banker, a respectable enough profession in most places, was declared a crime punishable by death in Iran, a result of the Ayatollah's strict enforcement of the Islamic ban on money lending. Bankers who couldn't get a visa or second passport to leave the country were shot or tortured to death. Obtaining the right to travel or to be able to leave a country is extremely important!

Communist countries prohibit most travel. In the "ex" communist countries of Eastern Europe, there is theoretical freedom to travel, but the paperwork and costs do not allow the "average Ivan" much latitude. Even respectable and civilized countries like Italy, France and the UK have in recent years effectively restricted travel by limiting amounts of cash that can be taken out, deposited or spent abroad by their citizens. These regulations wax and wane. Accordingly, it goes without saying that in addition to a second passport, a good PT (see back pages of this book for a summary of the PT theory) must keep enough assets abroad to support himself for a year or more.

During the past 50 years, ownership of a second or spare passport would literally have saved the lives of millions of people. Today you can benefit from business and tax saving

opportunities with a second passport. You can in any emergency embark on a new life, leaving behind personal or national problems.

A passport is only a piece of paper. It is easy to obtain at nominal cost if you are not in a hurry or in an emergency situation. But when crisis hits and you need it most, a second passport can be nearly impossible to get in time for effective use.

Ideas and alternatives outlined here will ensure that you and your family will not only ride out most storms, but will actually profit and enjoy life more.

Once our simple ideas are implemented, newly opened business and tax pathways will lead to higher material standards and possibilities. There will be association with like-minded, intelligent, internationally-oriented people. Most importantly you will experience a personal sense of security and well-being. You will know that you have prepared yourself and your loved ones with tools, options and resources to deal with those inevitable crises and tragedies of life. You will gain a freedom of action and an expanded world view.

Do You Want to Control Your Own Destiny or be Flotsam and Jetsam, Tossed Around by Forces You Neither Understand Nor Control?

If you seek freedom from governmental whims and restraints, obtaining your second passport is a most important step. There are other intelligent moves to make. You must:

1. Protect and diversify your assets internationally.
2. Arrange for a source of livelihood, credit and a business at a second location.
3. Acquire a comfortable and suitable foreign residence, ready and waiting when you need it.
4. Develop an alternative lifestyle and a new identity.

You can be totally prepared financially, mentally and physically with your fallback social and economic contacts in place. This is PT. The Perfect Thing. But first you must have the papers (ie passport) and know-how to be able to go somewhere else.

You must have somewhere to go and something pleasant waiting for you at your destination point. But for now, let's concentrate on the paperwork. Namely how to go about obtaining your second passport.

*Comments, questions, additions and constructive criticism should be sent to:
EXPAT WORLD, Box 1341, Raffles City, Singapore 911745; email:
expatworld@pobox.com*

Part 2: How to Get your Second Passport

Patriotism or a Piece of Paper?

For some individuals, the decision to seek a second passport can be an emotional one. Changing former allegiances can be as gut-wrenching as changing religions or getting out of one marriage into another. But emotional difficulties are not necessary, since it is "all in the way you look at it".

For our purposes a passport should be regarded as nothing more than a piece of paper. An important paper certainly but one without mystical qualities. There is no need to get blubbery or flagwavingly patriotic over it. Your basic loyalties and priorities need not be affected in any way by these little cardboard booklets. The decision to get a new passport (or more likely, a second passport in addition to your present passport) should be viewed as a purely economic or survival decision. It is a private matter.

A Little Knowledge is a Dangerous Thing

This book contains many helpful hints, anecdotes that may apply to you, and several serious warnings intended to keep you out of trouble. Reading time is several hours. I urge you to read this report from cover to cover in one sitting. Skimming may cause you to miss an important item that applies to you. Mark passages of interest and those sections advising action appropriate to your individual situation. Then think about the situation and what you have read. Mull over the possibilities for one day.

During the following day, set your own plan in motion by writing letters, making telephone calls and visiting consulates and libraries. All too often we procrastinate and lose opportunities which exist for only a short time. Other distractions pop up and we become diverted. If you have a large supply of money and a limited amount of time, you may wish simply to buy an instant passport as explained in this report. Such arrangements cost from \$6000 to \$500,000 these days. But this report will also show you how to obtain a second passport legally, for the price of a good lunch.

If You Don't Act Upon This Information Within 48 Hours... You Probably Never Will!

For maximum effectiveness, your intentions or actual possession of a second passport should not be discussed with anyone including your spouse, especially if there is the slightest chance of a future divorce or financial dispute between you. Having a second passport can provide a smooth and easy escape route, lower taxes, freedom to travel to places where your government might not allow you to go and freedom from military service. A veritable bouquet of unexpected advantages.

Most Benefits Would be Lost if the fact of Your Second Passport was Common Knowledge. Accordingly, Keep it to Yourself!

Your purpose is to insure your survival and prosperity. In the face of a hostile plaintiff, tax collector or divorcing spouse. If it were known that you had a second passport, you would be ordered to surrender it or go to jail. Obviously the fact that you have a second passport is for you alone to know.

It would be a shame if, after considerable work and expense, you were unable to use your passport because it was confiscated, destroyed or stolen from you by a wrongly trusted business partner or spouse.

Your passport should be kept at an accessible location, preferably outside your country of residence. A telephone call or code message to its custodian should cause it to be delivered to you on short notice. It should be kept in a sealed envelope and upon your instructions, it should be delivered where you direct.

Most bankers or a mail collection and forwarding service can act as custodian. Your Channel Island landlord would be an ideal custodian.

The First Step - Your Psychological Preparation for this project

Let's suppose that a sudden outburst of hostility against people like you appeared in your community. What do I mean? Suppose you are a wealthy person. A property owner or employer. It is possible that you could be labeled an "exploiter". It has happened before, in many times and places with many variations.

Perhaps people of your particular politics, ancestry, religion or skin color became unpopular. Let's assume that the situation got so bad that you were facing immediate physical injury or jail unless you, for instance, signed a deed, a confession or a declaration against your will.

Obviously, in this world, there are, and always have been, people who would rather die than give up their property, become an informant or take a distasteful oath. Many were burned at the stake for refusing to do what the Inquisition required of them. Joan of Arc was such an idealist. Galileo, on the other hand, decided to live a while longer. He signed a statement recanting his belief that the Earth revolved around the Sun.

Our proposition is that it is better to sign any document to escape and go on living (or staying in one piece) than to be an idealist. "I regret I have only one life to give for my country" is a fine line for a movie actor, but nothing is more important than self-preservation - nothing! This report is not aimed at super-patriots or idealists who would rather take gas than take necessary protective actions to survive. The "Glorious Dead" and the "Financially Ruined" gave up their chance to fight on for truth and justice.

The world belongs only to the living. You are reading this because you already think like a survivor. If you want to be a dead hero, stop here. This is information for pragmatists. We don't encourage or believe in doing anything unpatriotic, illegal or immoral, unless it is the

price of survival. When your survival is in doubt (financial or physical) you must be ready to emigrate, pay a bribe, take an oath you don't really believe or do whatever it takes to keep yourself together. We feel that governments who oppress citizens to the point of desperation are criminal and immoral. There is nothing immoral about escaping from a place where life, liberty, property rights and the pursuit of happiness are restricted.

For the average Johnny Lunchbucket or Tillie the Toiler, the whole idea of a second passport and survival is irrelevant. Their horizons do not extend beyond the next beer and ball game. They go to their routine jobs or take the dole. Their taxes are deducted at the source and they have no idea that they could or should be less. If there's a war, regardless of what it's about, they will, without serious objection, fight and bleed for their country, right or wrong. Johnny and Tillie are what the government calls the proverbial good, responsible citizens.

Because you are reading this report, you always question authority. Blind obedience is not one of your virtues. Politicians tend to regard us, their subjects, as an expendable natural resource. You presumably value yourself and will resist any attempt to be liquidated or expended. You are a sovereign individual who can and will control your own destiny with as much freedom as possible in an unfree world.

You don't want to be sent into combat (or have your child disfigured or killed) over a dispute that ten years later will be perceived as insignificant, petty and unnecessary. You probably feel that most wars, laws and regulations for the national benefit cause more problems than they solve. Military conscription, matrimonial restrictions, moral and sexual conduct laws (what you can read, see, drink, smoke or sleep with), currency controls and travel and investment restrictions are all examples of such needless bureaucratic hassle. You correctly sense that all these unwarranted intrusions on your liberty, as well as confiscator taxes, can be legally avoided with a second passport.

Why Countries Sell Passports

Virtually every country in the world wants to attract preferred residents, including investors and those with critical skills who will bring with them a capability to increase employment, enhance tourism or stimulate local exports.

Some politicians have realized that their countries lack the charm and attractiveness of a Monte Carlo. They do not have a superb climate, cultural attractions, political stability or a cosmopolitan community of ultra-wealthy tax exiles.

Countries such as Belize, Bolivia, Haiti, Venezuela and most African nations are very unattractive to multinational companies and wealthy individuals seeking a second home. Such countries are discovering that they can raise money abroad by selling passports. These documents cost little to produce, but have high value to foreigners.

For countries seeking an extra few million dollars above their usual tax collections, the sale of documents and such is a natural response to a growing demand for:

1. Passports.
2. Diplomatic appointments (honorary and otherwise).
3. Precious metal coins for collections.
4. Postage stamps.
5. Tax haven registrations (banks, shipping, corporations).

Smaller and poorer countries sell passports and diplomatic appointments which are linked with national bonds or contributions to the government. An entire national debt can be eliminated in any one year by such a move. Important national projects can be financed. Individual lawyers and other agents (citizens of the country involved, naturally) also profit personally by administering the programs. Private fees are paid by foreign clients in addition to government charges.

Governments are increasingly attuned to the fact that wealthy foreigners may never want to settle or invest in their countries, no matter what inducements they may offer. Residence and investment requirements are beginning to disappear, having fallen victim to competition. Some countries have amended their policies to suit the marketplace.

Because foreigners are willing to pay US \$10,000 or even US \$50,000 and up for a quick passport or diplomatic appointment, demand is today creating an abundant supply.

Where there is a need, someone will fill it. The demand for second passports is being satisfied by formal programs in some countries and by informal special arrangements in many others. It is expected that more countries will join this bandwagon in the near future.

This book is updated once or twice a year to dispense new information. EXPAT WORLD can refer individuals desiring personal assistance in obtaining legal second passports to specialist consultants.

Recommended Multiple Passport Suppliers Offering Legal Programs

The following firms each offer a number of legal programs and good reports have been received about each of them. They are by no means the only recommended firms as those offering only one or two programs will be found after the appropriate country listing. Readers are invited to send their comments, good and bad, about any of the sources mentioned in this report.

HERITAGE 2000

268 Old Chester Road,
Tranmere
Wirral
England, L42 3TF
UK

Offers: Ancestry passports and rights for most of Europe, Australia, New Zealand, the US, Canada, Chile, Argentina.

INTERNATIONAL COMPANY SERVICES LTD
Sovereign House
St Johns
Isle Of Man
IM4 3AJ

Offers: Belize, Dominica, St Kitts & Nevis, Ireland.

WORLD PLACEMENT SERVICE
St. George's House
31A St. George's Street
Leyton
London E10 5RH
UK

Offers: Brazil, Venezuela, Panama, Dominican Republic, Hungary.

Those Who Advertise and Claim to Provide Second Passports

Advertisements appear regularly in international publications offering passports or travel documents. The most notable and regular source for such notices appears to be the classified section of the *International Herald Tribune*, published in English. It is printed in Hong Kong, Singapore and Paris and is available at most international news-stands. Whether the advertisers are reliable is not known but we would be glad to hear of your experience with these or any similar agencies.

To obtain the information given below we responded to an advertisement. Without advancing any money or information about ourselves, we received the prices and terms by mail. These firms are neither recommended nor criticized. For all we know they could be excellent, they could be sting operations set up by Interpol to catch fugitives, or they could be swindlers. Please let us know of any experiences you have with them.

Special note: Kenneth K Kirk & Company advertised a "Passport Good For Travel To Many Countries" in January 1991 in the *International Herald Tribune* for the "incredibly cheap price of \$1600". Despite the fact that this gentleman has a similar Bermuda mail-drop to one we used to use, we stress that there is no connection whatsoever between us. Further he is not related in any way to our research assistant, Ronald Kirk. We invite our readers to read the section on World Service Authority passports (under "Oddball

Passports" in Part VI of this Report) and then to judge for themselves if this Mr. Kirk is offering a righteous deal on a WSA travel document.

Summary of Certain Firms Advertising Second Passports and Other Related Services

We are unable to recommend any of the following firms as we have not been able to prove or are unsatisfied with the legality of some of the documents offered. *Caveat Emptor*. We decline to print their addresses or telephone numbers and our office will not divulge them.

A-Z AND COMPANY

Austria: US \$250,000, requires six to nine months, visit and Oath of Allegiance (citizenship granted by Act of Parliament). Previous government is notified.

Costa Rica: US \$65,000, requires three months and visit.

Dominican Republic: US \$87,000, requires three months, but no visit.

Honduras: US \$38,000, requires three, months, but no visit.

Paraguay: US \$26,000, requires two months, but no visit. Honorary Consul General and Diplomat passports also arranged.

BELIZE FIRST

No details available but there is no reliable Belize program currently in operation.

BENJAMIN PIKE AND COMPANY

Dominican Republic: US \$28,000, requires 90 days and visit, includes national identification, driving license and baptismal certificate.

Honduras, Nicaragua: US \$20,000, requires two weeks, but no visit. NOTE: No longer believed to be trading.

BOSWELL ACTIVE PROMOTIONS ESTABLISHMENT

Eastern Europe: US \$20,000 and upwards. Brazil: US \$45,000.

Panama: US \$30,000.

Venezuela: US \$35,000. This firm also offers a myriad of honorary consulates and diplomatic appointments for prices ranging from US \$25,000 to \$170,000.

NOTE: We have generally found that legitimate diplomatic passports are difficult, if not impossible, to arrange for any price.

BUREAU OF PRIVATE INVESTIGATION (BPI)

Central and South American countries (unspecified): US \$25,000 to US \$85,000, requires six to eight weeks. US \$90,000 to US \$120,000 for the status of a government's special envoy. US \$95,000 to US \$185,000 for Honorary Consulate.

This firm is linked with Global Management Consulting GmbH; Trend Promotions Advertising Group Inc and Marketing-Project-Management GmbH.

BUSINESS BUREAU INTERNATIONAL (BBI)

Argentina, Bolivia, Brazil, Costa Rica, Dominican Republic, Ecuador, Honduras, Panama Paraguay and Venezuela: US \$25,000, passport issued with identity card, naturalization certificate and international driving license. US \$60,000 for documents with Diplomatic Credentials.

Anguilla, Bahamas, Cayman Islands, Jamaica, Turks and Caicos Islands: Assistance with residency applications.

CAPITAL SERVICES (UK)

CAT GROUP

Claims to offer passports from 11 countries but refuses to provide *any* information. *Cavea emptor;*

CONSOLIDATED FINANCIAL SERVICES

Iceland: US \$100,000. NOTE: There is reportedly no legal Icelandic program in force.

DAVID HORNE

This legal firm refuses to do anything before it receives a retainer of US \$5,000. It will not even specify the countries with which it is able to offer assistance.

DAVID MILTON

This firm claims to offer second passports for "banking and emergency use" but we have had reports that they do not supply goods after payment. One of Milton's clients complained that after paying a deposit of US \$2375, he'd received no further word from the firm. After five months he was still waiting for some kind of follow-up and, in fact, he still hadn't received an acknowledgment that his deposit had been received by Milton even though American Express informed him that the deposit checks had been cashed months ago. The firm is unavailable at the telephone number advertised on their letterhead and is not answering querying mail.

EUROPEAN TRUST BANCORP

See Swiss International Investments Inc.

FAXON INTERNATIONAL

Claimed to offer a number of legal programs. No complaints have been received but not one success has been reported. The firm appears to have disappeared.

FIDELITY MANAGEMENT

Dominican Republic: US \$57,000 total. Condo US \$40,000. Bonds US \$10,000. Fees US \$7500.

Panama: Negotiable, but over US \$50,000. Two months residence required. Passports issued to entire family group six months later.

Costa Rica: US \$50,000 to be invested in Costa Rica mutual fund.

NOTE: In 1988, some four million US dollars was reportedly lost by investors who never got their passports when the manager of this company allegedly absconded to Spain.

FINANCIAL ENGINEERING CONSULTANTS INC

This firm is owned by Mr. George Dennison, who reportedly faced charges of extortion and fraud, although he was not convicted for either. Mr. Dennison operates allegedly under various aliases including George Sprague and George Murdoch and it has been claimed that he married a Costa Rican national to escape fresh charges in the US. We advise great caution.

GISA - VERWALTUNGEN

Reportedly operated by Mrs. Gisela Stahl and Mr. Gerhardt Dittrich who claim to be able to obtain legal documents for Paraguay. One client passed over US \$85,000 and received nothing, being told that the person responsible for the entire matter had been locked up. *Caveat emptor.*

GLOBAL MANAGEMENT CONSULTING Gmbh

Also General Management Consulting Gmbh, Trend Promotions Advertising Group Inc. MPM Marketing-Project-Management Gmbh. Also linked to Bureau of Private Investigations.

GLOBAL MONEY CONSULTANTS (GM, GMC, GLOMOCO)

This firm offers a wide range of products in most PT areas. Products include citizenship's and passports for individuals prepared to pay an initial consultation fee of US \$400. Clients will receive 140 pages by courier upon payment and the fee may be deducted from the cost of the first operation undertaken.

HANIMAN-CENTRO

Dominican Republic: US \$50,000 home or condo to be selected and purchased by applicant.

US \$10,000 purchase of Dominican Bonds at five per cent maturing in ten years. Fees of US \$8000 to US \$14,000. Two visits required, one for application, the other for "Award of Citizenship". Requires six months. Passports provided for entire family, including all dependents under 18. Must prove net worth of at least US \$100,000.

NOTE: Our personal investigation reveals that the purchase of a property is not necessary. This is just a way for real estate developers and brokers to make more money from you.

Brazil: US \$40,000. No visit required.

INDEPENDENT MANAGEMENT CONSULTANTS LIMITED

Belgium: Involves property purchase and three years residence.

Bolivia: US \$12,000, includes identity card, certificate of health and certificate of good conduct. US \$50,000 for Honorary Consulate.

Brazil: US \$25,000, available in any name with any date of birth. US \$150,000 for Honorary Consulate .

Burkina Faso: US \$60,000 for Honorary Consulate.

Columbia: US \$24,000, knowledge of Spanish is necessary, 12 months required for naturalization.

Ecuador: US \$25,000, requires knowledge of Spanish and residency of one year.
Guatemala: US \$28,000, not necessary to visit country, but will take six months.
Honduras: US \$32,000, must travel at least once to Honduras and have knowledge of Spanish.
Nicaragua: US \$30,000, must travel at least once to Nicaragua and have knowledge of Spanish.
Paraguay: US \$12,000, must travel to Paraguay, knowledge of Spanish is necessary, passport valid for two years.
Panama: US \$40,000, must travel to Panama.
Switzerland: Various programs to obtain residence.

ICINTL

Honduras, Tunisia: US \$12,000 for single applicant or US \$20,000 for a couple. :
NOTE: In its promotional literature this company states that passports from Tunisia and Honduras are good for visa-free travel to almost everywhere, including the US, Canada and England. This is not true.

INTERNATIONAL STATE PARLIAMENT

Latin America, Africa, few European and North American Countries: US \$12,000 to US \$35,000 plus US \$5,000 for travel and other expenses, also offers Honorary Diplomat and Member of Parliament titles for US \$500 to US \$2500.

KAROPART

Paraguay, Ecuador: US \$30,000, two month visit and police certificate of good conduct required.

KEELING COLE & COMPANY

KENMORE INTERNATIONAL LTD Linked with Serafina Management SA. Offers black market (freely admitted) Panama, Dominican Republic, Venezuela passports which were described by proprietor Graham Stewart to our researcher as "rubbish".

MARITIME INTERNATIONAL LTD

This firm claims to offer St. Kitts & Nevis and Dominica programs amongst others but, whilst we have received copious amounts of correspondence from them, they have failed to provide factual information after repeated requests.

McCULLOCK AND COMPANY

Legal consultants and private attorneys. Requires a £2500 professional fee up-front before doing anything!

MIDI INTERNATIONAL

Bolivia: US \$25,000 non-refundable contribution for National Agricultural Development. Requires two months for full processing.

Costa Rica: US \$74,000 to purchase a condo. A provisional passport will be issued after approximately two months.

Dominican Republic: US \$57,000 total. Condo US \$40,000. Bonds US \$10,000. Fees US \$7500. NOTE: This company, based in The Isle of Man, is no longer trading.

NATURALIZATION INTERNATIONAL

Bolivia: US \$28,000, no visit required.

Costa Rica: US \$50,000 time deposit in a Costa Rican bank, US \$4000 fee and two month visit required for a provisional passport. A regular passport may be issued after five years of physical residence of at least four months per year.

NEW CONCEPTS

Dominican Republic: US \$12,900.

Venezuela: US \$13,900.

Panama: US \$14,900.

PALLAS MANAGEMENT LTD

Belize: Resident status, driving permits and license, local and offshore companies including trusts.

Honduras: US \$50,000 for passport through investment program, resident status, driving license, approximately three to four months for processing.

Guatemala: Resident status, driving license.

Thailand: Resident status, passport. 'We don't allow details on programs regarding Belize, Guatemala and Thailand to be published.' (sic) Time for approval is said to be two to six months

PARAIMEX Bolivia: US \$12,000, three weeks processing time.

RAND ASSOCIATES

This firm's paperwork shows no permanent address, telephone or fax number. They demand 50 per cent up front and we would advise extreme caution to those who might be attracted by low prices and otherwise unavailable passports.

ROCHESTER GROUP

Belize, Dominican Republic, Panama and Venezuela: US \$26,500, passport, ID card and driving license. Company based in Switzerland closed down after offering illegal passports and no longer exists.

NOTE: A recent Swiss law bars any passports being offered for sale from Switzerland.

SAGE AND COMPANY

Argentina, Bolivia, Brazil, Dominican Republic, Ecuador, Honduras and Swaziland: US \$25,000, no visit required. Owner Russell Robinson was jailed in France for passport trafficking.

SDG AND COMPANY Honorary consul ships, royal titles, noble titles and knighthood's.

SERAFINA MANAGEMENT INC.

Formerly of Geneva but closed by Swiss authorities. Has re-opened in the Isle of Man under the name of Kenmore Inc. The Isle of Man telephone number is an answering service for Vienna, Austria office. Owner Richard Kellett.

SPECIAL REACTION TEAM

USA, UK, Australia, New Zealand and Canada: US \$20,000 for single person, US \$ 17,000 per person if more than one applicant. Claims to be able to realize citizenship within about six months and that only one visit to the country is required.

NOTE: There are no legal programs in effect for these countries that lead to citizenship within six months. See appropriate entry on each country in Part V of this report.

STRAIGHT TOGETHER COMPANY

Bolivia: US \$25,000. Information lifted "straight" out of an out-of-date edition of *The Passport Report*. *Caveat emptor*.

SWISS INTERNATIONAL INVESTMENTS INC

Dominican Republic: US \$ 17,900, discount for three or more individual orders, four to six week delivery. US \$25,000 for Diplomatic Passport. US \$45,000 for Honorary Consulate. Panama: US \$19,900, discount for five or more individual orders, eight to 12 week delivery.

Paraguay: US \$8000, discount for six or more individual orders, four to six week delivery. US \$25,000 for Diplomatic Passport. US \$45,000 for Honorary Consulate. US \$1650 for driving license.

Venezuela: US \$18,900, discount for four or more individual orders, six to eight week delivery.

NOTE: Some passports issued by this firm are known to be of doubtful legality. In 1994, *The Economist* and the *International Herald Tribune* rejected advertisements from this firm.

TRAVEL DOCUMENT ADVISORS (UK) LTD (HOYT L BARBER)

Brazil: Offers permanent residence which would lead to nationality in three to five years.

Paraguay: US \$22,000 per person or US \$30,000 per family with children under 18, delivery time within 30 days.

Venezuela: Citizenship and passport available, name change is possible, no visit is necessary. This firm also offers banking passports as well as diplomatic passports. Advertisements from this company were rejected in 1994 by *The Economist* and the *International Herald Tribune*.

TREVUS AG

Dubious Ecuadorian and Dominican passports sold and delivered from a Swiss office. An arrest warrant was reportedly issued for the principal, Dr. Phillipe Meyer.

Our Advice on Who to Deal With and Who to Avoid

Whilst EXPAT WORLD does not engage in the passport business directly, we constantly try to be aware of who is offering what. It would be of help therefore if you could kindly let us know your experiences in dealing with any passport providers, particularly those who are successful and even more particularly those who run off with your money without delivering, or who provide questionable documents, or those which prove to be unsatisfactory if not downright illegal.

Your name will be kept confidential, indeed you do not even need to give it, and we will be pleased to reply with such information as we have in return.

Other Passports For Sale? Maybe!

Every month or so, we get a fax or call about some special citizenship "deals" or one-time passport programs. These are usually open for a limited time only, sometimes just 24 hours! Often, appointee-bureaucrats of a politician who has been defeated will sell passports (and anything else) while they are lame ducks awaiting replacement. In almost all cases, a very tiny number of people will get in under the wire. Usually there are only a few people "in the know" who learn of these special offers. We seem to be on the list of people to whom these deals are offered.

One such deal came up in the fall of 1990. East Germany was about to unite with West Germany. This meant that all East Germans, on 3 October, automatically would become EU citizens. A back door to the KU? Obviously!

With the help of a very understanding communist mayor anxious to secure his financial independence, several thousand people including a few of our personal consulting clients were alerted to this opportunity. For US \$50,000 cash they became East Germans overnight. A special provision in DDR law stated that those who did any meritorious service for the Communist Regime could be rewarded with East German citizenship at the discretion of the local mayor. It

was all legal. With their full set of *Deutsche Demokratische Republik* identity papers, these new East German citizens then got full West German (KU) citizenship and new passports. The deal was done in an escrow, and the ax-communist officials who set up the deal absconded with five hundred million dollars (we hear). Not a bad retirement package for half a dozen rotten communist bureaucrats!

Special cases like this come and go.

A recently independent Pacific Island will sell you an instant passport without any need to go there. This scheme may be all over by the time you read this. But there will always be a veritable boutique of other offers for our consulting clients. Why is this possible? The Pacific Island republic mentioned here is a politically stable small democracy. It says it desperately needs venture capital to establish a world class resort/casino. Local politicians

have promised their constituents jobs in the casino. They are convinced that selling passports abroad is the way to raise the money needed. They are prepared to cooperate fully with anyone who will peddle their passports on a commission basis. Both the present government and the opposition party are involved in the scheme. Every politician in this little nation will doubtless have their hands in the cookie jar. The passports of this country are recognized all over the world. But the country does not want it to become widely known that they are selling full citizenship and genuine passports at US \$35,000 a pop. Thus, this deal is a one-time opportunity for a limited number of people to apply for a limited period of time. We have seen a dozen of these programs come . . . and go!

Prices to the client are usually about US \$20,000 apiece or US \$40,000 per family. No doubt a lot of the money raised will stick to the fingers of hungry bureau-rats and politicians. But this author, for one, isn't going to try and eliminate all the crooks in governments. It's impossible! We go with the flow. "If you can't lick 'em, join 'em".

We try to keep abreast of all new passport deals. We can sometimes also refer clients (no criminal record, please) who wish to become diplomats. If you would like to become an Honorary Consul in your home town, or a small nation's Ambassadorial-rank representative to the United Nations in Europe or New York, contact EXPAT WORLD and we will put you in touch with a consultant who can assist you in this.

How to Determine Which Passport Suits You Best

1. Read what the various countries have to offer. Then determine your top three passport choices. Let's call them your "targets". Your determination of target passports will probably be based upon your national origin, race, religion or language skills. Obviously, you will feel more comfortable and be questioned less at borders if you look, sound and act like the particular nationality matching your passport. English or Spanish speakers have many desirable choices available to them.

The reason for choosing three targets instead of one is that your first choice may not work out. Your passport application may be rejected or the rules of the game may change against you while your application is in progress. You will end up with at least one new passport in addition to the one of your present country if you try for three. If you should get all three, so much the better. You might have problems with renewal or replacement. If you get into any legal or financial difficulties your second passport might be revoked, confiscated or lost. Having two spares is a good idea.

2. Obtaining the passport of your home country plus a duplicate passport of your home country is desirable before you start the process of going after your second foreign passport. Some countries require the surrender of a prior passport before your new one can be issued. This makes an expendable duplicate essential.
3. By letter, contact the nearest consulate of the target. Your letter should say something like this:

"Dear Sirs,

I understand that your country welcomes investors as residents and citizen. I would like to find out the current status of all your immigration and passport programs. Please send me the necessary forms to make an application. I am willing and able to visit . . . (the capital of the target) if necessary and would appreciate receiving the name, address and telephone number of the appropriate officials or government authorized agents who deal with matters of immigration and naturalization. If you know of a private attorney who speaks English (if not an English speaking country) and can be recommended, please let me know.

Sincerely, (Your pen name and box number) ""

4. If the target has a local branch office of their bank, airline, government tourist office or trade/commercial office, you can visit them personally. Call and make an appointment to see the manager. Ask them to identify individuals who can be of assistance to you. Pump for all the information you can get. Take written notes. It is easy to forget details and confuse countries if you don't organize and file your information.
5. Know your target and its history. Read about it, its main cities and historical figures. Start with the encyclopedias. Check out books from your library. See if *National Geographic Magazine* has ever done an in-depth picture story on your target country. Read all periodicals/newspapers at the library
6. Buy a set of language course cassette tapes from Audio Forum or (cheaper) the **US State Department Foreign Service Institute Language Study Division, Washington DC 20520,US**. Start learning the language if your native tongue is not spoken at the target. Order a copy of the US State Department's exhaustive *Area Handbook* on your target country from the **US Government Printing Office Bookstore, telephone (202)275-2091** in the US, or the equivalent in your home country.
7. Get together the necessary application forms, papers, personal documents, transcripts and certificates. Do it yourself. It will save you considerable legal fees.
8. If you want your hand held and have enough money to pay other people to do all the work, contact an immigration lawyer at one of the big, reputable firms in the target country. This will be provided if you write for a list of recommended lawyers from your own consulate or embassy in the target capital. For example, if I were an English speaking person and was considering Australia, Belize, Denmark or Ecuador, I might write and ask my own British Consulate in the target country for a list of reputable local lawyers.

Many British and American law firms have offices and partners in almost every major city where a business proposal is needed. One international law firm with offices in major cities is **Hightower, Baker and McKenzie**. Another firm is **Clifford Chance** (London-NYC-Tokyo Hong Kong-Paris-Singapore).

Lawyers representing multinational companies are usually well informed about immigration, expatriation and passports.

Representatives of major public accounting firms or international banks in the target country would also be helpful. You can make an appointment to talk to a partner or manager who can often direct you to proper contacts.

The big accounting firms usually know what is going on. These include Klynveld Peat Marwick (now known as **KPMG**), **Price Waterhouse, Arthur Anderson, Ernst & Young, Coopers & Lybrand, Deloitte and Touche Ross**. These familiar names will be listed as certified public accountants or chartered accountants in the Yellow Pages (commercial phone directory). If you are already a customer of any international bank, a bank manager of their branch in the target country will surely know the ins and outs of local immigration and perhaps be able to help you with information booklets, short-cuts or special arrangements.

9. Generally, it is a good idea to visit the target for a month if possible. Sniff around at business opportunities, real estate prices, banking and financial practices, etc. Visit bankers, accountants and lawyers. Your visit will be more productive if, before you go, you have read the local daily papers (particularly the ads) and have made appointments to meet at least a dozen people by mail before you arrive. Colleagues in your own line of work that you seek out could open many doors.

Another possibility for meeting helpful people is through religious groups, affinity groups or professional associations such as Toastmasters, Rotary, Lions, the British-American Club and Knights of Columbus. Local sponsorship and good contacts can make the difference between success and failure. Normally you don't need to pay anyone a large fee for obtaining a second passport for you if you simply put in some time and effort to do it yourself.

To help future readers, please let us know of your successes and failures. You can write to tell us your story using a "pen name" or alias. Share information with us for the benefit of people like you. We will reciprocate with a swell gift for you!

How to Avoid the Wrong Passport

For someone who has not researched the subject, the obvious choice of a passport would often be the wrong choice. For the individual who has made enough money to avoid working for a living, there are quite a few places blessed with superb climate, political stability, safety from terrorist bombs, high sanitation standards, sporting activities, sophistication and culture. As a result, the wealthiest people in the world have flocked to certain popular cosmopolitan resort colonies.

Take two popular choices. California, US and the Riviera in southern France. A harassed South African businessman might say, "An American or French passport is the one for me". If the purpose was to live in any of the two regions mentioned above, seeking either the US or French passport would be a big mistake! Let me show you why.

A wealthy South African will have a large income from his business or assets. When he gets US residency, he is subject to hefty Federal tax on his worldwide income. There is also a 12 per cent California income tax. Some cities, like New York add a third tax. To live in California with a US passport might cost him 45 per cent of his worldwide income even before he began to enjoy the benefits of the location.

A better way to move to California would be to get a Canadian passport. A Canadian may come and go and stay in the US without a visa for up to six months. He can rent or own property with fewer restrictions than an American. An American cannot enjoy tax-free rent from a vacation home, but a foreigner can. A Canadian citizen who spends the winter in California will pay no US income taxes and no Canadian taxes either, if he is a non-resident of Canada.

Now, suppose our South African, or you, should prefer the Riviera. France also has high income taxes. Rather than becoming a French national, the South African would be better off with an Italian or South American passport. His home could be in Monte Carlo for up to 12 months a year, all tax-free! A Frenchman in Monte Carlo would pay a huge amount of income tax. With a non French passport, however, there would be no French taxes, no currency restrictions and complete freedom to commute from Monte Carlo to California, following the sun.

The passport of a banana republic in Central or South America may seem a strange choice against the French or American passport but second and third rate countries do not seek to collect taxes from their subjects abroad. Regardless of political changes at home, they will normally renew passports indefinitely.

The point is, the best choice in a passport will probably be from a nation in which you will seldom, if ever, choose to live or own a home or business. The passport you want is one from a country whose citizens need no visas to visit the places you like.

A passport from any European Union (EU) country you don't live in would be excellent, but the drawback is that normally a minimum of five years residence is required - yet there are a few exceptions. There are instant or short residence required passports to be had in Europe for those who know how to get them. One EU country requires only a three year residence. Oddball passports giving full ingress and egress rights to France (and Europe) with tax haven advantages include those issued at Monaco, Martinique or St. Pierre and Miquelon.

Any passport that allows you to move abroad freely and legally transfer and keep your assets in safe havens without taxation is a good one. But some passports are better than

others. Deciding upon your personal course of action will take careful planning. While considering your preliminary plan, you must ask yourself:

1. Where do I want to spend my time physically? Remember, generally over six months in any one place (except for tax havens) makes you a resident for tax purposes and subject to tax on your worldwide income.
2. Where do I want to keep my personal assets? Generally for safety and tax advantages, liquid assets should never be held in or near the country where you are resident or have substantial business operations. No country can tax or confiscate foreign assets they don't know about.
3. What do I want as my place of refuge and escape from wars, revolution, etc? In other words, what do you fear most and wish to get away from?

Generally, your domicile-fiscal-address-legal-residence (if any) should be in a different place from the nation of your passport. The reason is that most countries cater to foreigners more than they do their own citizens. For tourists and most foreign visitors, taxes are nil. In a political upheaval, foreigners are protected. Police brutality for political mix-steps is not generally applied to visitors with the same vigor as to natives.

You too can be a Perpetual Traveler with no fixed place of residence. But you must start with goals and develop a plan to meet those goals.

In this report we cover many of the options currently available. The world is constantly changing. Political changes mean new immigration and citizenship laws. But here are your options as of 1994.

***Comments, questions, additions and constructive criticism should be sent to:
EXPAT WORLD, Box 1341, Raffles City, Singapore 911745;
email: expatworld@pobox.com***

Part 3: The Easy But Useful Second Passport

How to Obtain live or More Passports From your Home Country

Countries generally do not like issuing more than one passport to their citizens. They want each of us to possess only one travel document so that they can keep tabs on our whereabouts at all times. For this reason, if not any other, it is essential to secure a second travel document. Often, a duplicate passport from your home country is the best place to start.

A country with hostile relations with another country often will not admit anyone with a visa or entry/exit stamp from its enemy. Many Black African countries used to have a restriction of this sort for individuals who have visited South Africa. Iraq/Israel, Northern Cyprus/Southern Cyprus, North Korea/South Korea have similar restrictions.

So how does this relate to getting a second passport? It's simple. Tell your local passport office that you are making a trip to country A which will not admit you because you have a visa or stamp in your passport from country B. Another ploy is to say your passport is at the Japanese Embassy for visa processing and you have to make an emergency trip to France.

The other method which some people use, and which we emphatically do not recommend because it involves making a fraudulent statement, is the lost passport ploy. "My pocket was picked at the airport." To obtain a new passport you will usually be obliged to file a police report of the loss or theft and obtain a copy of the police report to append to your duplicate passport application.

It is not a bad idea to obtain a duplicate set of all ID documents (driving license, voting card, birth certificate, etc). You never know when they will come in handy, if your documents are really lost or stolen, for example.

TWO PASSPORTS FROM THE SAME COUNTRY?

US Tightens Screws on Those Desiring Two or More US Passports

Recently, the United States tightened up on applicants for second American passports. Together with the application for a second passport they now want a signed statement showing your itinerary. For a second US passport to be obtained, you must:

1. Submit an itinerary showing immediate travel to destinations, where one passport will be tied up at a consulate or otherwise unavailable while you are required to be traveling elsewhere.
2. File a 2nd DSP-II. The form requires you to be very specific, but one reader (a personal friend) countered the official treatment successfully by replying:

"I hereby certify that a second passport is necessary for my travel to various areas, see below, for the following reasons: I expect to be traveling extensively in countries where the US permits its nationals to go, during the next four years or so. This includes the continents of North and Latin America and Europe, nations of the Caribbean, the Pacific Basin, the Mediterranean and Indian Ocean rims, Africa, the Middle East and possibly Antarctica. Inquiries made to several consulates and embassies recently about excluding travelers with various stamps on their passports indicate that 'the question is sensitive', that travelers are 'sometimes ' excluded on such a basis, that 'it is true ' and 'the matter is handled by issuing a second passport', but policies appear to change from week to week. Specific problems as of this date arise both in Africa and in the Middle East. South Africa, Kenya, Iran, Israel, Egypt, Jordan and Nigeria all appear to be sensitive now. Greece, Turkey, the two Cypruses, the two Koreas, many African nations and some Middle Eastern nations are also threatening to refuse admission to travelers who have passport stamps from their enemies.

If some limitations must appear on my second passport, it would appear that these should be a time rather than an area limitation. However, as you know, most countries insist that visitors have at least six months of remaining validity on their passports. Any expire date is therefore effectively six months earlier than any date stamped on the passport itself:

In the event of the loss of either passport, I will report that loss immediately to the passport office or to the nearest American Embassy or Consulate.

(Signature of applicant)"

Although the US used to mark second passports for travel to specific countries, it now only imposes time restrictions. A similar letter to the one above submitted with two pictures should be successful for obtaining a second passport almost completely free from restrictions.

Lost and Stolen Passports

Passport authorities regard the loss of a passport as a serious matter as lost and stolen passports are often used for fraudulent purposes. Generally, if an individual loses his passport through theft or negligence, he should notify the Passport Services or the nearest passport agency in writing. If abroad, he should write to his nearest embassy or consulate. If the passport has been stolen, the individual should notify the police authorities in the area where the theft occurred.

If the individual who has lost his passport wishes to apply for a replacement, he must fill out a replacement application form similar to that featured within the following pages. The applicant for a replacement passport is usually expected to supply a detailed statement explaining the circumstances surrounding the loss or theft of his passport along with details of the efforts which have been made to recover it. If possible, he should also provide evidence of citizenship in order to avoid delaying the issuance of the replacement

passport. The more information the passport officials have, the better. Why? Because they are going to be looking at every replacement passport application very carefully. After all, as far as they're concerned, the applicant might not have lost his passport at all but, rather, sold it on the black market!

These days, if a replacement passport is issued abroad it is not likely to have the usability of a standard passport when it comes to expire date. Normally, such a replacement passport is only a temporary document, often as short as three months. When any replacement passport expires, the holder must report to the passport office nearest his residence (domicile) and certify in writing that the lost passport still hasn't turned up. The passport office might then do a computer test, if it has the capability, to check whether this lost passport has been used to enter the country or even handed in at a consulate. If the checks leave none of their questions unanswered, the applicant will be issued with a full passport, usually effected by the stamping of his replacement passport. If the

**-THIS PASSPORT IS ISSUED AS REPLACEMENT
FOR A LOST/STOLEN PASSPORT AND IS LIMITED
TO EXPIRE ON APRIL 21, 1990. EXTENSION OF
VALIDITY MUST BE APPROVED BY THE
DEPARTMENT OF STATE.**



lost passport has been found by or returned to its owner at any time, it must be surrendered to the nearest passport office along with the replacement. The recovered passport will normally be canceled and the replacement validated and returned to the bearer.

How to File a Police Report of a Lost Passport

As mentioned, if you need to get a replacement passport for one you have lost, you'll need to file a police report, even if there was no theft.

Here is a sample: Start off by stating your name and address after a "Filed By:". Also indicate the date filed.

Sample working:

"On 14 November 1995, at Paris Air Terminal No 1, after clearing passport control, but before customs, I found it necessary to use the bathroom at around 9.30am. A leather money pouch that attached to my belt must have, at that time, slipped off my belt onto the toilet floor. I did not notice the loss at the time because my rucksack was also in the stall. However, shortly after departing the airport, I noticed that this pouch was missing. I

returned to the airport and asked and found an official to check the toilet I had just left. I was not allowed to go because it was in the restricted area. He reported back that it was not there and had not been turned in. Later that day, I filed a loss of property report at the airport and have checked back several times. My belt and contents were not turned in. I believe that in my belt was about 500 French francs in cash, various identity cards, air tickets and most importantly, my Canadian passport, number unknown, issued about two or three years ago in London in the name of Donald Duck. Inside the money belt was an offer for the return of the belt and contents. I had hoped that it would be mailed back, but after one week it has not been returned. I do not believe the belt and my passport was stolen, but I could be wrong. This report is being filed with the Paris police because an official at the Canadian Embassy in Paris has told me that filing such a statement is a pre-requisite for obtaining a duplicate or replacement passport.

Police Report Number: 78/5643/91, Station: West Central"

*Comments, questions, additions and constructive criticism should be sent to:
EXPAT WORLD, Box 1341, Raffles City, Singapore 911745; email:
expatworld@pobox.com*

Part 4: Vital Statistics

1996 NATIONALITY SURVEY	Are children born in your country automatically and by operation of law citizens of that country? Assume foreign, non-citizen parents. (See notes below) ^{1,2}	Can a new born child (upon application by parent/s) get his or her own passport?	If a foreign parent has a child in your country, does it give the foreign parent any special rights to residency or citizenship?
Austria	YES	YES	NO
Belgium	NO	NO	NO
Belize	YES	YES	NO
Brazil	YES	YES	NO (Freedom from extradition till child 18)
Cameroon	YES (If applied for within 6 months of birth)	NO	YES (Permanent Residency)
Colombia	YES	YES	NO
Costa Rica	YES (If registered before age 25)	YES	YES (Permanent Residency)
Cyprus	NO	YES	NO
Denmark	NO	YES	NO
Djibouti	NO	NO	NO
El Salvador ³	YES	YES	NO
Finland	NO	YES	NO
France	NO	YES	NO
Germany	NO	NO	NO
Greece	NO	YES (both parents)	NO
Honduras	YES	YES	NO
Hungary ³	NO	YES	NO
Ireland	YES	YES	YES ("strong tie", right of residence)
Israel	YES	YES (Israeli parent)	NO
Ivory Coast	NO	YES	YES (Official's discretion)

CONTINUED ON NEXT PAGES

*Note 1: Almost all countries, children of diplomats stationed there do NOT gain citizenship by birthright.

*Note 2: If a child is born stateless most countries of birth will grant the child citizenship even though other children born in that same country to foreign parents may not be entitled to citizenship. Observe: Not only children of refugees or stateless persons may be born stateless. Law of Mexico state that child born to Mexican citizens living outside of Mexico does not qualify for Mexican citizenship. In some cases, such a child could be born stateless even though its parents are not. Honduras, and other countries, have similar rules.

*Note 3: In Colombia, only a Cedula (national ID card) and 3 photos are needed to apply for passport. In El Salvador, the same applies, although you must also present your Birth Certificate as well. In Hungary, one photo and a short coupon ("Utiokmány") stating your birth date, name and address is enough.

Does marriage to one of your citizens give the spouse right to citizenship/passport even if his or her residency is outside of your country?	If the individual has a parent who is a citizen of your country, does that entitle him or her to a passport of your country if he/she is born abroad?	Who or what office or officials are in charge of issuing passports to babies or other citizens? (See note 4 below)
YES (after 5yrs of marriage)	YES	Nearest embassy
YES (after 6 month of marriage)	YES	Moniteur Beige, Bruxelles, Belgium
NO	YES	Passport Off, POB 1200, Belize City
NO	YES (Until age 21)	Ministerio das Relacoes Exteriores
NO	YES	Nearest embassy or consulate
NO	YES	Passport Off, Carrera 13#31-95 Bogota
NO	YES	Dir Migracion, San Jose, Costa Rica
YES (after 4 years marriage)	YES (only if father is Cypriot)	Migration Dept, Nicosia, Cyprus
NO	YES (Until age 21)	Nearest embassy
NO	YES	Nearest embassy or consulate
NO	YES	Dir. Migracion, San Salvador
NO	YES	Nearest embassy
YES (alter 6 months of marriage)	YES	Nearest embassy or consulate
NO	NO (yes, I' born before 1965)	Nearest embassy
NO	YES (I' registered with Greek Consul when born)	Nearest embassy or consulate
NO	NO	Nearest embassy or consulate
NO	YES	Embassy/consulate of your residence
YES (aner3yrsolmarrlage)	YES	Passport Off, Maleworth St, Dublin 2
NO	YES	Interior Office, Jerusalem, Israel
NO	YES	Dir Naturiale, Cote d'Ivoire

Note 4: Almost all countries require that you appear in person when applying for and/or picking up a passport especially if the passport applied for is the first to be issued to you from that country. If you are below the age of consent (usually 18 or 21) or if you have previously applied for a passport national provisions in most countries may allow all procedures to be handled by mail.

Additions, questions, corrections or comments should be sent to:

EXPAT WORLD, Box 1341, Raffles City, Singapore 911745

1996 NATIONALITY SURVEY	Are children born in your country automatically and by operation of law citizens of that country? Assume foreign, non-citizen parents (See notes below) ^{5, 6}	Can a new born child (upon application by parents) get his or her own passport?	If a foreign parent has a child in your country, does it give the foreign parent any special rights to residency or citizenship?
Italy	NO	YES	NO
Japan	NO	YES	NO
Kenya	YES (Only if application is made)	NO (ID an be issued)	YES (Permanent residency)
Luxembourg	NO	NO (some exceptions)	NO
Mexico	YES	YES (both parents)	NO
Monaco	YES (Only if parents are unknown)	YES	NO
Netherlands	NO	YES (both parents)	NO
Nicaragua	YES	YES	NO
Norway	NO	YES	NO
Oman	NO	YES	NO
Peru	YES	YES	NO
Philippines	NO	YES	NO
Portugal	NO	YES	NO
Seychelles	NO	NO	NO
Spain	NO	YES	NO
Syria	NO	YES	NO
Togo	NO	NO	NO
Trinidad & Tobago	YES	YES	NO
Turkey	NO	YES	NO
United Kingdom	NO	YES	NO ("strong tie", right of residence)
USA	YES	YES	NO(unless child is adult or wage earner)
Zambia	YES (if claimed before the age of 21)	NO	YES(if married to a local)

*Note 5: Almost all countries, children of diplomats stationed there do NOT gain citizenship by birthright.

*Note 6: If a child is born stateless most countries of birth will grant the child citizenship even though other children born in that same country to foreign parents may not be entitled to citizenship. Observe: Not only children of refugees or stateless persons may be born stateless. Law of Mexico state that child born to Mexican citizens living outside of Mexico does not qualify for Mexican citizenship. In some cases, such a child could be born stateless even though its parents are not. Honduras, and other countries, have similar rules.

Does marriage to one of your citizens give the spouse right to citizenship/passport even if his or her residency is outside of your country?	If the individual has a parent who is a citizen of your country, does that entitle him or her to a passport of your country if he/she is born abroad?	Who or what office or officials are in charge of issuing passports to babies or other citizens? (See note 7 below)
NO	YES	Nearest embassy
NO	YES	Nearest embassy
NO	YES (only if father Kenyan)	Imm Off, Box 30191, Nairobi, Kenya.
NO	YES	Ministers des Aft.. Estrangeres, Lux.
NO	NO	Nearest embassy or consulate
NO	YES	The Prince, Monte Carlo, Monaco
YES (After 3 years of marriage)	YES	Nearest embassy or consulate
NO	YES	Migration Authorities, Managua
NO	YES (a other citizenships are renounced)	Nearest embassy or consulate
NO	YES	Royal Oman Police, Mutrah, Oman
NO	YES (It registered within 30 days)	Min. d. Interior, Av 28 de Juli, Lima
NO	YES	Passport Off, Manila, Philippines
NO	YES	Any local Governo Civil in Portugal
NO	YES	Nearest embassy or consulate
NO	YES	Nearest embassy or consulate
YES (After 5 years of marriage)	YES	Nearest embassy
NO	YES	Ministry of Justice, Togolaise
NO	YES	Imm. Dept. 119 Duke St, Pt of Spain
NO	YES	Nearest embassy or consulate
NO	YES	Nearest embassy or consulate
NO	YES (Many exceptions)	Nearest embassy or consulate
NO	YES	D.-Cit., Box 30104, Lusaka, Zambia

*Note 7: Almost all countries require that you appear in person when applying for and/or picking up a passport especially if the passport applied for is the first to be issued you from that country. If you are below age of consent (usually 18 or 21) or if you have previously applied for a passport, national provisions in most countries may allow all procedures to be handled by mail

Dependencies, Colonies and Areas of Special Sovereignty

Listed below are the principal political dependencies of the world. Several geographic entities have been included in the list either for the sake of total area coverage or to group smaller, less significant territories. These geographic entities are enclosed in brackets ([]).

American Samoa TERRITORY OF AMERICAN SAMOA

Sovereignty: US unincorporated territory.

Capital: Pago Pago (on the island of Tutuila).

Population: 41,000. Area: 199 sq km.

Comment: American Samoa also includes Manua, Rose, and Swains Islands.

Anguilla (No long-form name).

Sovereignty: Dependent territory of the United Kingdom.

Capital: The Valley.

Population: 9000.

Area: 91 sq km.

Comment: On December 16, 1980, Anguilla was officially separated from the then British associated states of Saint Christopher-Nevis (Now Saint Kitts and Nevis).

Antarctica (No long-form name).

Sovereignty: The United Nations recognizes no claims to Antarctica.

Capital: None.

Population: No permanent habitation.

Area: 14,000,000 sq km.

Comment: Antarctica consists of the territory south of 60 degrees south latitude. This area includes claims by Argentina, Australia, Chile, France, New Zealand, Norway and the United Kingdom, the legal status of which remains in suspense under the terms of the Antarctic Treaty of 1959.

Aruba (No long-form name).

Sovereignty: Self-governing part of Netherlands realm.

Capital: Oranjestad.

Population: 72,000.

Area: 193 sq km.

Ashmore and Cartier Islands TERRITORY OF ASHMORE AND CARTIER ISLANDS.

Sovereignty: Australian external territory.

Capital: Administered from Darwin, Australia.

Population: No permanent habitation.

Area: 5 sq km.

Bermuda (No long-form name).

Sovereignty: Dependent territory of the United Kingdom.

Capital: Hamilton.
Population: 58,000.
Area: 53 sq km.

Bouvet Island (No long-form name).
Sovereignty: Norwegian territory.
Capital: Administered from Oslo, Norway.
Population: Uninhabited.
Area: 58 sq km.

British Indian Ocean Territory BRITISH INDIAN OCEAN TERRITORY.
Sovereignty: Dependent territory of the United Kingdom.
Capital: None.
Population: No permanent civilian population; formerly about 3000 islanders.
Area: 60 sq km.
Comment: The British Indian Ocean Territory consists of the Chagos Archipelago.

Cayman Islands (No long-form name).
Sovereignty: Dependent territory of the United Kingdom.
Capital: George Town.
Population: 29,700.
Area: 259 sq km.

Christmas Island TERRITORY OF CHRISTMAS ISLAND.
Sovereignty: Australian external territory.
Capital: The Settlement (Flying Fish Cove).
Population: 2000.
Area: 135 sq km.

Clipperton Island (No long-form name).
Sovereignty: French possession.
Capital: Administered from French Polynesia.
Population: Uninhabited.
Area: Undetermined.

Cocos (Keeling) Islands TERRITORY OF COCOS (KEELING) ISLANDS.
Sovereignty: Australian territory.
Capital: West Island.
Population: 616.
Area: 14 sq km.

Cook Islands (No long-form name).
Sovereignty: Self-governing in free association with New Zealand.
Capital: Avarua (on the Island of Rarotonga).
Population: 18,500.

Area: 240 sq km.

Comment: Under the "Treaty of Friendship and Delimitation of the Maritime Boundary Between the United States of America and the Cook Islands", which entered into force on September 8, 1983, the United States relinquished its claims to Danger, Manihiki, Penrhyn and Rakahanga Atolls.

Coral Sea Islands CORAL SEA ISLANDS TERRITORY.

Sovereignty: Australian external territory.

Capital: Administered from Kingston, Norfolk Island.

Population: 3 meteorologists.

Area: Less than 3 sq km.

Falkland Islands (Isles Malvinas) COLONY OF THE FALKLAND ISLANDS.

Sovereignty: Dependent territory of the United Kingdom (also claimed by Argentina).

Capital: Stanley (on East Falkland Island).

Population: 2000.

Area: 12,170 sq km.

Faroe Islands (No long-form name).

Sovereignty: Self-governing part of Danish realm.

Capital: Torshavn.

Population: 47,000.

Area: 1400 sq km.

French Guiana DEPARTMENT OF GUIANA.

Sovereignty: French overseas department.

Capital: Cayenne.

Population: 115,000.

Area: 91,000 sq km.

French Polynesia TERRITORY OF FRENCH POLYNESIA.

Sovereignty: French overseas territory.

Capital: Papeete (on Tahiti Island).

Population: 200,000.

Area: 4167sq km.

Comment: French Polynesia comprises the Iles de la Société, Iles Tuamotu, Iles Marquises and Iles Tubuai.

French Southern and Antarctic Lands TERRITORY OF THE FRENCH SOUTHERN AND ANTARCTIC LANDS.

Sovereignty: French overseas territory.

Capital: Administered from Paris.

Population: 210 mostly research personnel.

Area: 7781 sq km (excluding Antarctic portion).

Comment: "French Southern and Antarctic Lands" includes Ile Amsterdam, Ile Saint-Paul, Iles Crozet and Iles Kerguelen in the southern Indian Ocean, along with the French-claimed sector of Antarctica, "Terre Adelie". The United Nations does not recognize the French claim to "Terre Adelie".

Gibraltar (No long-form name).

Sovereignty: Dependent territory of the United Kingdom.

Capital: Gibraltar.

Population: 30,000.

Area: 6.5 sq km.

Greenland (No long-form name).

Sovereignty: Self-governing part of Danish realm.

Capital: Nuuk (Godthab).

Population: 55,000.

Area: 2,175,600 sq km.

Guadeloupe DEPARTMENT OF GUADELOUPE.

Sovereignty: French overseas department.

Capital: Basse-Terre.

Population: 387,000.

Area: 1780 sq km.

Comment: The Department of Guadeloupe includes the nearby islands of Marie-Galante, La Desirade and Iles des Saintes, as well as Saint Barthelemy and the northern three-fifths of Saint Martin (the rest of which belongs to the Netherlands Antilles), 240 kilometers to the northwest.

Gown TERRITORY OF GUAM.

Sovereignty: US unincorporated territory.

Capital: Agana.

Population: 133,000.

Area: 549 sq kin.

Guernsey BAILIWICK OF GUERNSEY.

Sovereignty: British Crown dependency.

Capital: Saint Peter Port.

Population: 58,000.

Area: 65 sq km.

Heard Island and McDonald Islands TERRITORY OF HEARD ISLAND AND McDONALD ISLANDS.

Sovereignty: Australian external territory.

Capital: Administered from Canberra, Australia.

Population: Uninhabited.

Area: 412 sq km.

Hong Kong (No long-form name).

Sovereignty: Dependent territory of the United Kingdom.

Capital: Victoria.

Population: 5,758,000.

Area: 1076 sq km.

Comment: Under a Sino-British declaration of September 1984, Hong Kong will revert to China upon expiration of Britain's 99-year lease on the New Territories on July 1, 1997.

Iraq-Saudi Arabia Neutral Zone (No long-form name).

Sovereignty: Jointly administered by Iraq and Saudi Arabia.

Capital: None.

Population: No permanent habitation.

Area: 3520 sq km.

Comment: In July 1975, Iraq and Saudi Arabia signed an agreement to divide the zone between them. The agreement must be ratified, however, before it becomes effective.

Jan Mayen (No long-form name).

Sovereignty: Norwegian territory.

Capital: Administered from Oslo, Norway.

Population: No permanent habitation.

Area: 373 sq km.

Jersey BAILIWICK OF JERSEY.

Sovereignty: British Crown dependency.

Capital: Saint Helier.

Population: 83,000.

Area: 117 sq km.

Johnston Atoll (No long-form name).

Sovereignty: US unincorporated territory.

Capital: Administered from Washington, DC.

Population: 1000.

Area: 2.8 sq km.

Macau (No long-form name).

Sovereignty: Portuguese overseas territory.

Capital: Macau.

Population: 356,000.

Area: 18 sq km.

Comment: Under a Sino-Portuguese declaration of April 1987, Macau will revert to China on December 20, 1999.

Man, Isle of (No long-form name).

Sovereignty: British Crown dependency.

Capital: Douglas.
Population: 70,000.
Area: 572, sq km.

Martinique DEPARTMENT OF MARTINIQUE.

Sovereignty: French overseas department.
Capital: Fort-de-France.
Population: 332,000.
Area: 1100 sq km.

Mayotte TERRITORIAL COLLECTIVITY OF MAYOTTE

Sovereignty: Territorial collectivity of France (claimed by Comoros).
Capital: Dzaoudzi.
Population: 94,500.
Area: 375 sq km.

Midway Islands (No long-form name).

Sovereignty: US unincorporated territory.
Capital: Administered from Washington, DC.
Population: 13 US military personnel.
Area: 5.2 sq km.

Montserrat (No long-form name).

Sovereignty: Dependent territory of the United Kingdom.
Capital: Plymouth.
Population: 12,000.
Area: 100 sq km.

Netherlands Antilles (No long-form name).

Sovereignty: Self-governing part of Netherlands realm.
Capital: Willemstad (on Curaçao Island).
Population: 183,000.
Area: 960 sq km.

Comment: The Netherlands Antilles comprises two groupings of islands: Curaçao and Bonaire are located off the coast of Venezuela; Saba, St Eustatius, and St Maarten (the Dutch two-fifths of the island of St Martin) lie 800 km to the north.

Navassa Island (No long-form name).

Sovereignty: US unincorporated territory.
Capital: Administered from Washington, DC.
Population: Uninhabited.
Area: 5.2 sq km.

New **Caledonia** TERRITORY OF NEW CALEDONIA AND DEPENDENCIES.

Sovereignty: French overseas territory.

Capital: Noumea.

Population: 164,000.

Area: 19,100 sq km.

Comment: New Caledonia includes fles Loyaute, Ile des Pins, Ile Huon, Iles Belep, lies Chesterfield and Ile Walpole.

Niue (No long-form name).

Sovereignty: Self-governing territory in free association with New Zealand.

Capital: Alof.

Population: 2200.

Area: 260 sq km.

Norfolk Island TERRITORY OF NORFOLK ISLAND.

Sovereignty: Australian external territory.

Capital: Kingston.

Population: 2000.

Area: 34.6 sq km.

Northern Mariana Islands COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.

Sovereignty: Commonwealth in political union with the United States.

Capital: Saipan.

Population: 21,000. *Area:* 477 sq km.

Comment: The Covenant by which the Northern Mariana Islands became a commonwealth of the United States entered into force on November 3,1986.

Pacific Islands (Palau), Trust Territory of the TRUST TERRITORY OF THE PACIFIC ISLANDS (PALAU).

Sovereignty: UN trusteeship administered by the United States.

Capital: Koror.

Population: 14,000.

Area: 458 sq km.

Comment: The government of Palau signed a Compact of Free Association with the United States on January 10,1986, but the implementing legislation has not yet been passed by the US Congress.

Paracel Islands (No long-form name).

Sovereignty: South China Sea islands occupied by China but claimed by Vietnam.

Capital: None.

Population: No permanent habitation.

Area: Undetermined.

Pitcairn Islands PITCAIRN, HENDERSON, DUCIE AND OENO ISLANDS.

Sovereignty: Dependent territory of the United Kingdom.

Capital: Adamstown (on Pitch Island).

Population: 68.
Area: 35.5 sq km.

Puerto Rico COMMONWEALTH OF PUERTO RICO.

Sovereignty: Commonwealth associated with the United States.

Capital: San Juan.

Population: 3,550,000.

Area: 9,104 sq km.

Reunion DEPARTMENT OF REUNION.

Sovereignty: French overseas department.

Capital: Saint-Denis.

Population: 598,000.

Area: 2510 sq km.

Comment: Europa Island, Juan de Nova Island, Glorioso Islands, Tromelin Island and Bassas India are controlled by France and are administered from Reunion. (These islands are claimed by Madagascar. Tromelin Island is also claimed by Mauritius and Seychelles).

St Helena (No long-form name).

Sovereignty: Dependent territory of the United Kingdom. *Capital:* Jamestown.

Population: 7000.

Area: 122 sq km.

Comment: The territory of St Helena includes the island group of Tristan da Cunha. St Helena also administers Ascension Island.

St Pierre and Miquelon TERRITORIAL COLLECTIVITY OF ST PIERRE AND MIQUELON

Sovereignty: Territorial collectivity of France.

Capital: St-Pierre.

Population: 6400.

Area: 242 sq km.

South Georgia and the South Sandwich Islands SOUTH GEORGIA AND THE SOUTH SANDWICH ISLANDS.

Sovereignty: Dependent territory of the United Kingdom (also claimed by Argentina).

Capital: None.

Population: No permanent habitation.

Area: 4066 sq km.

Spanish North Africa (No long-form name).

Sovereignty: Spanish territory.

Capital: None.

Population: 118,000.

Area: 36 sq km.

Comment: Spanish North Africa comprises the five Spanish plazas de soberania: the enclaves Ceuta, Melilla and the islands of Penon de Alhucemas, Penon de Velez de la Gomera and Isl Chafarinas.

Spratly Islands (No long-form name).

Sovereignty: South China Sea islands claimed in entirety by China and Vietnam and in part by the Philippines and Malaysia; each of these nations occupies some part of the islands.

Capital: Nor

Population: Undetermined.

Area: Less than 5 sq km.

Svalbard (No long-form name).

Sovereignty: Norwegian territory.

Capital: Longyearbyen.

Population: 4000.

Area: 62,049 sq km.

Tokelau (No long-form name).

Sovereignty: New Zealand territory.

Capital: Administered from Apia, Western Samoa.

Population: 2000.

Area: 10 sq km.

Comment: The Governments of the United States and New Zealand signed a treaty on the 'Delimitation of the Maritime Boundary Between Tokelau and the United States of America' December 2,1980. In Article V of the treaty, the United States relinquished its claim to the Atagu, Nukunonu and Fakaofu Atolls. The treaty entered into force on September 3,1993.

Ibrks and Caicos Islands (No long-form name).

Sovereignty: Dependent territory of the United Kingdom.

Capital: Grand Turk (Cockburn Town).

Population: 12,400.

Area: 500 sq km.

United States Miscellaneous Pacific Islands (No long-form name).

Sovereignty: US unincorporated territories.

Capital: Administered from Washington, DC.

Population: Uninhabited.

Area: 13 sq km.

Comment: Comprises Kingman Reef; Baker, Howland and Jarvis Islands; and Palmyra Atoll.

Virgin Islands VIRGIN ISLANDS OF THE UNITED STATES.

Sovereignty: US unincorporated territories.

Capital: Charlotte Amalie (on the island of St. Thomas)

Population: 109,000.

Area: 355 sq km.

Comment: Also includes the islands of St Croix and St John.

Virgin Islands, British (No long-form name).

Sovereignty: Dependent territory of the United Kingdom.

Capital: Road Town (on the island of Tortola).

Population: 16,600.

Area: 150 sq km.

Comment: Also includes the islands of Anegada, Jost Van Dyke, Virgin Gorda, and numerous smaller islands.

Wake Island (No long-form name).

Sovereignty: US unincorporated territory.

Capital: Administered from Washington, DC.

Population: 1600.

Area: 8 sq km.

Wallis and Futuna TERRITORY OF THE WALLIS AND FUTUNA ISLANDS.

Sovereignty: French overseas territory.

Capital: Mata-Utu (on Ile Uvea (Walks), Ile Futna and Be Alofi).

Western Sahara (No long-form name).

Sovereignty: Status of sovereignty unresolved.

Capital: None. *Population:* 186,000. *Area:* 266~000 sq km.

Countries Established after 1943 (Members of the United Nations)

Country	Chronology of Sovereignty	Date of Sovereignty
Algeria	47	5 July 1962
Angola	80	11 November 1975
Antigua and Barbuda	94	11 November 1991
Bahamas, The	73	10 July 1973
Bahrain	69	14 August 1971
Bangladesh	72	4 April 1972
Barbados	61	30 November 1966
Belize	93	21 September 1981
Benin	28	1 August 1960
Botswana	59	30 September 1966
Brunei	96	1 January 1934
Burkina	30	5 August 1960
Burma	8	4 January 1948
Burundi	45	1 July 1962
Cambodia	14	8 November 1949

Cameroon	23	1 January 1960
Cape Verde	77	5 July 1975
Central African Republic	33	13 August 1960
Chad	32	11 August 1960
Comoros	82	31 December 1975
Congo	34	15 August 1960
Coted'Ivoire(Ivory Coast)	31	7 August 1960
Cyprus	35	16 August 1960
Djibouti	84	27 June 1977
Dominica	87	3 November 1978
Equatorial Guinea	66	12 October 1968
Fiji	68	10 October 1970
Gabon	36	17 August 1960
Gambia, The	55	18 February 1965
Ghana	20	6 March 1957
Grenada	74	7 February 1974
Guinea	22	2 October 1958
Guinea-Bissau	75	10 September 1974
Guyana	58	26 May 1966
Iceland	3	17 June 1944
India	7	15 August 1947
Indonesia	15	28 December 1949
Israel	10	15 May 1948
Jamaica	48	6 August 1962
Jordan	4	22 March 1946
Kenya	51	12 December 1963
Kidbati	89	12 July 1979
Korea	11	15 August 1948
Kuwait	42	19 June 1961
Laos	13	19 July 1949
Lebanon	1	22 November 1943
Lesotho	60	4 October 1966
Libya	16	24 December 1951
Madagascar	25	27 June 1960
Malawi	52	6 July 1964
Malaysia	21	31 August 1957
Maldives	56	26 July 1965
Mali	38	22 September 1960
Malta	53	21 September 1964
Marshall Islands	97	21 October 1946
Mauritania	40	24 November 1960
Mauritius	64	12 March 1964
Micronesia, Federated States of	98	3 November 1946
Morocco	18	2 March 1950
Mozambique	76	25 June 1975

Namibia	99	21 March 1990
Nauru	63	31 January 1968
Niger	29	3 August 1960
Nigeria	39	1 October 1960
Pakistan	6	14 August 1947
Papua New Guinea	79	16 September 1975
Philippines	5	4 July 1946
Qatar	70	3 September 1971
Rwanda	46	1 July 1962
St Kitts and Nevis	95	19 September 1943
St Lucia	88	22 February 1979
St Vincent and the Grenadines	90	27 October 1979
Sao Tome and Principe	78	12 July 1975
Senegal	37	20 August 1960
Seychelles	83	28 June 1976
Sierra Leone	41	27 April 1961
Singapore	57	9 August 1965
Solomon Islands	85	7 July 1978
Somalia	27	1 July 1960
Sri Lanka	9	4 February 1948
Sudan	17	1 January 1956
Suriname	81	25 November 1975
Swaziland	65	6 September 1968
Syria	2	1 January 1944
Tanzania	43	9 December 1961
Togo	24	27 April 1960
Tonga	67	4 June 1970
Trinidad and Tobago	49	31 August 1962
Tunisia	19	20 March 1956
Tuvalu	86	1 October 1978
Uganda	50	9 October 1962
United Arab Emirates	71	2 December 1971
Vanuatu	92	30 July 1980
Vietnam	12	8 March 1949
Western Samoa	44	1 January 1962
Yemen (South)	62	30 November 19~7
Zaire	26	30 June 19 -
Zambia	54	24 October 1964
Zimbabwe	91	18 April 1980

*Comments, questions, additions and constructive criticism should be sent to:
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Part 5: Specific Countries

Antigua and Barbuda - Lots of Hassle

This island nation of the Caribbean does not seem to have caught on to the tax haven idea. They are willing to grant nationality after seven years of official residence, which, to us at least, is far too long for little advantage. Most tourists are allowed to stay for up to six months in the country without clearing special immigration formalities, meaning Antigua and Barbuda may have much to offer the PT interested in spending part of his time there.

For those interested in obtaining residence, one must first enter the country as a visitor. The immigration authorities then require that one shows proof of 1) sufficient funds to maintain oneself throughout the period of stay 2) either a title deed indicating ownership of property or a rental contract and 3) no criminal record, meaning a police clearance form. As a sub-note, non-nationals wishing to own property in Antigua must first be granted the necessary governmental permission in accordance with what is known as the Alien Land Holding Act. If you just love the country and are willing to put up with the involved and lengthy government hassle, contact the closest embassy or consulate for more information.

Argentina - Anxious to Regain Past Glory

The Argentine Republic is the second largest country in Latin America and occupies most of the southern part of South America. It is bordered by five countries; Chile to the east, Bolivia and Paraguay to the north and Brazil and Uruguay to the northeast. The Rio Colorado which runs from west to east cuts the country in two. Argentina is home to a wide variety of terrain's, including, jungle, pampas, infertile plain and South America's highest mountain, Mount Aconcagua.

Like most of South America, Argentina is a former Spanish colony. It declared its independence from Spain in 1816 and became a republic in 1852. Politically the country has followed an uncertain course for much of the 20th Century to the detriment of its great economic potential. However, since 1983, Argentina has had a democratically elected president as head of government.

Argentina is a cosmopolitan country with a population of 33 million, mostly of Spanish, German, Italian and English descent. Buenos Aires, its capital, is one of the largest cities in the world, population 11 million. The country is one of the more highly developed nations in the western hemisphere. Its people are among the most educated in South America, with a literacy rate of 90 per cent. Its economy has gradually shifted from an exclusive dependence on large scale livestock and agriculture production to one in which service and industrial sectors are dominant. Since the 1950s it has been one of the 20 largest trading nations in the world. However, economic growth has been much hampered by excessive inflation.

As Argentina had one of the highest standards of living at the turn of the century, it is anxious to regain its past glory. It plans to accept up to 100,000 migrants a year and is particularly interested in immigrants from eastern Europe and the former Soviet Union.

Residence in Argentina seems to be very easy to arrange for non-Asians. Apparently, all that is required of a Westerner is a birth certificate, police certificate of good conduct or lack of criminal record and a marriage certificate, if applicable. One would also undoubtedly have to demonstrate either adequate education or work experience to qualify. Those of independent means or who are self-employed would probably experience little difficulty. Business proposals would also be considered favorably and may even lead to a reduced residence requirement. Unfortunately, the exact guidelines applicable to non-Asians are not entirely clear, and, as is usually the case in South America, seem to be decided on a case by case basis.

The only thing that is clear is that two years of residence are all that is required for a passport. How much time one must actually spend in the country is, however, not certain, although it seems that at least some evidence of bona fide residence is necessary. A trip to the country and a little snooping would probably produce all sorts of possibilities.

We have also heard many rumors that arrangements such as those said to be available in Paraguay are possible, meaning one may be able to arrange for a residence permit to be backdated two years, thus making one eligible for immediate nationality. Another variation is to arrange residence, leave Argentina and then return two years later to gain nationality and passport. We have no firm information on whether or not either of these techniques are possible, but as they are of questionable legality, it is probably best to steer clear of such practices. In any case, it is easy to think of worse fates than a two year sentence on an Argentinean beach.

An Argentinean passport is valid for five years. As a travel document, it does not fare badly, allowing for visa-free travel to 32 countries, including many countries in Europe and nearly all of South and Central America. Argentineans also qualify for a reduced residence period for Spanish nationality. See entry on Spain for more information.

Australia - Three Years of Part Time Residence

Australia is one of the dozen or so countries in the world actively courting new immigrants. How easy or hard it will be to get in at any given time relates to unemployment levels in the country. The population of Australia more than doubled immediately after World War II, when the former "all white, all English" flavor was replaced by a more cosmopolitan group of six million immigrants. The largest new nationality is Italian, with many Greeks, Slavs and a large number of Russians (mostly Jewish) residing in the major cities.

As Australia is more or less open to new immigrants, the number of paths available is varied.

THE WORKING HOLIDAY VISA

This visa is probably not an option for most PTs, but it is an excellent way for young people to establish at least temporary residence in the country and then, with a foot in the door, to explore the various other options available for permanent residence and then citizenship. To qualify under this program, you must (1) be aged between 18 and 25 years inclusive (2) wish to travel extensively around Australia with the option of taking casual work to supplement holiday funds (3) hold a valid UK, Irish, Canadian, Dutch or Japanese passport (4) have enough money for return fares and "normal maintenance" of your planned holiday, currently about US \$3,000 and (5) be either single or married, but not have any children.

This visa is basically intended for the young traveling type and is meant to only allow one to qualify for part-time casual work. In actual practice, however, the type or length of work is limited only to what one can find. Also, the money requirement is easily overcome, as one need only show the necessary amount in a bank account. Once the visa has been processed, there is no record of where the money goes, i.e. if it returns to the nice person from whom it was borrowed. This visa does not lead to a passport in and of itself, but as mentioned earlier, could lead to some other sort of permanent residence for those who are persistent. Contacts in a country are always the best route to go and there is no better way of developing contacts than to spend some time in the target country. Each of the participating countries also has a similar program. Contact the nearest consulate for more information.

THE POINTS SYSTEM

This system works in much the same manner as that of New Zealand. Points are awarded for various criteria, primarily concerning education, work experience, age and language skills. Further points are given if the applicant has either family members or a sponsor in Australia, again, contacts work wonders. Certain job skills are considered to be in demand by Australia (list supplied at any consulate) and would result in your immigration application being speeded along by consular officials. Generally, the process takes several months, but applications have been known to drag on for almost a year, probably in an attempt to discourage all but the most persistent. A few years ago Australia would pay for all or most of the costs of transportation, assist with housing and provide free English language training if needed. Citizenship and a passport were granted one year after arrival.

Now it is a bit tougher to qualify as an immigrant, and all of the benefits, except the passport, are no longer available. Furthermore, these days it takes a minimum of two years (but in practice closer to three years) to get full citizenship and a passport. This is still, however, one of the world's shortest residence periods and no fees or investments are required of these job-qualified immigrants. Contact the nearest consulate for more information.

MARRIAGE AND RELATIONS

Individuals with family in Australia qualify for special considerations. This includes marriage which makes it easier to acquire residence, but still does not lead to full citizenship for two years. Australia is also somewhat unique, joined only by Denmark, the Netherlands and New Zealand, in that it recognizes homosexual relationships. Such couples must prove that they have been living together for six months in order for the non-Australian partner to qualify for residence

BUSINESS MIGRATION PROGRAM

In July 1991, the Australian government radically changed its business migration program. Before that time, applicants simply had to show assets of A \$500,000 (US \$350,000), which could then be transferred into any Australian investment, including a bank account. After meeting these fairly simple requirements, the applicants were granted permanent residency, the freedom to enter and leave Australia as often they pleased, and Australian citizenship after a period of two years of residence. This program was criticized because of its reliance on private-sector consultants and the ability of would-be immigrants to bring in ready cash.

A new scheme was introduced, concentrating more on actual business and English language skills than wealth. A point system, similar to those of Canada and New Zealand, was introduced too and applicants are now required to score a certain number of points in order to be successful. Points are awarded to applicants according to age (with those aged 30 to 45 scoring highest), existing business's size and sector, cash/non-cash assets, and English language skills.

Applications are now reviewed by the Department of Immigration as well as just by private-sector consultants. The government claimed that with the old program consultants were always under duress from their clients who threatened to go to competing consultants, if necessary, to achieve the desired result. The government introduced stricter monitoring procedures and a business skills visa can be canceled if its holder has not attempted to start a business within three years.

It is clear that the Australian government changed the program because it was no longer interested simply in an influx of capital. They wanted the natural resource that governments most love to exploit, namely people or more specifically, the kind of people who wish to tie themselves wholly to the country. PTs were not welcome.

These changes dramatically affected the number of applicants for the business migration program. During the ten years that the former program ran, about 10,000 immigrants and 30,000 dependents were admitted to Australia. In the first six months after the introduction of the new program there were only between 100 and 150 applications.

Fortunately, though, this is not the whole story. The Australian business migration program underwent substantial expansion in April 1995 and there is now a new immigration category for those prepared to invest in Australia. This new initiative makes the overall program more accessible to potential migrants and even visitors who are in Australia on business are now able to apply. This new category requires individuals to commit funds of between A \$750,000 and \$2 million in designated government securities for a minimum of three years. Successful applicants must be able to show satisfactory business or investment skills and demonstrate that the funds are sourced from qualifying business or investment activities in their home countries. They must also possess recent business and management experience.

In the past, applications to the immigration department had to be made while the applicants were actually situated in their home country. Now businesspeople can have their applications processed while they are in Australia on temporary business. The 1995-96 Federal Budget has shown plans to market the business migration program and to simplify arrangements for business travelers.

Applicants under the business migration category are given a background check. However, these are intended only to screen major criminals and a conviction for something not considered a major crime in Australia will not necessarily be held against the applicant.

And what sort of businesses are welcome? Preferred industries unsurprisingly are non-polluting, high-tech and export-oriented. Real estate investors are definitely unwelcome, as there is already a general feeling that "speculators" have pushed land prices too high. Agriculture is Australia's major industry but is currently in a bad state with historically low commodity rates caused by the erosion of traditional European markets. Any product or service you could supply that would help local farmers compete more effectively might get faster consideration and approval.

Once Australian residency is obtained, it's a fairly simple and straightforward path to citizenship. As a resident, you can leave and enter Australia as you see fit and after two years actual residence in the country, you are allowed to apply for citizenship. The two years residence need not be continuous, but it must have been accumulated in the five years before you apply for citizenship and you are required to have been resident for one year from the two years before your application. This application for citizenship involves a brief interview and the provision of certain proofs, including testimony to good character.

This expansion of the business migration program has definitely opened things up and it's no surprise that the number of applicants has risen dramatically.

Taxation in Australia

WHO IS SUBJECT TO TAXATION?

Australia has very defined taxation rules and, although attitudes towards tax offenders may seem to be quite lenient, don't be fooled. Individuals who stay in Australia for longer than 183 days are considered resident for tax purposes unless they can prove that Australia is not their usual home and they have no intention of taking up residence in the country. Resident taxpayers in Australia are taxed on worldwide income with a foreign tax credit given for any foreign-source income which may have been subject to tax in the country of origin. Migrants and visitors who are considered subject to Australian taxes will be required to pay taxes on income derived from business activities in the country of origin or elsewhere offshore. Tax returns must be lodged on an annual basis.

Nonresident taxpayers, on the other hand, are liable to Australian tax only on that income which is sourced in Australia. Interest and dividend withholding tax are payable if these nonresident taxpayers derive interest from Australian bank accounts or acquire shares in an Australian company. Business activities conducted offshore by nonresident taxpayers are not generally subject to taxation.

When a nonresident becomes a resident for tax purposes, the assets of that person (other than taxable Australian assets and assets acquired before September 20 1985) are counted as having been acquired at market value immediately before the nonresident becomes a resident. Any subsequent gain on the disposal of these assets will be subject to Australian capital gains tax. Land, buildings and other assets situated in Australia, shares in Australian private companies and interests of ten per cent or more in public companies are all taxable in this way. As a result, some individuals consider it worthwhile to sell certain assets before taking up residency. For example, business people resident in countries which do not subject capital asset sales to tax would be exposing themselves to an additional tax liability once they take up residency in Australia.

It is interesting to note that business migrants who were successful in their applications through the business migration program are not necessarily subject to tax at first. In their applications they must show an intention to establish a permanent business in Australia but there is no requirement for them to show an intention to settle. Consequently, not every business migrant becomes a resident of Australia for tax purposes upon entry to the country. Indeed, some business migrants return to their country of origin or elsewhere to attend to business commitments which may have existed at the time of migration. These absences from Australia might continue for some time and are restricted only by the clause in the migration program requiring the migrant to make genuine efforts to establish a business in Australia. However, if the migrant is present in Australia for longer than 183 days, he will become subject to Australian taxation. Furthermore, if the business migrant wishes eventually to apply for citizenship, he will not be able to avoid becoming a resident for tax purposes.

The authorities are liberal about allowing offshore trusts to be set up before immigration and wealthy migrants can use these trusts to shelter their income.

TAX EVASION IN AUSTRALIA

Importantly, unlike in the US, individuals cannot be sent to jail for tax evasion since tax evasion, as opposed to tax fraud, is not a serious crime in Australia. The worst punishment an offender can face is a fine. However, be warned. Australia is quite clear about its legislation and just because tax evasion is not a serious crime in Australia, other tax-related offenses which contravene Australian law are taken very seriously - perhaps even more so than in other countries. Indeed, many Australians have gone to jail for tax-related offenses and a few, including those who made millions in the Bottom of the Harbor Scandals have even been pursued abroad and extradited back to Australia.

If an Australian merely doesn't report some interest, dividend or profits on his personal tax return, he has not committed a crime. It may be tax evasion, but an Australian prosecutor must do more than just show that a taxpayer didn't report all his receipts. There must be an active fraud, such as submitting totally false and forged bills and receipts to justify deductions and losses that never happened. Switzerland has similar rules but the US and Canada are quite different. In these latter countries, not filing a tax return, not reporting all bank accounts where one has any financial interest (regardless of what name they are held in), not reporting every last dime... these are criminal offenses for which people do serve long jail terms. In fact, the American prosecutors have gone so far as to claim that any action to reduce one's taxes by any means may be, at the discretion of the IRS, considered criminal offenses. And that cannot happen in Australia, at least not for the moment.

Before 1980, there had never been many criminal tax fraud prosecutions. The Bottom of the Harbor scandal put an end to that. What was it all about? Promoters openly advertised a plan whereby businesses could divert all their profits to shell companies whose only purpose was to receive merchandise or bogus expense checks. Kickbacks were made to the owners of the businesses in cash, under the table. The corporate taxes that were saved were then divided up between the promoter and the company owner. A nonresident withholding tax has since been introduced.

Brian Maher, a used car salesman, ran these operations for hundreds of businessmen and became something of a folk hero. He drove a gold Rolls Royce and passed out hundred dollar bills to newsboys when he bought a paper. He regularly appeared on television and magazine covers explaining what he was doing and why. Of course, his reasons were quite obvious really: he didn't like taxes!

Maher's high profile brought the obvious, predictable government reaction. Criminal indictment and prosecution. In 1985, Maher received a five year jail sentence for diverting over one billion dollars in tax revenues to the "bottom of the harbor". The expression was used because the financial records of the shell companies run by Maher could never be found and he had suggested that they were probably deep-sixed (ie submerged in the depths of Australia's many harbors). Had Brian Maher been less flamboyant he could probably, to this day, be making a good living by dispatching files to the bottom of the harbor. Instead, he created a flood of righteous indignation, a vastly increased bureaucracy of tax collectors and investigators and left a legacy of greatly increased penalties. The

easy-going attitude of Australia on tax matters was changed forever. So much so that a proposal to give everyone a mandatory identity card and tax number that had to be recorded and reported to the government with every financial transaction was almost implemented in 1987. Many Australians believe that their country is only a step behind Shanghai in Big Brotherism. But few realize that compared to the US, where the tax ID number has been in place for years and where there is no right of privacy at all in financial matters, Australia is still something of a tax-evader's paradise.

OTHER POSSIBILITIES

Australia has a reputation for being somewhat corrupt. A few years ago the Australian immigration service was reported to be selling immigrant visas in several locations around Asia, including Singapore, Hong Kong and Taiwan. Apparently, even a tariff was set and hundreds of millions were allegedly raised in bribes each year. In fact officials were supposedly selling passports to newcomers at about US \$1000 each and these were legal. All the passports were properly registered on the computer system but backup files with applications and photographs never existed.

When some of this corruption came to the surface, the Australian passport office said that all the issued passports were in fact valid and subsequent police esquire resulted in "missing file" tags. However, the corrupt ring was exposed when a convicted drug dealer revealed, in exchange for a lighter sentence, how he had managed to obtain a valid passport with a false name printed on it. The passport procedure has since been tightened up.

Our advice is to steer clear of any schemes proffered by bartenders, cab drivers or the like. Be guided by reputable lawyers who can generally give good advice on the propriety of methods which are short cuts to obtaining your required documents. In general, if you have the two years to wait, an Australian passport can be obtained without paying any legal fees, gratuities, or under the-table money. A visit to your nearest Australian consulate is the best plan. Pick up their brochures and job preference list. This has a do-it-yourself rating scale to figure out if you score enough points to qualify. And remember, after just two years of residence you can qualify for a passport.

Interestingly, under the Australian Citizenship Act, the minister has discretionary powers to waive the resident requirements for prescribed groups of people. These discretionary powers are only meant to be used in exceptional cases, though, and this probably means either a massive investment from the applicant or the applicant's recent reception of the Nobel prize. Still, thought we would mention it and, needless to say, we would be most interested to hear of any cases where this discretionary power has been used.

Austria - An Almost instant Passport for Refugees

One hundred years ago, the Austro Hungarian Empire, presided over by the immensely rich and powerful Habsburg royal family, was a superpower in company with France and

England. The Habsburgs dominated Spain, the Low Countries (Belgium and Holland) and major portions of Germany and Prussia (now Poland). Vienna splendidly reflects monuments of these past glories.

After the ravages of two world wars, this once mighty empire is now a small neutral state buffering Eastern Europe to the east, Switzerland to the west, Italy and what was Yugoslavia to the south. Austria was occupied by the Russians at the end of World War II and was saved as an independent neutral through post-war negotiations. As a neutral, Austria is not a member of NATO but is shortly to join the EU.

Vienna is highly civilized, has fine local wines, the world's most beautiful opera house and boasts sophisticated entertainment at all levels. This historic city is the center of the Austrian Socialist Democracy, replete with an active stock exchange and a decidedly entrepreneurial class. In all, Vienna is diverse, cosmopolitan, wealthy and interesting.

Austria's climate is slightly warmer than Switzerland's. The atmosphere is sparklingly clean. Austrians are far more tolerant of eccentric behavior than are the Swiss. Austrians speak German as their official language, but English and French are widely understood.

GOOD NEWS FOR REFUGEES

What makes Austria particularly interesting in our context is that it is perhaps the world's biggest center for processing the resettlement of refugees. Large grants from the United Nations support a huge bureaucracy of "re-location experts". Temporary decent housing is provided by the UN for stateless people, who arrive (often without papers) at the rate of hundreds per day. As can be imagined, most arrivals are from the neighboring former communist countries.

Many Russian-Jews with visas for Israel stop in Vienna where two-thirds choose to change course for the US or Australia. Individuals and families from oriental countries show up in Vienna after bribing their way to Austria.

This country has a worldwide reputation as a safe haven for individuals without a passport or country. Essentially, Austria offers a good stopping-off place to get one's bearings, plus the free services of an international staff of knowledgeable and helpful people who will match up your need and abilities with those countries willing or able to accept you under special refugee quotas. Many countries are actively recruiting settlers in Vienna.

If you are running from persecution of any sort and wind up in Austria without a passport, it is likely that after very sympathetic questioning, you will be issued an Austrian Refugee Passport. If you are broke, you'll be given assistance in obtaining temporary food, shelter and medical treatment.

WHAT ABOUT THE REST OF US?

Because of its small size, Austria cannot accept huge numbers of new alien residents. The country is hesitant, at best, to take on any new residents. As a tourist traveling on most Western passports, one can visit Austria for up to three months without applying for a visa. For longer stays it is necessary to either leave and return to the country or to apply for an official tourist visa, known as a Sichtvermerk.

Immigrating to Austria and acquiring official resident status, which would lead to citizenship, is far more difficult. Citizenship is rarely granted, and dual nationality is not ordinarily recognized. Work permits are next to impossible to acquire and must be granted (with the exception of German, UK and Dutch passport holders) from the embassy or consulate representing the area of domicile of the applicant, not from within Austria. Even marriage with an Austrian is a difficult path to citizenship, as anyone who is not a national of either an EU or EFTA country must also return to his or her home country and apply for residence at a local embassy or consulate. This application can take up to one year to be processed.

For applicants of significant financial standing, as is usually the case, money does seem to work wonders even in Austria. Although there is no set program, it seems that for a substantial investment, in the area of US \$200,000, residence and then eventual citizenship may be granted. Applicants are decided on a case by case basis and must be of the utmost moral character, with no criminal records. Business proposals should be submitted to the Office of Economic Development. The processing time generally takes about one year. Those with substantial assets who could provide export stimulation or employment for the locals would receive preference. Representation by a knowledgeable Austrian lawyer is essential, for which fees will probably run around US \$10,000.

PREFERENTIAL TAX TREATMENT

An interesting enticement that Austria offers to those able to acquire residence is preferential tax treatment through a program known as *zuzugsbeguenstigung*. This status allows one to receive income tax deductions on foreign unearned income, such as that from investments, offshore business, dividends and the like. Normally, taxes can be reduced by 75 per cent, but a good lawyer may be able to negotiate a 100 per cent deduction.

To qualify, you must (1) not have been resident in Austria for the past ten years (2) not engage in any business activity while in Austria (3) be able to prove that your income from outside sources will contribute to the Austrian economy, meaning you are in a position to spend approximately US \$60,000 each year and (4) show that you have an apartment or house to live in and will actually be in Austria for at least six months during the course of the year.

If for some reason, you cannot establish residence in a bona-fide tax haven or wish to remain in one place within Europe permanently, this preferential tax treatment program may have something to offer. In our estimation, it is better to live the life of a PT, leaving

Austria once every three months as necessary and ensuring that less than six months in total are spent in the country each year.

SUMMARY

Considering that Austrian passport holders, resident in Austria, pay very high taxes, there seems to be little advantage in going to all the trouble of acquiring a passport from this country in the first place. The only advantage to acquiring Austrian nationality that we can see is that it allows one to purchase as much property in the country as desired, a task that is far more difficult for foreigners merely residing in the country. However, as it is one of the basic tenets of this report that you should never hold only one passport, the Austrian passport becomes a poor choice because of its limits on dual nationality. Austria may, however, be a haven within Europe offering at least reduced taxes for a ten year period to residents, not passport holders.

Finally, the real benefit that Austria has to offer does not have anything to do with passports. The phenomenal and truly secret banking industry is better even than that of Switzerland.

The Bahamas - Sun and no Taxes!

Not only do the Bahamas offer an excellent climate, but they also do not have income, gifts, value added, capital gains, wealth, inheritance nor corporate profit taxes.

The Bahamas Investment Promotion Program, started in December 1990, allows foreigners to obtain instant permanent residence under three categories. Although one can obtain an alien passport, citizenship is out of the question, unless by marriage to a Bahamian national. As mentioned throughout this report, the last place in the world one wants to be a citizen is where one actually lives, and we believe that there is little to be gained through citizenship in the Bahamas that cannot be gained through permanent residence. Anyway, the categories are:

Category I: For the Individual Investor. One must prove a personal net worth of US \$2 million, reside in the country and make a minimum investment of at least US \$500,000 which must stay in the country for at least 10 years.

Category II: For the Group Investor. One may invest a minimum of US \$ 150,000 in a government approved program (similar to Canada). The actual amount will depend upon the individual program which is usually a tourist development, such as condos, town houses and the likes.

Category III: For the Entrepreneur. One must invest in a government approved program for a period of at least ten years.

In Category I, the principal applicant must invest US \$500,000 in the Bahamas - US \$250,000 in either government-approved securities or a government-approved business and an additional \$250,000 to purchase or to build your place of business in the Bahamas. This will achieve Permanent Residence but not citizenship. A non-citizenship travel document will be issued for travel.

Obviously, the category which is the most suitable and easiest is number II.

One program in Category II involves the Sandy port Marina Beach Club, a timeshare development on New Providence, not far from Nassau and only a ten minute drive from the international airport. It allows for permanent residence for the investor, spouse and children under 18 years of age through a one time investment of US \$250,000 in redeemable nine per cent preference shares in the development for five years, after which time they can be bought back. The project claims an anticipated return to investor of 12 to 19 per cent per annum. You will have to reside in the Bahamas for at least one month a year which should not prove to be difficult as the investment includes five weeks of accommodation at the resort. You do not need to buy a house. However, if spending one month a year in the sun is too horrible for you to bear, the requirement can be waived for up to five years through an annual payment of US \$5000 to the Bahamian government. This development is not specifically recommended, just quoted as an example. Contact the nearest embassy or consulate of the Bahamas for details of other existing programs.

We have no direct knowledge of this scheme other than that a salesman rang and wrote constantly touting the resort which tells us that they employ commission only salesmen on big profits (paid for by you) and that the resort is hard sold. *Caveat emptor*.

The agency fees for any of the other categories are US \$20,000.

Bangladesh - Much Too Much!

We have heard rumors of a program whereby one could acquire immediate citizenship in Bangladesh by investing US \$500,000 in a manufacturing enterprise. Needless to say, this price is absurdly high considering that better documents can be had for about one-tenth of the price. Furthermore, a recent inquiry to the Bangladesh High Commission in London neither confirmed or denied the existence of such a program. Yet again, evidence supporting the idea that most countries have not mastered even the most basic elements of public relations. The high commission did, however, inform us that one must renounce his existing nationality before acquiring that of Bangladesh, making the entire idea more amusing than anything to be taken even remotely serious.

Belize - Can't Make up Their Minds

Belize is an independent English speaking Commonwealth country (known as British Honduras until the name of the country was changed in 1973). It lies on the Caribbean

coast of Central America bounded by Mexico to the north and Guatemala to the west and south. The climate is unbearably hot and humid, tempered only by trade winds.

The total population of Belize is only 200,000 of which 24 per cent live in Belize City, the main commercial center and largest city. Belmopan, which has a population of 5000, is the capital and is located practically in the geographic center of the country. The Phillips S W Goldston International Airport is 16 kilometers (10 miles) from Belize City and is two hours flying time from Miami, New Orleans and Houston.

The main ethnic groups are Creole (African descent), Mestizo (Spanish-Maya) and Garifuna (Caribs). There are also a number of people of Spanish and East Indian descent. Caucasians are a definite minority of less than one percent. These groups, however, are heavily intermixed and the multi-racial makeup of Belizian society includes Chinese, Arabs and other ethnic groups.

The official language is English, although Spanish is also widely spoken. The majority of the population is unquestionably poor, much like those in Haiti.

Belize has an ancient history dating back to Mayan times which experienced its peak between AD 300 and 900. In the 17th and 18th centuries, Belize was subject to British influence and, in 1871, British Honduras was formally declared a British colony. The country did not achieve its independence until the 21st of September, 1981. It is currently a parliamentary democracy based on the Westminster model.

The government passed an amnesty in 1984 granting citizenship to all illegal resident aliens choosing to identify themselves. This opened the door to citizenship for a flood of Mayans and others who had fled the continuous wars in neighboring El Salvador, Nicaragua and Guatemala. Belize is relatively unpopulated. Free land suitable for coconut palms and sugar cane is still available to homesteaders.

A genuine Belize passport used to be quite easy to obtain by fraud. Citizenship could have been bought as recently as 1983 for about US \$300. The US \$300 passport was not entirely legal, of course, since it involved a local police officer or lawyer filing a certification that the applicant had been physically resident in Belize for at least five years. The residence could have been with or without proper documentation such as visas or residence permits. Another variation was for a delayed birth certificate to be filed. This was called the Belize "born again" or "rebirth" procedure. The US \$300 passport has unfortunately disappeared along with five cent cigars.

Due to floods and a general absence of vital statistics, many persons actually born in Belize and thus Belizean by birth, must still obtain police or lawyer affidavits in lieu of birth certificates. Obviously if the documentation supporting a passport application is false, the passport can later be invalidated.

Belize is not our first choice as a place to live. It would be near the bottom of the list. The government and many local professionals, such as lawyers we spoke to, seem to be hostile towards whites. Yet Belize is a good domicile for English-speaking black people from Africa or the Arab world. A black person with a Belize passport can easily blend into the communities in Belize and travel more freely in the US than on an African or Arab passport. Of course a PT never lives in the country that issues him a passport in any case.

Indians (from India) control most of the retail trade, and Mennonites, the legitimate agriculture. The wealth and influence of these groups is out of proportion to their tiny numbers. Natives grow quite a bit of marijuana or ganja for local consumption and export to the US.

Economic Citizenship Programs

Since 1987, the government of Belize has opened and then closed no fewer than four different programs offering instant citizenship.

The first ran from 1987 to 1989. This program worked much like many of the others described in this report. For US \$30,000 passports were issued, as long as other documentation such as a birth certificate, certificate of medical health and background check were satisfactorily provided. In 1989, due to a change of government, the program was closed.

The second program ran from February 1992 to March 1993. This program worked much like its predecessor. However, the fee was raised to US \$44,000 for a single applicant and US \$54,000 for a family application. This program also differed in that applicants not able to supply a certificate of no criminal conviction could instead supply signed and sworn affidavits from the legal, medical or accountancy professions. Also, the required photocopy of a passport could be replaced by an alternative travel or identity document. Apparently this program closed when a quota was attained.

Two other programs followed. The third required that the applicant purchase property in Belize and then the fourth reverted to the old faithful basic payment format. Belize is planning to open yet another program, its fifth in what appears to be a continuing series. Although the details have yet to be finalized, apparently this program will be different from the rest in that it will involve an active investment in the economy of the country. This program, as most of its predecessors, reflects a recent change in the Belizean government. The fourth program was announced in April 1995. A non-returnable investment of US \$50,000 is required plus a registration fee of US \$25,000 for the head of the household and US \$5000 for spouse and each dependent child under 18 years of age. Children over 18 are US \$15,000.

The consultant's fee of US \$15,000 is payable per individual or family application.

The whole process takes under three months and if you wish to invest approximately £100,000 in a Belizian passport contact: **Sovereign Trust International, Suite IC, Standbrook House, 2-5 Old Bond Street, London W1X 3TB, UK, tel. +44 171 493 4244, fax +44 171491 0605.** They should have all of the latest information on the developments of the program.

Is Belize the country for you? First, remember that the commencement and cancellation of passport programs provides little confidence for any future programs. Second, as this current program involves an active investment, it will in all likelihood mean spending at least some time in the country, which appears to have little to offer, except that it is English-speaking and a member of the Commonwealth. Belize has a terrible reputation of selling enormous quantities of illegal passports through, what we consider, the most corrupt government offices and officials in Latin America. Canada has recently placed a ban on entry and special visa requirements on Belizean passports for this reason. Other countries are likely to follow. Visas are required for almost all countries, meaning the passport will be of only limited value at best. In a nutshell, Belize is more or less at the bottom of our list of target countries.

Black Africa - Cheap But Nearly Useless

An intelligent and highly educated black African diplomat once said to me, "I received my appointment due to the political good fortune of a close relative. Because I am not a rich man and the job may only last a few years, this is the only opportunity I will ever have to secure my financial future. Anything, and I mean anything, that I can do for you, any service I can render, please just ask." That is the way of life in Africa. Passports are sold by most diplomats for cheap, cheap prices (even down to US \$200!). Also for sale are honorary consulates, medals and decorations, business permits and permissions for the smuggling or exploitation of natural resources.

Many Europeans, Arabs and especially Indians and mixed-race people have dual citizenship with second African passports. There is not a single country of Black Africa that has what we would rate as a good passport, permitting visa-free travel or work in the white, Arab or Asian world. Even if they can be obtained cheaply, African passports are only good as identification. You can never be sure that there will be proper back-up registration with the Ministry of Foreign Affairs of the issuing country. Records are in such a poor state in most African countries that they cannot usually respond to any request to confirm passport validity. Worst yet, an African citizen must get an exit visa to leave most countries, as well as an entry visa before he can get in anywhere. So, as a holder of a Black African passport, you are likely to be met by a constant stream of questions whenever you wish to travel anywhere.

If you are offered any favors from Black African countries be aware that the documents involved may be totally fraudulent or stolen blanks, even if you get them from a high official. If you are lucky enough to get valid documents, be aware that exit visas and renewal fees could be higher than the issue price.

SUMMARY

Aside from Senegal, Kenya, Ivory Coast and, of course, South Africa, stay away from Black African passports unless you need one to own local property or a business or are simply interested in a banking passport. As a citizen you might need to pay a bribe for permission to leave the country. It is better also to keep the passport of a Western country for international travel. African citizenship, in our opinion is generally more of a burden than a benefit.

Those with a genuine interest in Black African countries for business or immigration would be advised to write to **Worldwide Services, Box 61490, Bishopsgate, Durban 4008, South Africa.**

See also the separate entries on Botswana, Cape Verde, Chad, Kenya, Lesotho, Liberia, Malawi, Mozambique, Namibia, Sierra Leone, Swaziland, Vanuatu, Zambia and Zimbabwe .

Bolivia - A Fairly respectable Passport at a Bargain Price

Bolivia is a totally landlocked country in South America. The major activity is farming with about two-thirds of the population engaged in subsistence agriculture. Sugar, rice, coffee, rubber and forest products are exported to a minor degree. Spanish is the national language.

Bolivia's total population is about 6 million, 60 per cent of whom are Aymara Indian, 30 per cent Mestizo (an Indian/Spanish/Portuguese mixture) and 10 per cent predominantly Spanish Europeans. La Paz is the administration capital and has about 1 million inhabitants. It is also the world's highest capital with an elevation of 11,900 feet. It has a constant cool temperature of 50°F the year round.

There are no monetary or exchange controls. Political stability is quite good. A popular civilian government is in power and it maintains a fairly progressive human rights posture.

The Bolivian constitution provides that any foreigner may apply for naturalization and citizenship after two years of residence. Immigration is wide open. An elimination of the residence requirement is possible for those who retain a local lawyer. The law also provides for special dispensation and earlier citizenship for persons "with exceptional skills, or for those who have rendered meritorious service". This is the loophole by which an instant passport may be obtained.

Although this program was closed temporarily in May 1991 (the officials formerly in charge are said to be in jail), it is likely to reopen at some point, undoubtedly with a higher contribution requirement. The program involved financial contributions to government approved development projects. Quasi-government companies sought private grants from

individuals of approximately US \$25,000. These led to recognition as a benefactor to Bolivia and rapid conferral of citizenship and a passport. The attorney generally received \$7500 and the remainder may have actually been applied to some national development program. There were several variations of these programs, and the prices quoted were as low as \$10,000. For \$25,000, the package included a cedula (identity card), driving license and several other useful documents. The beauty of this benefactor arrangement was that a single contribution would cover the applicant, his spouse and all dependent children under 18. No visit to Bolivia was necessary.

Although there is no official program in operation in Bolivia, we have heard from several sources that Bolivian passports can be arranged. As with most South American countries, a visit to the country and a bit of snooping can go a long way. For current information on the immigration and passport situation in Bolivia, contact a local immigration lawyer in the country.

As with most South American passports, Bolivian passports are good for five years and must be revalidated every two years, technically by visiting Bolivia. In practice they are renewable at nominal cost, with the right connections. They are excellent and allow travel to Europe without visas. Unfortunately, recent publicity about huge US military anti-cocaine operations has led some customs officials to be more than usually attentive to Bolivians. Americans will find it difficult or impossible to become Bolivian citizens.

Botswana - No Official Program

Botswana achieved independence in 1966 and the Botswana Democratic Party has dominated the country's politics. The economy is based on nomadic agriculture, mainly livestock and the cultivation of subsistence crops which has suffered greatly through recent droughts. There is also a lot of mineral extraction, including diamonds, nickel, copper and coal, and platinum, gold and petroleum deposits have recently been found in the south. The country is regarded as one of the success stories of Black Africa and evidence of this can be seen in the efficient infrastructure that exists there. Botswana's economy as a whole is sufficiently prosperous that locals don't go rushing off to the richer neighbor, South Africa, and the currency, although formerly dependent on the South African rand, is now stable in its own right.

English is the official language in the country but white people, especially those from South Africa, can expect to come up against a certain amount of hostility. There are no passport programs that we know of in the country.

Brazil - A First Class Country

Brazil will unquestionably be a country to be reckoned with in the 21st century. It is rich in natural resources and produces a vast array of sophisticated goods including jet aircraft and computers. Brazil is actually the fifth largest country in the world and has the seventh

largest economy. It has a large population of 160 million, of which 60 per cent is under the age of eighteen.

Brazil could be a perfect second home. It is very democratic, but it does not have all the controls, rules and regulations that most of the major industrialized countries presently enforce. It has 4800 kilometers of ocean and beaches and an annual average temperature of 24 degrees centigrade (75 degrees Fahrenheit). Many wealthy Americans and Europeans are moving to Brazil to get away from the cold weather, high taxes, government controls and regulations, law suits, divorces and even persecution.

Brazilians are a friendly and fun-loving people who have a live and let live attitude. They enjoy soccer, good food and a good carnival! Some figures which might surprise you: 75 per cent of all Brazilians are home-owners, whether it be a mansion or a more simple affair, with 78 per cent owning their own furniture and appliances. Ninety per cent of all automobiles are paid for and 87 per cent of these run on alcohol, helping to reduce the level of pollution. If you are a single man, it might be interesting to know that in many cities, including Rio de Janeiro, the lovely ladies outnumber the men as much as ten to one! Brazilian women have a reputation as some of the friendliest and most beautiful in the world.

The national language is Portuguese but German, English, Japanese, Korean and even African communities are already well established. The country is truly multicultural then and, although the majority of the population are Roman Catholic, most religions are represented including voodoo!

As in all of South America, special arrangements can be made for those who have problems in their own country and might like to immigrate to Brazil or travel on a Brazilian passport. We understand the same is true in neighboring Argentina, Chile, Paraguay and Venezuela. At present, we have no reliable contacts for instant Brazilian passports, but prices are said to range from US \$25,000 to \$50,000. Remember, instant passports are generally arranged by either bribing a government official or backdating the necessary paperwork. If you feel that it is important to arrange for the genuinely issued document, instant passports are best avoided.

Brazil has an official permanent residence program and those wishing to qualify must invest at least US \$200,000 in Brazil's economy. This money should be used to establish commercial or industrial activities and it seems that any other investment does not count. Permanent visas can be obtained also through employment if the potential resident is lucky enough to find an employer who is willing to send the necessary paperwork on his behalf to the Ministry of Labor. With this permanent visa you will be able to do anything a Brazilian national can do except vote, run for public office, or own land next to some military bases!

Permanent residents become eligible for naturalization and passport after four years residence in Brazilian territory. However, the authorities recognize that certain applicants

need to travel around the world for business reasons and they will not restrict them from doing so. These applicants will generally be allowed to leave Brazil while waiting to be naturalized.

An applicant is required under Brazilian law to be employed, have a business or possess assets to provide sufficient income to maintain him and his family. He is also required to prove that he can speak and write Portuguese fluently. This last condition may seem a bit daunting but such a language request is quite common in naturalization applications around the world. Besides, if you're a good applicant they're probably not going to mind too much if your Portuguese isn't 100 per cent! While on the subject of Portugal, it's also worth noting that Brazil is a back door into the KU. How? A Brazilian has to wait only about three years (about half the usual time) when applying for Portuguese citizenship! Brazil is not only a useful back door to Portugal. People with either a Brazilian passport or residence visa can secure a B- 1 or B-2 visa for entry into the US. A similar process can be used to gain entry into Canada.

So, Brazilian citizenship is available after only four years of residence. If you are married and/or have fathered a Brazilian, you will be eligible to apply after only one year of residence. It is now impossible for foreigners to be naturalized based on marriage alone and without having been resident for a minimum of one year. But with all the recent revisions, one aspect of naturalization has remained constant. Once you are naturalized, you can change your name to anything you like. You have to notify the Brazilian authorities but you do *not* have to notify the authorities in your former country. Foreigners seem evenly split between those retaining their former names and those opting for new, more Portuguese-style ones.

Once you have your Brazilian passport, you will be in a good position for traveling. Why? The Brazilian passport offers visa-free travel to more than 65 countries. And if your Portuguese isn't up to par, don't worry because, as mentioned earlier, Brazil is very cosmopolitan. Lots of people don't speak the lingo and anyone will be able to fit in. In fact, the population is so diverse, there are more Lebanese and Armenians living in the country than in Lebanon and Armenia! Brazil has been a popular destination for Americans since the Civil War of 1865 when more than a million Americans, mostly from the defeated Confederacy, sought refuge there. At various times it was the favored destination. Apparently, nearly 98 per cent of Jews from Spain, black slaves, Arabs, German and Argentinean fascists, and leftists from the rest of South America all fled there when under threat.

Under most circumstances, dual nationality is allowed in Brazil. The revision of Brazil's 1988 constitution in 1994 lets you keep both your Brazilian and your foreign citizenship as long as you remain loyal to Brazil and not to any other power.

A unique feature of Brazil is that it has few extradition treaties. In fact, there is an existing law that the father of a Brazilian child cannot be extradited, even if he is not Brazilian himself. See the entry concerning Brazil in Part VIII of this Report.

We would rate Brazil as a top place for a passport as well as a great place to live. It offers many of the delights you may be looking for. There is a downside though. High taxes, excessive corruption and a socialist government make it an unsafe investment location. In fact, for some time, Brazil has been an economic graveyard as regards foreign investment. One of our acquaintances lost 90 per cent of his fortune on a pulp and paper manufacturing facility he built near Manaus. Any reader who moves to Brazil is advised to look long and hard at any business venture before investing. Like the US Wild West at the end of last century, Brazil is a land of opportunity but it also has its share of outlaws. To avoid these sharks you would be advised to learn Portuguese to the highest level possible.

Expat World knows of a reliable contact that can arrange residency for almost anyone. In most cases this Brazilian based company can cut the red tape and bureaucracy, making you a permanent resident within sixty days. How? By establishing your position as a partner in a Brazilian company. Basically, a request will be made that you come to Brazil to work in the capacity of a director on a company's commercial board. In Hong Kong and many other Asian countries, an invitation must be shown to the Brazilian consulate. In such cases, two Brazilian attorneys will visit you to sort out the necessary documentation. This organization can also help you to be naturalized in the shortest possible time after you have received your permanent residence visa. The visa is obtained through a joint venture between an existing company in your country and one in Brazil, arranged by our contact.

The cost of the program is US \$26,500 for one person or \$29,900 for a family consisting of husband, wife and all children under 18 years of age. There may be an additional fee of between US \$3000 and \$7000 if it is necessary for Brazilian attorneys to visit you. All fees are held in escrow, meaning that they will remain safe until you receive your permanent resident visa. Processing takes approximately 120 days. If an application is unsuccessful, for reason other than undisclosed problems of health or character, the applicant will receive a full refund.

If you are interested in receiving more information about this program contact **World Placement Service, St George's House, 31A St George's Street, Leyton, London, E10 5RH, UK**. As EXPAT WORLD is not connected with this firm, we cannot directly vouch for the services that they offer. We only know from reports received from our readers that they have proved to be both discreet and reliable.

TALES FROM BRAZIL

Brazilian citizenship is free (and relatively hassle-free) after six years' legal residence. If you want to skip the residence, Brazilian citizenship is possible, too, after six years of marriage, even in the case of having lived the full six years outside Brazil. Combine the two to get a five year discount after only one year of marriage, provided you have lived the entire time (legally) in Brazil, and provided you master rudimentary Portuguese. You then get your naturalization document. You obtain this as a right, with no personal evaluation entered into the equation (other than the Portuguese language test). Your old

government will not be contacted. In Brazil, we have visited a now-naturalized Brazilian, formerly an American, who proudly displays his naturalization certificate on the wall side by side with his Interpol fiche, marked red for "priority 1", Interpol's highest classification. The fact that he was a wanted international operator did not deter the Brazilians from granting him citizenship.

Anything faster than a year and you should go in with both eyes open. All may not be kosher so make sure you see what the legal basis for any proposed shortcut is. In Brazil several sources offer instant citizenship's. Some even deliver! But they all have some sort of angle, because legally, instant citizenship's do not (yet) exist in Brazil. The fastest route, by combining marriage with residence, is the one year solution. Even then, the true time frame is closer to 14 months, due to bureaucracy and government processing. In Brazil, like everywhere else in the world, every government office is a sickbay of slow and inefficient losers too dumb to find employment in the private sector.

Ghosting is done all over Brazil, usually in dead backwaters in the interior (see below) or in the north-eastern states. It usually involves an enterprising lawyer of the Hungry Hustler variety. He, in turn, usually always knows either a village priest or a notary public, preferably the owner of a cartorio. When they get together, they hand out identities of Brazilians who died in infancy or they create new birth certificates from scratch then register them first in their own books and later with all the necessary authorities. After the preliminary cedula, you step right up to receive your very own new Brazilian passport. Valid for six years for visa-free travel to most of Europe and quite a few other countries in the world.

Ghosting, of course, is not completely legal. Not even in Brazil. Recently two tall blond Austrians were caught leaving Brazil with their new documents. The airport immigration officer responsible for the exit stamps in their passports found it strange when he heard the two "Brazilians" speak German to each other. He then asked "Sr. Ferreira" and "Sr. Pinheiro" for an explanation and when they didn't answer, it became clear that they hadn't understood a word he said because they didn't speak Portuguese. When questioned by a superior, the Austrians told their tale. Two days later, the lawyer who had helped them was apprehended. In his office was found a long list of foreigners, mostly Germans, alongside their corresponding Brazilian details.

In Brazil, money talks. For a fee, the whole case was watered down to a misdemeanor and the lawyer was cut free. He was then administered to and was told sternly not to create ghosts any more. So he passed the recipe on. His brother, also a lawyer, today is busy cooking up the family specialty. Corruption is rife and all can be bought off. Personally, we prefer to do everything legally, not paying anybody off. If you choose the other route, please be careful. From time to time, bribe-paying foreigners are ratted on and denounced (usually by a secretary or a superior who got upset for not getting a cut). Some have even gone to the poky. But don't despair because if the worst happens, even the jails in Brazil open like magic when "dinheiro verde" (green money) is produced. The going rate is said to be US \$1000 per warden. Usually, one or two must be paid this sum for forgetting to

lock up at night. Another three or four must be paid this sum for sleeping on the job or simply looking the other way, so we've been told.

One of the Last Safe Havens in a Changing World

IMPORTANT CORRECTION

Today, having a Brazilian child or marrying a Brazilian does not protect you from extradition. So what has the train-robber Ronald Biggs been doing in Rio for the past 20 years? Was it not his child, little Brazilian-born Michael, who kept Brazil from extraditing him to Britain? In a word, yes.

Here's what the law says: A foreigner wanted by his own government can be extradited from Brazil either on the basis of terms laid down in an extradition treaty or, in the absence of a treaty, based on the promise of reciprocity, that his government will, (in like circumstances) extradite a Brazilian to Brazil. Having a local spouse or child born Brazilian does not in any way impede extradition.

Faster and easier than extradition, and often with the same end result, is deportation and expulsion. Brazilian law states, however, that a foreigner can neither be deported or expelled if a Brazilian minor is solely dependent on him for economic support. What this means in non legalese is that the foreign father gets to stay in Brazil with his under-21 child, provided the mother is not moneyed and supporting them both.

To understand the significance of these legal terms, let's look at three ways a government can get rid of a foreigner staying in its territory.

Deportation can be undertaken when a foreigner is staying illegally, without the proper permits or means of support, in a state's territory. Henry Hippie was deported from India because he had overstayed his tourist visa and had been living in India for more than a year, making his way by selling hand painted postcards to tourists.

Expulsion takes place when the foreigner is residing lawfully in a state's territory but has broken the law. Each country sets out the details on when they will expel and in some countries you don't even need to break the law to get expelled. There, an official's discretion as to your character and influence on the community is enough. You would, in most cases, be able to contest his decision with a writ of *habeas corpus*. Tommy Thief was expelled from Holland even though he was married to a Dutch national and had been residing legally, with a residence permit, in Holland for more than a year. He was caught driving a car without the owner's permission and Holland decided to kick him out with a proviso that he could never be re-admitted.

Extradition is the process of handing over a fugitive to a government which wants him. Either according to extradition treaties or simply on the basis of cordial inter-state relations and reciprocity promises. Foreigners staying both legally and within the law can be extradited. Governments only resort to the lengthy and expensive process of extradition

when deportation or expulsion fails. Freddy Freedomfighter, a human rights activist, had got the hell out of Spain when he found out that the government there didn't like his writings on Catalan separatism. He then resided legally in Mexico, with a residence permit. He had made sure never to break even the tiniest Mexican law, yet Spain got him extradited. Although, as a general rule, only a few countries will extradite for political offenses, Spain simply made up a little lie and claimed Freddy Freedomfighter was wanted as prime suspect in an arson case. Since no requested country will ever enter into judging the merits of any foreign case, Freddy was duly extradited from Mexico to Spain.

HOW TO BEAT EXTRADITION

Would Henry Hippie have been safe from deportation in Brazil? With a Brazilian love child, yes.

Would Tommy Thief have been protected from expulsion in Brazil? Had he been the father of a Brazilian, yes.

Would Freddy Freedomfighter have been immune from extradition in Brazil? No, because in extradition cases, unlike deportation and expulsion cases, having a home-grown child doesn't make an iota of difference.

So why has Ronald Biggs, and other crooks with him, been sitting for years in Rio, safe from the long arm of foreign law?

1. *Deportation* is out of the question, even if Biggs is staying without a residence permit (he doesn't even have a passport any more).
2. *Expulsion* is also ruled out, even if Biggs breaks the law (which he doesn't, since he is not immune from going to jails locally). "Jails in Brazil are extremely unpleasant," he says. He has already spent more than 30 days in one, pending the outcome of a failed extradition case.
3. *Extradition*, then, is the only avenue left. But the UK has no extradition treaty with Brazil. Like most Latin countries, Brazil is willing to extradite merely on the basis of reciprocity, in the absence of a treaty. But the UK, being a common law country, does not vest its officials with promise-making powers, only Parliament can make these sort of deals. That, in effect, means a full and ratified treaty and rules out any British option of promising Brazil reciprocity in a future similar case.

When a man can't be extradited (due to diverging laws), can't be deported (due to his child) and can't even be expelled (again due to his child), he gets to stay. Simple as that. Which is why, for 20 years Biggs has been safe in Rio. Since he robbed his train outside Brazil, is not a national and didn't harm any Brazilians, there is no way a Brazilian court can punish him. They do not have jurisdiction.

Others, like Biggs, have found safe havens in Brazil as well. As we wrote way back in the first edition of *The Passport Report*, you don't really have to fear extradition, since it is a very rare instance. Instead, keep an eye out for deportation and expulsion.

Now, when you can't get deported nor expelled, you only have to worry about possible extradition. The bad news. You don't have to be a bad guy or break the law to become an extradition target. Governments frequently lie. Look how our outspoken Freddy Freedomfighter suddenly became an arsonist. Even more frequently, governments make mistakes. The good news. In the field of extradition, there are, fortunately, lots of loopholes to be exploited.

The UK's lack of ability to offer reciprocity is not the only one. Others include the need for double criminality (your crime has to be a crime in both the requesting and the requested country). Insider traders and computer criminals have fled to Brazil where such crimes do not exist. If that still doesn't help you, note that the passage of time often will. Statutes of limitation often differ, especially in the way they are calculated and whether time spent outside the country is counted. Under the double criminality principle, you merely have to find a country with short statutes of limitation and a liberal way of calculating, then, even though you may be liable for prosecution elsewhere, you will be safe from extradition. Another way out is to become a national of your adopted country. Nazi war criminals fleeing to Bolivia have been immune from extradition because they became Bolivian nationals. Likewise, many other countries will never extradite nationals. Ireland is one, but beware. Some countries, Ireland included, will prosecute at home for misdeeds committed by Irish nationals abroad, especially when the national has been requested for extradition which has been turned down by Ireland. In countries where the jurisdiction is more limited, nationals are not prosecuted for whatever happened abroad. But sometimes nationality may not be a bar to extradition if the nationality was obtained after the alleged crime is said to have been committed.

In the case of Brazil, nationals are immune from extradition. Even naturalized citizens are immune from extradition. But if the Brazilian naturalization was obtained at a date later than that of the alleged crime, Brazil will cede to an extradition request and disregard the immunity stemming from nationality. How to become a national? Marry a Brazilian, wait a year, then apply, or get a residence permit, move to Brazil, live there for three years, then apply.

Canada - First Class Passport and Backdoor to the US

In the past decade, numerous people on the move have chosen Canada as their permanent or temporary destination. In turn, Canada has designed its immigration program to try and attract the best and the brightest of the crop. A relatively new country, Canada still accepts the most new immigrants per capita in the world. Canada does not have an instant citizenship program but it does allow those who have been permanently resident for three years to acquire a Canadian passport. This is one of the most valued travel documents because it allows the bearer into most countries visa-free and also allows the bearer to

take advantage of the North American Free Trade Agreement for living and working in the US. A Canadian passport is also very attractive to Americans who wish to escape the income and estate tax liability associated with holding a US passport. This aspect of holding a Canadian passport is examined more closely in H Alger Sets Himself Free, a hypothetical case history which you will find towards the end of this entry.

There are several ways to obtain permanent residence in Canada but whatever methods the successful applicant employs, he receives the same rights and privileges. However, the different methods vary with respect to expense, level of financial disclosure necessary and time required for processing.

FAMILY CATEGORY

Under this category Canadian citizens and permanent residents who are over the age of 18 and who are resident in Canada are entitled to sponsor certain foreign relatives for permanent residence in Canada. Relatives who can be sponsored under this category include fiancées/spouses, parents, grandparents, all unmarried children up to the age of 19, certain unmarried children over the age of 19, and grandchildren. To qualify as a sponsor the Canadian citizen or resident must have enough income to look after all those being sponsored. The sponsor must also disclose his sources of income, how much that income is and how much money he owes. A sponsor is responsible for sheltering all sponsored relatives for up to ten years. He must provide financial assistance, to all those sponsored so that they will not need to receive support from any federal or provincial program.

Any sponsor who does not fulfill his obligations is regarded as having broken the law and you may not be allowed to sponsor another family member. A sponsor who is unable to prove that he can manage financially to sponsor a relative can become a cosponsor with another sponsor who has the same relationship to the person being sponsored.

Fees for the processing of family category applications are nonrefundable. An immigration officer will decide within a few weeks if processing will be undertaken or not and a letter will be sent to notify the applicant of this ruling. It should be noted, however, that commencement of processing does not guarantee that the relative will be issued with the visa. Right of Landing fees for the sponsored relative are refundable if the application is refused.

Family class relatives must provide documentary proof that they are related to the sponsor through birth certificate, voter registration etc. Fiancés must prove that they are free to marry, either having never been married or having been widowed or divorced and, in some cases, must show that they are old enough to marry.

Once an application is to be processed, the relatives, if over the age of 18 are sent IMM 8 forms to apply for permanent residence. If a visa application is refused appeal can be made to the Immigration Appeal Division.

INDEPENDENT CATEGORY

Individuals who fall under this class base their applications on their personal skills and ability to contribute to the Canadian economy. Applications are made according to a points system and in order to obtain an immigrant visa in this way an applicant must have at least 70 points. These points are awarded to the applicant with respect to nine factors: education, special vocational preparation, occupational experience, occupational demand, employment arrangements, ability to be independent, age, ability to speak English/French, personal suitability as determined by visa officer. It is more likely, then, that a twenty-eight year old applicant with five years experience in computer software design and with employment already arranged would score more points than a fifty-five year old factory worker with no employment arranged. There is no minimum number of points which must be collected with respect to each of the nine factors but the successful applicant should obtain at least one point in the occupation and experience categories, should have arranged employment, or should at least intend to work in a designated occupation.

In addition, if the applicant has a close relative who is a Canadian permanent resident or citizen, he will fall in the assisted relative category and will receive five bonus points. Assisted relatives are not counted in the family category. There are no sponsorship ties and they are treated as a special category within the independent category. Those who fall in the assisted relative category include those with uncles/aunts or nephew/nieces. Maybe you should've treated Aunt Mary better!

A word of caution, though. Do not rely on even the most recent Preliminary Assessment Questionnaires evaluated by Canadian visa offices. Since there is no fee paid by the applicant, the job of reviewing these questionnaires is often left to poorly-trained clerical or junior staff. The assessor tends to do give the forms a quick look without exploring an applicant's full potential.

SELF-EMPLOYED CATEGORY

Applicants who fall into this category have the ability and intend to establish/purchase a business in Canada. Such applicants are not required to create employment for anyone other than themselves but they are required to "make a significant contribution to the economy or the cultural or artistic life of Canada".

This category therefore includes two types of applicant. First, there are those who, on the basis of their managerial skills, proven business experience and financial status intend to provide services in communities which have a demand for them. Unsuccessful applicants would be those seeking to provide services which are already in abundant supply, for example real estate speculators or passive investors.

The second type of self-employed applicant is the one who wishes to participate in the cultural domain as an artist, singer, writer, musician, sports person etc. Successful

applicants of this kind would normally have achieved a degree of success in their home country and have the necessary skills to allow them to pursue their career in Canada.

There are continual rumors that the self-employed category of application will be restricted in the future. Applicants who may fall into this category are advised to act swiftly before the door starts to close.

ENTREPRENEUR CATEGORY

Canada has a Business Immigration Program whose main aim is to encourage and facilitate the immigration of experienced businesspeople from abroad who will make a positive contribution to Canada's economic development by applying their risk capital and expertise to business ventures which create jobs for Canadians. In order to make a successful application under the Business Immigration Program, an applicant must demonstrate that he possesses certain minimum net worth and business experience requirements. Under this Program, two categories, one for entrepreneurs and one for investors have been created.

An entrepreneur applicant is someone who has the ability and intention to establish, purchase, or make a substantial investment in a Canadian business venture. This venture, which the applicant will go on to manage on an active basis, must make a significant contribution to the economy and must result in the creation or maintenance of employment opportunities for one or more Canadian citizens or permanent residents other than the entrepreneur and any of his dependents.

The entrepreneur category accommodates experienced businesspeople whose background is oriented towards the management of small to medium sized business ventures. A minimum net worth of US \$250,000 is usually required to qualify, the bulk of which sum must be easily transferable to Canada to provide for the appropriate capitalization of the business venture.

In the past, some entrepreneur applicants who made their investment prior to landing received unconditional visas. Generally, though, conditional visas are issued and the terms and conditions mentioned above must be met by applicants within two years of their landing in Canada. During this period, applicants must report every six months to Canadian immigration officials.

Conditional visas are designed to provide all entrepreneur applicants and their families a chance to establish themselves in Canada and to consider the investment opportunities while enjoying the full benefits of permanent resident status. Once an entrepreneur applicant has fulfilled the terms and conditions, he qualifies for an unconditional visa. However, if the terms and conditions are not fulfilled within the two year period, or if the entrepreneur applicant fails to report to the immigration officials during this period, he and his family may be stripped of their permanent resident status and deportation procedures may be initiated. It is worth noting too that the full-time active management condition may

be unattractive to applicants who wish to spend a significant amount of time outside Canada.

INVESTOR CATEGORY

This category is designed for high net-worth businesspeople who wish to invest in a larger business venture and can allow others to oversee his investment. Since January 1 1993 this category has allowed for investment by a businessperson who possesses a net worth of at least CAN \$500,000 (US \$350,000) and makes a substantial investment in a federally and provincially approved fund or business. The minimum investment period is five years and the minimum investment sum depends on the province where investment is to be carried out. The minimum investment in British Columbia, Ontario or Quebec is CAN \$350,000 (US \$250,000) but, otherwise, you can expect to put down CAN \$250,000 (US \$175,000) in Alberta, Manitoba, New Brunswick, Newfoundland, Nova Scotia, Prince Edward Island, or Saskatchewan. It is also possible for those with a net worth of CAN \$700,000 (US \$500,000) to invest at least CAN \$500,000 (US \$350,000) in any of the provinces for at least five years. This level of investment ensures that the investor receives a third-party guarantee by a Canadian financial institution for the investment capital and the interest.

An investor applicant does not have to live in the province where he has made his investment. Furthermore, since the applicant is not required to manage his investment, he is not subject to the terms and conditions to be met by those in the entrepreneur category. The investor applicant receives an unconditional visa.

It should be noted that at the end of 1994 the Canadian government announced that it would be considering future changes to the terms and conditions associated with this form of application.

As a result, the investment sums mentioned above will be applicable only until June 1996.

There are a lot of consultants and lawyers who offer "discount" fees to process applications for businesspeople. You only have to look in the classified pages of *The Economist*. However, you are advised to be wary of them. Most of these advisors are simply front people for investor projects. Their sales pitches often neglect to mention that other categories of visa application require no investment or that they will receive between US \$15,000 and \$25,000 in referral fees. Likewise, Canadian immigration officials have no obligation and sometimes no inclination to advise applicants of alternate cheaper methods. And why should they when it's not their job. When deciding on advisors, remember two old nuggets: "If it's worth saying put it in writing" and "The bitterness resulting from bad, expensive advice is still tasted long after the sweetness of good, cheap advice is forgotten"!

REFUGEE CATEGORY

In keeping with its perceived international responsibilities, Canada accepts genuine refugees who present themselves to officials at both visa offices and within Canada. The Canadian definition of "genuine refugee" is continually changed according to case law but generally follows the United Nations guidelines. In addition, past Canadian governments have introduced programs, such as the Indochinese Designated Class, to extend the definition to include other ethnic or country groups.

During the last decade, Canada has experienced a crush of people who are applying for a visa under the refugee category. As a result, some claims now take up to six years to process. While many of these applicants have been real refugees, many have also been economic refugees or people who have been attracted by Canada's attractive social welfare net. Accordingly, there have been calls recently to take away the right of appeal from unsuccessful refugee applicants and to make application conditions stricter for refugee applicants as a whole. Changes in the political situations in some Eastern European countries haven't helped either and even those Eastern European refugees who filed applications years before are having their applications rejected.

SUBMITTING THE APPLICATION

There are currently 48 Canadian visa offices (embassies, consulates and High Commissions) worldwide where an applicant could by right file his application, even though the receptionist there might tell you differently. The processing times, attitudes and document disclosure requirements vary greatly between visa offices so the choice of where to submit your application is vital. It is essential, therefore, that applicants seek advice about the procedure at a particular office before submitting their applications.

All applicants and their accompanying family undergo medical and security checks. Medical checks target public health hazards, such as tuberculosis, and conditions that may place excessive demand on health services which are actually provided free in the country. Security checks screen terrorists, subversives and certain serious criminals. If an applicant has a medical problem or criminal conviction, he would be advised to seek counsel before applying. Certain medical conditions and criminal charges may result in temporary but not lifelong bans.

Under the federal constitution, the federal government has exclusive jurisdiction over the area of immigration unless a particular province signs an agreement with the federal government. While several provinces have signed such agreements, the most far-reaching agreement is with the province of Quebec. Even though successful applicants are still issued the same Canadian permanent resident visa, Those who state an intention to reside in Quebec will be assessed under criteria that are established by the Quebec government even though the successful applicant will receive the same permit as issued by other provinces. The Quebec government favors those who both are fluent in French and have strong ties to Quebec. In spite of the efforts of dissenting Quebec officials, permanent residents enjoy a constitutional right to live and work anywhere in Canada. There have

been rumors of easier application requirements in Quebec but remember that the investment requirements are stricter there too.

The expected processing time of a visa application seems to be increasing annually. Current estimates hover around three months for a straightforward application, but processing times of between one and three years are not uncommon. Priority is usually given to family and refugee class applications. Visas can come unexpectedly but you will have one year from the date of the medical to move to Canada.

MAINTAINING PERMANENT RESIDENCE

For business reasons many applicants may wish to spend significant periods of time outside of Canada during the three year period of permanent residence. Canadian immigration officials want applicants to spend all their time, effort and money in Canada so they tend to give the impression that there is little flexibility in this area. On the other hand some consultants who wish to collect substantial commissions by selling applicants fly-by-night investor opportunities, will make their deal seem sweeter to applicants by mischievously telling them that they need spend little time in Canada. It is essential that you note that becoming a permanent resident carries with it certain rights and obligations.

Permanent residents of Canada enjoy rights to universal health care, social benefits, low-cost quality education and the ability to live and work anywhere in the country. However, failure to meet certain obligations could result in the loss of permanent resident status and its accompanying rights.

A permanent resident of Canada is expected to maintain and not abandon his permanent residence. An individual is considered to have abandoned his permanent residence if he is physically absent from Canada for more than six months at any one time or if he is physically absent from Canada for more than 183 days (six months) in any twelve month period. If an individual does not satisfy one of these conditions, then he must satisfy the immigration officer that he had no intention of abandoning his permanent resident status. He might do this by producing a Returning Resident Permit (re-entry visa) which he had secured before leaving the country. Such a permit is usually granted in circumstances where there is a perceived economic benefit derived by the individual's absence or where the individual has to attend to personal matters abroad, such as the death of a relative.

It should be noted that it can be often to determine whether an individual has abandoned his permanent residence. Why? Because Canada has no exit controls and operates a very busy and open border with the US. Officials are trying to figure out ways of improving the system to keep a closer eye on permanent residents who hop over the border.

CANADIAN CITIZENSHIP

Permanent residents who are 18 years old or more may apply for Canadian citizenship after three years of residence. Residence has been defined such that the applicant must

show that he has a place of abode or *pied a terre* established in Canada and also that he has maintained his residence.

As shown above, residence does not have to be maintained physically. The possession of a Returning Resident Permit and the filing of resident income tax returns are the two main indicators that residence has been maintained.

Applicants for Canadian citizenship are tested to make sure that they have an adequate knowledge of English or French. They must also have an adequate knowledge of Canada's government, history and geography, along with knowledge of the responsibilities and privileges that come with Canadian citizenship.

Once Canadian citizenship is granted, a passport will be issued and new citizens are allowed to maintain passports that they already possess. The Canadian passport is a useful travel document and Canadian citizenship comes with many rights and privileges. Most importantly, because of the Canada-United States Free Trade Agreement (North American Free Trade Agreement), those with Canadian citizenship can work and reside in the US. It is worth noting that Canadian citizens are no longer under an obligation to continue maintaining their residence in Canada. This fact, as we shall now see, is a great advantage when it comes to taxes.

TAXES DURING AND AFTER THE THREE YEAR PERIOD

Tax planning for new permanent residents often forms a crucial part of their immigration application. If the appropriate steps are taken, the impact of Canadian taxation can be minimized or even eliminated.

There are two important things to remember when it comes to tax planning in Canada. Canada taxes on the basis of residence and not citizenship, and Canada taxes worldwide income and capital gains that are attributable to the taxpayer. Because permanent residents have to maintain their residence in Canada, they are subject to taxes on their worldwide income. Canadian citizens, on the other hand, do not have to maintain their residence in Canada and can take steps to show that they are nonresidents of Canada for tax purposes.

Eligible taxable income is the worldwide income directly attributable to the taxpayer. Once this figure is determined, the taxpayer then subtracts all deductions and tax shelters allowed (eg business losses, tuition etc) to determine net taxable income. Once the net taxable income is determined, the marginal tax rate is applied. The marginal tax rate involves applying a certain tax rate to the first block of net taxable income, another rate to the next block and so on until all the net taxable income has been taxed.

To reduce net taxable income an individual might try to organize his assets so that some of his worldwide income is not directly attributable to him. One way of doing this is to set up an offshore trust. The beauty of offshore trusts is that they are a planning device which the Canadian government allows new immigrants to use! Before an individual becomes a

permanent resident he can shift assets which produce income and capital gains into a trust located outside Canada. As a result, income and capital gains produced by these assets will be excluded from the permanent residents' net taxable income when it's time for him to pay his taxes. This "tax holiday" is allowed for five years. If, during this time, the permanent resident obtains citizenship and then declares himself a nonresident of Canada for tax purposes, the income and capital gains from his offshore trust will never be taxed by the Canadian government. Those who maintain residence for longer than the five year tax holiday will have to pay taxes on income and capital gains generated from the assets in this trust.

H ALGER SETS HIMSELF FREE

H Alger's great-grandfather moved from England to the US in search of the American dream that anyone who works hard can become rich. He was more than happy to give up his UK passport when the time came to become a citizen of the land of the brave and the home of the free. After all, the legend of poor boy making good had been passed on in the Alger family for generations. In fact, H Alger had started his business career at the age of 12 delivering telegrams. By the time he was 50 he had built from scratch a speciality steel manufacturing business which employed more than 200 employees and was worth over 30 million dollars.

However, H Alger later discovered that the American dream had a flip side. Work hard, get taxed harder. It seemed that the more successful he became, the greater the percentage of his profit went to the government coffers. Through the years H Alger didn't mind paying taxes that covered the services that his family received from the local, state and federal governments. Since he was a public-minded soul, he didn't mind when he paid enough tax to help out ten of his fellow Americans who had to rely on the public purse. Although he choked when he wrote out a check to the IRS that would have also paid for 50 more of his unfortunate fellow Americans, he still thought "you can't escape death or taxes".

But one fourth of July his tolerance snapped. That day, his factory workers went on strike for higher wages, less work hours and more job security. H Alger was outraged. He was paying them the high wages their union had negotiated for them in the last strike and yet he noticed that productivity was down and absenteeism way up. How could he guarantee job security when these conditions were rapidly making his plant uncompetitive in the international market. The chief union negotiator said that the workers were going to stay out for ever if that's what was needed to break the back of the "fat-cat Alger". The union members were only too happy to do this, in fact, because if the plant closed, they would be able to collect unemployment insurance. In addition to all these domestic troubles, the IRS completed its audit. H Alger's accountant handed him an enormous bill along with an assessment of how much money would be left for his children and grandchildren after all his estate tax was paid after he died. H Alger was appalled. The half they didn't take when he was alive would be taken when he was dead. His children and grandchildren would have to start from scratch.

H Alger was disappointed. He had always worked hard, created jobs for his fellow Americans and paid his taxes. He determined that he would find a way to have more money and security for his family by working fewer hours. Initially he was discouraged after discovering that even if he left the United States to live in the Caribbean, he would still be subject to full US income, capital gains and estate taxes. But, after a little investigation, he discovered that the US was one of the only countries that taxed its citizens irrespective of whether they still lived in the country and took advantage of government services.

H Alger telephoned a former American businessman whom he had met on his last vacation in the Bahamas and who had told him that he was not subject to any income or estate taxes anywhere. This helpful former taxpayer put H Alger in touch with his Canadian legal advisors who proceeded to outline a strategy to eliminate Alger's tax problem and give him peace of mind. First H Alger secured a St. Christopher and Nevis passport for himself and his wife. Next, he renounced his US citizenship, liquidated his US assets without having to pay tax on the unrealized capital gain, and prepared to move his residence outside the US.

Your Canadian passport can be issued in any name you choose as long as you tell the Canadian authorities on the application about your desired name change and your previous names. Most of the information required on the form is standard. Note that you will need a Declaration of Guarantor, a requirement which is standard in the Commonwealth.

Your guarantor must have known you personally for at least two years and must swear that he is confident that the statements you have made in your application are true. For applicants originating within Canada, he must also be a Canadian citizen residing in Canada. Furthermore, he must be included in one of the following groups: minister of religion authorized under provincial law to perform marriages, signing officer of bank/trust company, full-time manager of a credit union, judge, magistrate, police officer, person occupying a senior university administrative or teaching position, administrator in a community college, principal of primary or secondary school, professional recognized or chartered accountant, mayor, lawyer (member of a provincial bar association), notary public, medical doctor, dentist, postmaster, veterinarian or chiropractor.

The guarantor will have to cosign your passport application where it says "Declaration of Guarantor" and will have to certify on the back of two photos that they are a true and current likeness.

CONCLUSION

Canada is a very attractive destination for certain people but it should be remembered that it is a potentially high-tax country. There is no end to the list of consultants who wish to separate you from your money by selling you one of their dubious investor projects. And remember, Canadian immigration officials are neither qualified or obliged to provide you

with any advice relating to the structuring of your financial affairs. Improper or absent tax advice can result in high worldwide tax liabilities. It is therefore a good idea if you seek proper legal advice before applying to a visa office. Such a step would at least save you from giving up several thousand dollars in nonrefundable government fees.

An experienced and reputable immigration lawyer who can help with all aspects of your move to or from Canada is **David S Lesperance, Barrister and Solicitor, 49-6A The Donway West, Toronto, Ontario, Canada M3C 2ED, tel. (905) 529 2700, fax (905) 529 9071.** Mr. Lesperance works very closely with a reliable Canadian tax lawyer, **Gordon L Jacobs, Morris/Rose/Ledgett, Suite 2700, Canada Trust Tower, BCE Place 161 Bay Street, Toronto, Ontario, Canada M5J 2S1, tel. (416) 981 9346, fax (416) 863 9500.** This firm can also be contacted at 38 **Queen Anne Street, London W1M 9LE, UK, fax +44 171 637 2630.**

A firm offering consultations concerning Canadian immigration matters as well as technical assistance for those moving to the country is **Katz Consulting, Suite 1702, 372 Bay Street, Toronto, Ontario, Canada M5H 2W9, tel. (416) 363 9355, fax (416) 363 6371.**

Cape Verde - Good Program Available

The republic of Cape Verde is a group of ten islands lying in the Atlantic off the west coast of Africa, or, more precisely, 385 miles west of Senegal. It is a stable, democratic nation which has enjoyed a rich and interesting history. It is a member of the United Nations (where it has a seat on the Security Council this year), the World Bank and the International Monetary Fund. Cape Verde was, until 1975, a colony of Portugal.

The government of Cape Verde recently established what is referred to as an Economic Citizenship Program by publicly amending its constitution. This program works basically along the lines of those instituted by other countries. For a donation of US \$35,000 to the Cape Verde Development Foundation, citizenship and passport are granted. The donation may even be tax deductible as the government of Cape Verde claims that the money donated to this fund will form a public charity used "to build schools, hospitals, libraries or other good public purposes" rather than disappear into "improper pockets".

Through this program, one deals directly with the government as a whole rather than one or two open-minded officials. The fact that the country's constitution has been publicly amended means that the details of this program have been elaborately spelled out, in both Portuguese and English, and can be verified by any immigration attorney.

In addition to the actual donation, Cape Verde also requires that applicants prove that they are "solvent, of good moral character and free of diseases which could imperil the public welfare of Cape Verde". Applicants who have been convicted of a crime or are under investigation for a crime, unless it did not involve violent or reprehensible behavior, must disclose all related facts and will not normally be favorably considered. If such information

is not disclosed and later found out, citizenship will be annulled, no refund will be given and international law enforcement and other authorities will be notified.

For the single donation of US \$35,000, the applicant, his/her spouse and all their children under the age of 18 are included. A future spouse or child will also be eligible for citizenship without a further contribution. Although applicants are encouraged to visit Cape Verde, there is no requirement to ever actually do so, purchase a residence or spend any time there on a compulsory basis. If you do decide to live there, taxes are only payable on local source income. Gift inheritance or estate taxes are only payable on property actually located in Cape Verde. There is no compulsory military service.

The passports issued are valid for a period of five years and are renewable at any consulate for a nominal cost. Dual (or multiple) citizenship is not a problem and the bearer of a Cape Verde passport can travel visa free, or obtain a visa on arrival, in 51 countries. Other identification, such as a driver's license, are currently not included in the actual package, but can be applied for on the same basis as any other Cape Verdean citizen.

All money received will be held in escrow by a reputable bank, ie they won't get their money until you get your passport. If your application is rejected for reasons other than nondisclosure, you will receive a full refund less a small wire transfer fee. Complete confidentiality is assured.

If you are interested in this program, contact **Stephen Gray, 48 Mount Street, London, W1Y 5RE, UK, tel +44 171 493 4840 or fax +44 171493 4299** for full details.

Chad - The Bogus Bargain of the Passport World

A passport program offering what was claimed to be official, government issued Chadian passports has received a great deal of publicity, and, we would imagine, more than just a few customers. The program offered, for the low price of US \$6000, a passport valid for ten years, complete with exit visa stamp. Better yet, one could arrange for passports to be issued in any name, with any date of birth. Better still, the program allowed those from Anglo-Saxon, Hispanic or Asian backgrounds, or those who would otherwise worry about being scrutinized for not fitting the typical Chadian profile, automatic minor diplomatic appointments to allay any questions that may arise. One could choose from one of four titles which would appear in the passport, including Counselor for Humanitarian Affairs, Counselor for Health and Welfare, Counselor for International Development or Counselor for International Business and Industry.

As is often the case in the passport world, what appeared too good to be true simply was. It was eventually reported, although unconfirmed, that these passports were not legitimately issued, an all too usual occurrence when dealing with African and South American countries. Although these passports were largely touted as a valuable banking tool rather than an actual travel document, it still seems, to us at least, like too much to risk. Moral of story, if you hear of this program, understand that you are probably not

buying the real thing. If you are already the proud owner of a Chadian passport, do not even consider crossing a border with it. To be fair though, they were only offered as banking passports.

Chile - Extended Welcome for Some

Chile can boast the most prosperous economy of Latin America. It is also in the habit of importing skilled workers from North Korea and Peru, which have been devastated by socialist experiments and Maoist guerrillas. However, Chile appears to be less anxious to accept immigrants from other areas of the world, such as the former Soviet Union and eastern Europe.

We have also recently received confirmation from the International Economic Relations Secretariat (PROCHILE) in Chile of a program whereby one can more or less buy residence in the country. Permanent residence is available for an investment of US \$30,000 which would lead to citizenship after five years in the country. Unfortunately, no further information seems to be readily available. It is unknown if one type of applicant or sort of business is favored over another. It is also not certain if the five years of residence would need to be full time or not. Attempts at contact with the Chilean consul in London, as recommended by PROCHILE, have yet to produce a firm response. (It is not even certain if they have ever heard of this residence program!) However, as Chile is a South American country, it is probable that all sorts of special arrangements are possible. If you are interested in establishing residence via this route, contact the nearest consulate or embassy for Chile, perhaps you will fare better, especially if presenting a firm business proposal.

Incidentally, we have also heard reports that one can easily buy citizenship, simply by depositing US \$20,000 in the country's National Bank. This has neither been confirmed nor denied by a reputable source. As always, we welcome input on your experiences with any of the various possible programs available in Chile. Let us know how you get on.

Colombia - Passport in Five Years

To our knowledge, there has never been a legal instant passport program in operation for Colombia, although we do frequently hear about proposals offering such passports for an investment, usually in the area of US \$30,000. Undoubtedly, such passports are either the product of corrupt government officials or are simple, no matter how convincing, forgeries. If you come across this sort of passport program, understand that it is not offering the genuine legally issued thing and that such documents would be of only limited value, if of any value at all. Buyer beware!

On the other hand, Colombia, like almost all countries, is interested in attracting certain types of immigrant. Passports are available after five years of at least part-time residence. Five years, incidentally, is more than double that of some other South American countries, such as Argentina. Colombia will grant residence to investors willing to make a registered investment of US \$50,000 in the Banco de la Republica (Central Bank). Alternatively,

individuals willing to take a more active stance can qualify as professionals if they are able to "develop activities considered interesting for Colombia's economy".

Pensioners and those who are self-employed also qualify, but must show an income that is at least double the minimum salary per month in Colombia. No amount was given to indicate exactly how high this figure is, but we would imagine it is less than US \$1000. Journalists further qualify within their own special category. Refugees, relatives of Colombian nationals and members of religious orders are also given special consideration. Contact a consulate or embassy of Colombia for more information.

Ex-Communist Countries - Opportunities Abound

It seems that countries are sprouting up everywhere as a result of the anticommunist uprisings of 1989-91. Eastern Europe and the former Soviet Union remain volatile areas of the world where little is stable. Basic issues are still being decided, such as UN status, national borders and national currency (inflation was reported at 2000 per cent in Russia for 1992). The familiar Poland, Hungary, Romania, Bulgaria, Albania and Mongolia have become new democracies while Estonia, Latvia, Lithuania, Kaliningrad, Belorussia, the Ukraine, Moldavia, Azerbaijan, Georgia, Armenia, the Czech Republic, the Slovak Republic, Slovenia, Croatia, Bosnia-Herzegovina, Serbia and Macedonia have emerged as new countries. Little seems to be less stable than the laws and policies of these countries.

In short, the passport situation in this part of the world is far from understandable. In some situations individuals who happen to fall inside territorial lines drawn by politicians do not qualify for citizenship of the newly formed country. In Estonia, for example, where almost half the residents are Russian colonists, Estonian citizenship was only granted to those of Estonian ancestry, including thousands of Estonian emigrants not actually resident. Residence periods vary tremendously, most rallying to the absurd side, as in 16 years in Latvia (Switzerland only requires 12). Also, undoubtedly due to the national furor surrounding their recent independence, many of these countries prohibit dual nationality.

Many of these new countries, nevertheless, do seem to be implementing programs whereby former nationals and their children/grandchildren can reclaim their nationality. If this situation applies to you, it is probably a good idea to take advantage of this opportunity while it lasts. Who knows what will happen in this part of the world tomorrow? Also, as in Morocco, special arrangements abound and can probably be arranged if you're willing to pay a visit and do a little snooping.

We have heard that Bulgarian passports were available to investors and would-be investors at the discretion of consular officials. We have also heard of a program through which up to 15,000 passports of an unidentified country of eastern Europe will be sold to the tune of US \$10,000 each. In Serbia, and possibly other countries of former Yugoslavia, with its economy collapsing, corruption is flourishing. An official identity card can apparently be purchased for a nominal fee, which can then be used to apply for a

passport. Of course, with current sanctions and Serbia's unpopular policies, this document would undoubtedly be of only limited value for travel.

Yugoslavian passports are apparently also still kicking about. They may even be useful for travel, providing that a long-term visa from a stable country is stamped inside. Former Yugoslavia, incidentally, has also recently become a hub of passport activity, mostly fraudulent, to meet the demand of the thousands anxious to leave. Only Hong Kong seems to offer more in terms of the diversity of amusing deals on offer. Again, the only thing that is certain about the passport situation in this part of the world is that nothing is certain.

The value of these passports for travel is also constantly changing as diplomatic relations are developed. At present, most require visas for most places. Also, the flood of immigrants from these countries to the West means that visa - free travel may not be established for some time to come. There are, however, some exceptions. Hungarian passports are good for visa-free entry to most European countries, Mongolia, South Korea, Cuba, Argentina, Nicaragua, all overseas territories of France and some British dependent territories. Citizens of the Czech and Slovak Republics can travel visa-free to more or less the same countries. Bulgarian passports are good for visa-free travel to eastern European countries, South Cyprus, Malta, Mongolia and Cuba.

These passports some day may be worth something. Some countries, such as Hungary and the Czech Republic, are interested in joining the KU. Even though such unions will probably not take place on this side of the year 2000, it may still be worth acquiring citizenship in the long run. Again, things change on a daily basis in this part of the world. We're not trying to predict the future. If Harry Schultz is right there will be a return to something like Stalinesque repression. We disagree, but who really knows what will happen.

Please write and let us know how you get on with these newly established countries. If your information is useful, we're more than willing to reciprocate with a swell gift.

See also entries on Croatia, the Czech Republic, Estonia, Lithuania, the Slovak Republic, and the Ukraine.

Costa Rica - Residency but no Passport

Costa Rica is an exceptionally beautiful country. Although the population is 95 per cent Spanish speaking, English is also widely spoken.

Costa Rica is still considered the most stable democracy in all of Central and South America. It has over a hundred years of democratic history and elections are held every four years with almost ninety per cent of the population participating. Voting is not mandatory and this participation rate is certainly impressive when compared with democracies throughout the world. In the US, for example, under fifty per cent of the

registered electorate actually vote and many of those eligible to vote aren't even registered.

Costa Rica has high literacy rates (95 per cent) and enjoys one of the best health systems in the Americas. The cost of living there is reasonably low and, with about US \$900 a month, an individual could live an expatriate lifestyle in a modern studio apartment complete with a splendid view and a swimming pool. As for the weather, the plateau area in and around the capital, San José, is pleasant throughout the year. It's not out of the way either. There are several flights each day from San José to the US and international newspapers and television programs are also available. Taxation there is also friendly. Only foreign source income is subject to taxes and there are no estate or inheritance tax on transfers at death.

In 1971 a program offering permanent residence and citizenship for non-nationals was established. The rules were fairly simple. If an individual purchased a home in Costa Rica as well as US \$30,000 of government bond he would more or less qualify for permanent residence. He would, in theory, have to reside for at least six months a year in Costa Rica but this requirement was rarely enforced. After a period of five years, a permanent resident would qualify for citizenship and passport. This passport was renewable and allowed visa-free travel to most countries.

Sound too good to be true? It was. Several extremely wealthy American fugitives, such as Robert Vesco, knowing that Costa Rica had very few extradition treaties, took advantage of the user friendly pensionado program. These renegades became Costa Rican permanent residents and lived like kings in the country. The passport program was soon closed down and when President Reagan started waging his War on Drugs, extradition treaties were implemented so that fugitives like Vesco were no longer protected.

Fortunately another program has appeared to take the place of the one implemented in 1971. This new program is quite different from its predecessors in that an up-front investment is no longer required. Instead, an applicant must guarantee that he will bring a certain amount of hard currency into the country each month and this amount must be exchanged at the official rate. The program allows for two separate categories, pensionados and rentistas. Pensionados must bring in at least US \$600 per month originating from a pension for a renewable term of five years. Rentistas must bring in at least US \$1000 per month for a renewable term of five years and generally from a certificate of deposit with a recognized bank. Applicants under both categories must stay in the country at least four months, or 120 days, but this period need not be continuous.

Applicants under each category receive the same rights and privileges. They can reside in Costa Rica and are not taxed on foreign source income. They are not allowed to work in the country but can run a business for the purpose of receiving dividends rather than a salary. Such income would, however, be subject to tax at the universal rate of 17 per cent. As for bringing in your car, think again. Its judged value, which comes down with every

year owned, is subject to a whopping import duty of 100 per cent! Household goods are subject to import duty rates of between 25 and 100 per cent.

Spouses and dependents can all be included on a single application and, after seven years of residence, an individual qualifies for nationality. Just in case you were wondering, the Association of Pensionados and Rentistas says that two people who own a house can live quite comfortably on US \$ 1000 a month.

It is also worth noting that Costa Rica requires individuals to surrender all other passports upon naturalization. This is the letter of the law, though, and many Costa Ricans are known to hold dual nationality secretly. Indeed, if a passport is not important to you, Costa Rica may have much to offer just in terms of residence and lack of taxes on foreign source income. As in all of these situations, it is a good idea to visit the country several times before making a firm decision. Perhaps it is worth bearing in mind also that one passport program was shut down for political reasons. Could this new program go the same way? Sources think that it's unlikely.

One of the oldest and most experienced Costa Rican firms dealing with immigration matters is **Pacheco Coto Law Offices, PO Box 6610, 1000 San José, Costa Rica, tel. (506) 233 2760, fax (506) 255 2783.**

Croatia - No More Back Doors, But Strong Human Rights

The population of Croatia, including its capital Zagreb, is estimated at more than five million. This figure excludes refugees and only counts citizens and the 500,000 plus naturalized citizens. The country itself is slightly smaller than West Virginia, with a pleasant Adriatic coastline that used to be a major holiday destination. Before the Yugoslav war, many middle-class Germans had holiday cottages there and returned to spend their summers year after year near the warm waters of south-eastern Europe. Today Croatia is divided into 102 districts and those areas not under Serb control have a large degree of autonomy.

Croatia's population is well off or at least as well off as can be expected of a country first sucked dry by decades of communism and then torn apart by war. Even with these adverse conditions, there is a car for every five citizens in the country and a TV set for every four. There is even a telephone for every four people and this is only a little below the first world average.

Austrian Airlines flies to Zagreb or you can cross the border from Slovenia and Hungary by car. Travel to Croatia is no longer restricted and Croatia welcomes foreigners from most countries visa-free for 90-day periods. Visas, if needed, are issued on arrival to anybody, regardless of nationality, who enters the country for business purposes.

More than half a million new Croatian citizenships have been issued in the past year. Every day at least another 500 applications arrive. Why such great demand? Quite simply, a Croatian citizen will soon have the right to live and work anywhere in Europe, hassle free.

In the ruins of a war-torn country, the former Yugoslavs of Croatia are busy building their own little patch of Europe. The Republic of Croatia is a young State and faces all the problems normally associated with the creation of a national legal structure. This doesn't mean that you can buy your way to anything. No, Croatia has tightened up since last year.

Having said this, more than half a million refugees crowd the streets and market places. Humanitarian aid is provided from all over the world but, to date, Croatia has received no financial aid and the government's coffers are all but run dry. Every day, as a result of incessant violence, new waves of refugees are pouring in. They represent a heavy financial burden to a country which is already contending against war and destruction.

This state of turmoil in Croatia means that legislation is not as defined as it might be in a more stable country. Nevertheless, immigration law has been strictly defined and there is a recognized application procedure for obtaining Croatian. The processing time needed for an application is said to depend on the quality of supplied data and the efficiency of those dealing with the amount of applications received. In 1994, the procedure was much reduced because more qualified arbitrators were drafted in to deal with the mushrooming number of applicants.

Applications for Croatian citizenship must be submitted personally but, in exceptional cases, an application can be submitted on behalf of an applicant by an attorney. In instances where both applicant and attorney have to give a statement, the applicant must be there in person. In such a way, then, humanitarian organizations *can no longer* represent an absent applicant.

So, according to Croatian law, the applicant will have to go to Croatia to obtain citizenship. In fact, not only does the applicant have to apply in person, he must first be registered as resident in the Republic of Croatia for at least five years. The applicant is also required to have a basic knowledge of the Croatian language as well as a knowledge of the Latin alphabet. This last requirement has been implemented to keep out the hated Russians who know only the cyrillic alphabet.

You will realize by looking at these application requirements that Croatian citizenship is no longer as easy as it once was to obtain. Of course, there is still the old-fashioned way of securing a citizenship. Marry a Croatian! You will then have the right to settle. But, on the other hand, who in his right mind wants to live in wore-torn Croatia at the moment? The world has hundreds of much more pleasant paradise spots. So, instead of residence, simply opt for citizenship. Citizenship is immediate upon marriage, provided you show respect for Croatia's legal system and culture. For all the legal details, see the Croatian Citizenship Act, printed in the official state gazette, *Narodne Novine* numbers 53/91, 28/92. According to this Act, every person, no matter what background, can apply for Croatian

citizenship. Croatian citizenship can be acquired on the basis of birth, naturalization and international agreements.

Every Croatian citizen has the right to have a Croatian passport provided that the authorities have no objections. In fact, only a Croatian citizen can have a Croatian passport and a passport application has to be processed within 15 days after its submission. The police make every effort to attend to passport applications within the legally prescribed period of time and, due to the introduction of databases, it took between one and five days to issue a passport in 1994.

Being a Croatian is not all that bad. Remember, it is often the case that when everyone else is panicking and running scared, you want to swim against the tide. This holds true for citizenship's and second travel documents. And don't forget, you will be Croatian for ever! When Croatia joins the EU, around 2000 to 2010, you are guaranteed residence anywhere in Europe. And, if nothing works out or if you need some time to gather your thoughts, you can always return to Croatia.

As a Croatian citizen you are not extraditable from Croatia nor can you be expelled or deported. The Croatian Citizenship Act states that "Croatian citizenship can cease through termination, waiver or under international agreements". While this sounds at first like really bad news, reading Croatia's constitution shows that there is nothing to worry about. Why not? Because the constitution follows the principles of the UN Charter, the Universal Declaration of Human Rights, the International Treaty on Civil and Political Rights, the Paris Charter on New Europe and other CSCE documents referring to human rights. On top of all this, Croatia has notified its agreement to the UN Convention which relates to the Status of Stateless Persons. All this, in addition to the fact that *habeas corpus* is now recognized in the new Croatian legal system, and you will realize that the rights of the individual are very important in Croatia.

Moreover, Croatia is set to join the European Council (not to be confused with the European Union), and it plans to accede to the 1950 European Convention on Human Rights, which means that every citizen personally will be able to take his government to court in the context of international law. The international court will then reverse any Croatian government decision to snatch your citizenship away from you. If the fact that you are or aren't a citizen of Croatia has any bearing on an otherwise unrelated administrative or judicial case in Croatia, that case will be put on hold pending the outcome of your writ of habeas corpus or of any further appeal to the Human Rights Court. No other administrative or judicial decision will be taken until your case finally has been decided. This can give you a breather of several years in not just deportation proceedings but in many other equally importune matters as well. Ultimately, it can mean keeping your money and your freedom intact.

Other happy news from the eastern front? Croatia's economic system is based on entrepreneurial and market freedom protected by the constitution stating that rights acquired through the investment of capital will not be lessened by law nor by any other

legal act. Naturalized citizens are not discriminated against either. The Constitution of the Republic of Croatia in its chapter on Fundamental Freedoms and Rights of Man and Citizens, Article 14, reads: "Citizens of the Republic of Croatia shall enjoy all rights and freedoms, regardless of race, color, sex, language, religion, political and other opinion, national or social origin, property, birth, education, social status or other properties. All shall be equal before the law".

Cyprus - Residence but no Passport

Cyprus is a divided island. Composed of two countries in practice, although not officially. Southern Cyprus, or the Republic of Cyprus, comprises the Greek part of the island and is officially recognized as the government of the entire island by every country except Turkey. Northern Cyprus, or the Turkish Republic of Northern Cyprus, is officially recognized by only Turkey which is also the only country that has diplomatic, postal and telephone links as well as trade agreements and direct air connections with the country. Southern Cyprus is the country examined in this part of the report. For more information on Northern Cyprus, see the entry on Cyprus in the Diplomatic Passports section of Part XI of this Report.

Although Cyprus does not offer a passport, it may be a good place to settle for some people. Residence is fairly straightforward for those who can demonstrate that they are of independent means. This means showing an annual income of from US \$7500 for a single applicant to US \$19,000 for an applicant with three dependents. One is not allowed to engage in any business, trade or profession. Those interested in starting a business would qualify under a different category and must bring at least US \$100,000 into the country. There are also other categories for those with experience in the fields of agriculture, animal husbandry and mining. Each involves a substantial investment. The only people let in for free are those of the academic profession who can fill a demand in Cyprus or those offered employment that "will not create undue competition" in the country.

The major benefit of establishing residence in Cyprus is that one is only required to pay a flat five per cent tax on investment income remitted to the country. Royalties are treated as investment income. Hence, like Costa Rica, Cyprus is not a target country for an actual passport, but may be a good place to establish residence and actually spend some of your time. Contact the nearest consulate or embassy of Cyprus for more information.

The Czech Republic - Start a Business

The Czech Republic is probably the most western of all the former communist countries. Prague, its capital, is internationally known as perhaps the most beautiful city in all of Europe. The transition to a free market economy seems to be moving more smoothly than that of many neighbors, privatization and restitution of all property confiscated by the former communist government is nearing completion. At the moment, the peculiar possibility of buying a two bedroom flat in downtown Prague for a mere US \$20,000

exists. Undoubtedly, this situation will soon be changing as the Czech Republic is brought closer into line with western Europe.

Residence can be arranged through the traditional channels, and it is likely that anyone willing to establish a business or who is self-employed would meet with little difficulty.

The passport of the Czech Republic is available after five years of formal residence, although residence in and of itself will grant most of the rights enjoyed by citizens, including the right to buy property. Czech passports are valid for five years and allow visa-free travel to many countries, including most EU countries as well as Switzerland, but excluding France and the US. Contact the nearest Czech consulate or embassy for more information.

Denmark - Back Door for Nordics

In Denmark, although the normal required residence period for citizenship is seven years, people of Nordic citizenship or ancestry get a five year discount and can obtain citizenship in two years. This also works for Danes in the other Nordic countries (Sweden, Norway, Finland and Iceland). The Danish passport is the most attractive Scandinavian passport since Denmark (at present) is the only Nordic country also a member of the European Union.

This little known Danish "Back Door to the KU" is described this way by one of our Swedish readers: "If a Swede, a Finn or a Norwegian wishes to live and work freely in any EU country, he just needs a two year quarantine in Denmark. Right now, any Nordic citizen can come to Denmark, live there and take any job without visa or permit and vice versa. A person with Danish citizenship can also do the same in any EU country. I recommend that everybody with Scandinavian citizenship or Nordic parents or grandparents get a Danish passport. I do not know of any disadvantages to holding a Danish passport as compared to any other Nordic country (visas, safety, etc.)."

Good thinking! But remember, first, you will be required to surrender any and all previous passports upon becoming Danish, as Denmark does not recognize dual nationality. Second, you will have to live two years in Denmark, on paper at least, and during that period you will have to pay your dues to society (taxes). Danish taxes are sky-high with a top marginal tax rate of some 78 per cent currently.

Denmark also routinely offers residence to a myriad of people who have close ties with a person living permanently in Denmark. This includes spouse, children below the age of 18 and parents above the age of 60 who do not have other children in their home country on whom they can rely for support. Residence also will be given to an individual who "cohabits at the same abode in marriage or in a permanent relationship of long standing" with a person who lives in Denmark. Apparently this means a strong relationship, either heterosexual or homosexual. These individuals will, however, have to wait the full seven years before qualifying for nationality and, in the meantime, pay exorbitant taxes.

After your time is up, to get off the Danish tax rolls, you can only move to a country having a tax of at least 50 per cent of the Danish rate. A Dane who moves to any other place, all considered tax havens, will have to pay Danish taxes as a sort of "penalty" for another four years. If he does not do that, he will be considered a tax evader and may have a problem renewing his passport. An even worse possibility is that he would be classed as a criminal fugitive and brought back to Denmark to serve the standard year in jail for tax evasion. Of course, Danish jails are more like hotels. You only sleep there (for free) and you can have overnight sex visitors (either sex). The food (also free) is said to be very tasty. So even the worst case scenario isn't too bad for Danish passport holders.

Dominica - Program for Those Willing to Invest in Key Areas

The Commonwealth of Dominica, not to be confused with the Dominican Republic, is the largest and most mountainous of the Windward Islands in the Eastern Caribbean and has Guadeloupe to its north and Martinique its south. Dominica is rugged with volcanic peaks, mountain streams, dense forests, waterfalls, geysers and boiling volcanic pools. There are also beaches of black (volcanic) and golden sands while orchids and untamed subtropical vegetation grow in the valleys. The population is around 72,000, and more than 20,000 of these live in Roseau, the island's capital. The official language of Dominica is English but Creole French is generally spoken amongst the population.

Roughly sixty per cent of the island is under cultivation with bananas, coconuts, citrus fruits and cocoa being the main produce. Otherwise, there is also a little light industry, producing vegetable oil, canned juices, cigarettes and soap, but the economy basically relies on agriculture. Industrial development has been slowed by the inadequate infrastructure and tourism is not as developed as elsewhere in the Caribbean. Dominica's largest trading partners are the UK, the US, Canada and Japan.

In 1805 the island became a British colony and it remained under British rule until 1967 when internal self-government was granted. It gained full independence in 1978 stormy politics, marked out by two coup attempts in the early 1980s, gave way to a more stable environment under Mary Eugenia Charles, who was re-elected as Dominica's prime minister for three offices in a row. However, in the elections of June 1995, Eddison James, leader of the United Workers Party, came to power.

THE ECONOMIC CITIZENSHIP PROGRAM

Under the Commonwealth of Dominica Citizenship Act of 1990 the attorney general may grant citizenship by registration to persons who invest in the country and, in such circumstances, residential requirements are waived. In May 1991, Dominica's parliament approved an economic citizenship investment program.

The first major project under the new economic citizenship program was the development of a luxury hotel resort in the Layou River area. Investment of US \$35,000 in the shares of

the hotel company qualified for the purpose of registration under the program. However, the hotel project which has run over time and which has been scaled down in size was the subject of strong political criticism by those who wished to see actual expenditure and job creation within the country.

The scope of the program was widened in 1994 so that US \$50,000 as an investment in real estate or as a donation to a hospital fund would qualify an individual for citizenship. However, this program continued to be criticized by Edison James and it is Edison James who won the recent elections.

So, how will the recent elections change the economic citizenship program? Expectations are that the new government will continue to operate a program and that it appreciates the potential for harnessing overseas investment, especially at a time when income from the island's key industry, bananas, is in decline.

Originally, the investment program was devised to draw money from Taiwan and Hong Kong in connection with the Layou River resort development. This no longer applies and the program is open to investors worldwide although there is now an emphasis placed on the creation of jobs. The government is keen to see investment in hotel/resort development, agro-processing, manufacturing, housing and fisheries although investment outside these areas may be granted in certain cases.

Applicants under the program must be of "outstanding character" and they must show that they have sufficient capital to maintain their investment under the program. They must also be able to provide evidence of a successful business and/or technical expertise.

The program requires any investment to be paid into an escrow account maintained at a commercial bank in Dominica and investors who change their mind before receiving citizenship can have their investment refunded. It should be noted that an investor is expected to bear the responsibility of judging whether an investment is sound and the government does not underwrite any investment.

Applicants under the economic citizenship program are expected to maintain their original investment for at least five years. In addition, they must obtain permission from the government if they wish to purchase (or lease for more than one year) land in excess of one acre.

The minimum investment under this program is US \$50,000. A further investment of at least US \$50,000 is required for each dependent who wishes to register.

The minister responsible is required to make a decision about any application within three months but, in practice, applications take between four and six weeks to process. All investors under the program must visit Dominica to complete citizenship formalities and can then obtain a passport which is valid for ten years and renewable thereafter. Dominica does not charge excessive citizenship registration fees (US \$564) and new citizens are not

required to reside in Dominica. The passport allows visa-free travel to more than seventy countries, including the United Kingdom.

Citizenship which has been obtained through false statements, misrepresentation or in breach of the program's terms and conditions, can be revoked. Disloyalty to Dominica or imprisonment for longer than 12 months within five years of becoming a citizen, can have the same results.

In calculating the overall cost of Dominican citizenship and passport an investor needs to take into account consultants fees which can range between US \$15,000 and \$40,000 for a family application. However, it should be noted that, given the competition that exists, an investor should not expect to pay more than US \$15,000 for a family application.

A reliable and experienced firm which can help in all Dominican immigration matters is **International Company Services Limited, Sovereign House, Station Road, St. Johns, Isle of Man, IM4 3AJ, tel. + 441624 801801, fax + 441624 801800.**

Dominican Republic - Buy Some Land or Create a Business

The Dominican Republic is the second largest Caribbean nation and enjoys strong economic ties with the US and the UK. Its population stands at around 7.6 million, two million or so of which live in the greater Santo Domingo area. The majority of the people descend from Spanish settlers and their African slaves. It is worth noting that there are an estimated one million expatriate Dominicans in the US.

The Dominican Republic is about twice the size of the US state of Massachusetts. Its tropical latitude gives it a moderate year-round climate and temperatures rarely fall below 16 degrees centigrade (60 degrees Fahrenheit) and rarely rise above 32 degrees centigrade (90 degrees Fahrenheit). The country's climate and extensive beaches have made it a popular tourist destination and Santo Domingo is accessible by air from New York (three hours), Miami (under two hours), San Juan (45 minutes) and several places in Europe, Central and South America.

The terrain is varied and includes Lake Enriquillo, the lowest point in the Caribbean, and Pico Duarte, which is the highest. There is enough watershed area to maintain lots of rivers and streams and, unsurprisingly, there is much agricultural activity. In fact, the economy has traditionally been built on agriculture, with sugar holding pride of place followed by coffee, tobacco and cacao. Over the past decade, other products, such as citrus, green vegetables, pineapples and flowers have become quite important too and irrigation projects have been introduced to help the drier southwest and northwest regions.

Mining is also significant. The Pueblo Viejo silver mine in the Cibao valley is the world's largest open-pit gold mine and nickel ore is also mined and smelted. Exploitation of the extensive bauxite deposits near the Haitian border has been halted for several but oil companies are exploring for petroleum all along the southern coast.

Historically, the Dominican Republic was the seat of the original capital of the Spanish New World. The importance of Santo Domingo declined, however, as the bulk of the colonization and exploration shifted to the mainland. The French established the colony of Haiti in the western part of the island and the slaves there revolted and gained their freedom in 1804. Control was tossed back and forth between the Haitians and the Spanish until 1916, when the Americans occupied it for eight years to make sure that debts were paid to American and European banks and, in 1930, the dictator Rafael Leonidas Trujillo gained power and kept hold of it until his assassination in 1961.

The years following Trujillo's death were turbulent and a series of short-lived provisional governments took up the bat until civil war broke out. In 1965, the US president Lyndon Johnson sent the Marines in to stop the fighting and to avoid "another Cuba" and a democracy was introduced. There have been elections every four years and, in the most recent one in 1994 Joaquin Balaguer was re-elected for a fifth time. However, widespread accusations of irregularities have led to constitutional amendment limiting Balaguer to a two-year term.

The 1966 Constitution is similar to that of the US and free enterprise is enshrined throughout. The legal system is founded on the Napoleonic Code such that separate codes of law govern civil, commercial, procedural (civil and criminal), labor, and health matters. The civil code is the most important in that it regulates contracts, property and family matters, estates and wills. These codes are basically translations from the original French and Dominican courts are strongly influenced by French judicial precedents.

ECONOMY

The Dominican economy has been undergoing much reform in the 1990s and tourism and free zones are the brightest spots. Some 1.5 million people visited in 1992 and now the national capacity of hotel rooms is being increased by another 6000 to make 32,000, more than any other country in the Caribbean. In 1993, tourism generated approximately US \$ 1300 million in foreign currency.

Industrial free zones, which allow the duty-free passage of raw materials and finished products, employ over 164,000 workers (July 1994). Free zones are geared for export, mostly to the US, under the benefits of the Caribbean Basin Initiative (Phases I and II) and the Bush Initiative for the Americas. The Dominican Republic was the most successful Caribbean exporter in 1993. Over 1250 companies now operate in the Dominican Republic Free Zone industrial parks and the most important of these are involved in textiles and electronics.

In July, 1991, a stand-by agreement was signed by the Dominican Republic government and the International Monetary Fund, implementing a series of fiscal discipline measures that have stabilized the peso and halted inflation. Foreign debt payments (US \$4.398 million in 1994) have been rescheduled and gross domestic product growth is estimated at

3.5 per cent for 1994 with inflation between January and March 1994 at 2.8 per cent. The unemployment is still as high as 30 per cent so labor is relatively inexpensive.

Transportation and communication infrastructure is extensive. Two major airports receive passenger and cargo traffic directly from Europe, the US and South America. The domestic highway is one of the best in the region and telecommunications are some of the best in the world, forming part of the US direct dialing network.

Santo Domingo is sophisticated and Spanish colonial in flavor and those that like to play would enjoy its Vegas-style gambling casinos. It also has a major port and transports to more than 12 US ports every week.

The greatest handicap to economic activity has been the serious shortfall in electricity generation. The state-owned electrical utility may be privatized in the future but, meanwhile, the government is engaged in negotiations with several private firms to produce and distribute electricity.

In 1993 imports stood at approximately US \$2.1m so they have a substantial trade surplus. Petroleum, textiles, medical equipment, automobiles, agricultural products and chemicals are the most important imports and almost half their imports come from the US. This great trade surplus is not likely to last too long, however, as certain trade agreements have allowed European imports to become more readily available.

RESIDENCY VISAS

Visas can be diplomatic, official, courtesy, business (limited), business (broader), dependent, tourist, residency or student. The one to apply for depends on the initial purpose for coming to the country. Dependent visas are issued based on family relations and are valid for a period equal to that of the visa given to the head of the family. The type of visa applied for does not restrict the applicant and a person entering the country with one visa, a tourist visa, for example, can later apply for a residency visa.

Applications for business and tourist visas can be made at any Dominican consulate and most tourists can enter without a visa for a period of 90 days if they have a valid passport. Those who require tourist and business visas need a letter from a Dominican citizen attesting to their identity and activities in the Dominican Republic. In the case of the multiple entry business visa, the applicant must submit also a letter stating his or her business intentions in the country.

For residency visas the following documents should be submitted at the Dominican consulate nearest the place of actual residence:

1. A certificate of good behavior issued by the police department of the applicant's place of residence.

2. An employment agreement or, if a real estate investment has been made, a copy of a land purchase agreement, or any other documentation proving the applicant's financial solvency in the Dominican Republic.
3. A guarantee letter from a Dominican citizen or legal resident.
4. A copy of the presidential authorization if a real estate investment has been made.
5. The results of a medical examination acknowledged before a notary public and certified by the Dominican consulate.
6. Birth certificate.

It should also be noted that a Chinese applicant from Hong Kong should submit also a photocopy of the first four pages of his passport.

Visas must be picked up at the Dominican consulate within 60 days after the date of authorization. Consular taxes must be paid on business, dependent, tourism, residency and student visas. Visas granted to any person can be revoked by the Ministry of Foreign Affairs without prior notification.

Once the residency visa has been granted, the applicant must arrive in the country within 60 days afterwards to submit an application to the immigration department for a provisional residency card. This card takes about two months to obtain and is valid for one year. **It can** be renewed annually but if an expired card is not renewed after five years, the applicant will forgo his residency. To apply for a residency card an individual must present several items including:

1. Two copies of the residency visa.
2. A copy of the birth certificate, translated into Spanish.
3. A copy of the land purchase agreement and a certificate of title or certification from the registrar of titles if applicable.
4. A notarized letter from a Dominican citizen or a legal resident in the country, guaranteeing the financial support of the applicant during his stay in the country, including repatriation costs.
5. The results of a physical examination, including a blood test for HIV amongst other things, conducted by a doctor who is a citizen of the Dominican Republic.
6. Immigration taxes which are currently RD \$245.78 (US \$19) but may be changed without prior notification.
7. Work contract if applicable.

*ALL INSTANT PASSPORT DEALS FOR
THE DOMINICAN REPUBLIC ARE
ILLEGAL*

During the past ten years the Dominican Republic was a major target for those interested in a quick and easy instant passport. It appears that almost 10,000 passports were sold around the world and this did much to damage the passports reputation. Fortunately, though, there has been a great clamp-down and the passport is a valuable document once more. At present, we know of no legal instant passport programs for the Dominican Republic, and readers who are solicited with offers of such a document should exercise extreme caution.

THE LEGAL WAY TO GAIN CITIZENSHIP

Although instant passports are definitely no longer a possibility for the Dominican Republic, individuals can still obtain citizenship legally. In order to qualify for naturalization, one of the following conditions must be satisfied:

1. An authorization from the Chief Executive to establish domicile in the country and to maintain the domicile for a period of not less than six months.
2. Continuous residency for at least two years in the Dominican Republic.
3. Continuous residency for at least six months in the Dominican Republic and either having founded/currently operating a business in the Dominican Republic or owning real estate there.
4. Continuous residency for at least six months in the Dominican Republic and married to a Dominican at the time the application is submitted.
5. An authorization from the Chief Executive to establish domicile in the country and, within three months after obtaining the authorization, owning a piece of land under cultivation at least 30 hectares in size.
6. Continuous residency in the country for six months and having performed technical or special services for the Armed Forces.

Absence from the country for a period of less than one year and made with the intention of returning to the Dominican Republic will not be considered as breaking the continuity of residency in the country.

The spouse of an applicant for naturalization need not fulfill the residency requirements for naturalization if the applications are made jointly and the spouse is in the country at the time the applications are submitted. A married woman residing in the country can also be naturalized after her husband, but she must have his consent for her naturalization if such consent is required by the laws of her native country.

Children over the age of eighteen may obtain Dominican citizenship after one year of residency if the application is made jointly with the mother's. Unmarried children under the age of eighteen, if legitimate or recognized by the father, have the right to renounce their Dominican citizenship within a year of obtaining their majority at the age of eighteen.

Most people can apply for Dominican Republic naturalization after six months of legal residency. The naturalization is granted by a presidential decree and is processed through the ministry of interior and the police. Applicants must submit certain documentation with their naturalization application.

1. A certificate of non delinquency issued by the State Prosecutor.
2. A birth certificate legalized by the Dominican consul located in the applicant's birth place or last residence and translated into Spanish. If a birth certificate is not available, a statement of public knowledge can be submitted. This statement must be made before a justice of the peace by three persons of legal age who attest to the applicant's identity, nationality, date and place of birth, and parents' names.
3. A photocopy of an up-to-date residency card.
4. Two certificates from the immigration department, one stating that the applicant is a resident of the country and the other stating that the applicant's file contains the guarantee letter required for the residency.
5. An additional guarantee letter signed before a notary public by a person assuming responsibility for the moral and economic welfare of the applicant.

The naturalization process takes between one and one and a half years to complete. Once naturalized, the new citizen must maintain his residency in the country. Residency must be continuous for the first year after naturalization and, in theory, a citizen who does not maintain his residency could have his citizenship revoked. In practice, however, citizenship is seldom revoked.

It is worth noting that Chinese persons wishing to be naturalized face additional requirements. They must enter the Dominican Republic on a business visa and apply for residency after arrival. They must purchase a government bond of US \$10,000 with funds exchanged at a commercial bank and purchase real estate worth over US \$ 50,000. Once purchase of property and bond will cover both parents and minor children. Independent purchases must be made for children over the age of eighteen.

TAXATION IN THE DOMINICAN REPUBLIC

A new tax code became effective in June 1992. Before this time, only income generated in the Dominican Republic was subject to taxation. Now, all residents are taxed on their global income.

There is a personal allowance of RD \$60,000 (US \$4800) per annum but, above that, the tax rate is applied progressively such that those with a net income in excess of RD \$ 150,000 (US \$ 12,000) are taxed at a rate of 25 per cent.

For companies, a single rate of 30 per cent is applied for net taxable income and this rate is decreased over a period of four years to 25 per cent. Permanently established branch offices of foreign companies are subject to the same rates of taxation. Cash dividends are taxed at a single rate of 30 per cent also but, when the tax has been withheld at the source, a mechanism known as a dividend account is established, whereby the withheld amount is excluded from net income in the event of any new distribution. Any payments abroad are affected by a single rate of 30 per cent.

A reliable and experienced legal firm which specializes in immigration to the Dominican Republic is **Russin Vecchi & Heredia Bonetti, Edificio Monte Mirador, PO Box 425, Calle Recodo #2, Bella Vista, Santo Domingo, Dominican Republic, tel (809) 535 9511, fax (809) 535 6649.**

IS THE DOMINICAN REPUBLIC A GOOD PLACE TO LIVE?

The Dominican Republic is one of the most beautiful places in the world. The physical geography is stunning. Columbus said it was the loveliest place he had ever seen. Columbus found the Dominican Republic on his third voyage to the New World. By this time he had visited practically all of the Caribbean. The Dominican Republic was chosen by Christopher as his personal home.

The north coast is where the interesting developments are these days. Until 1983 when a major international airport was opened in Puerto Plata, there had been no quick way to get to the north coast. For that reason, this region remained virtually undiscovered by foreigners. But it is definitely making up for lost time now. The north coast is booming. There are thousands of hotels, apartment buildings and condos under construction. Thousands of mainly Calladian and German tourists visit this resort area which begins at Puerto Plata and continues westward along the coast through the towns of Sosua, Cabarete, Rio San Juan and beyond. This stretch of beach reminds us of Pacific Coast Highway as it passes through the countless little beach towns south of Los Angeles. European readers compare it to the Riviera, starting in Italiial Liguria and going into France and Spain. However, in the Dominican Republic, this excellent new coast road has very little traffic on it.

The beaches in the Dominican Republic are dark volcanic sand in the south and white sand with many bays and lagoons in the north. In many places, particularly on the south side of the island, rugged volcanic cliffs overlook the ocean. Small pocket beaches lie below. Outlying reefs and rock islets along the coast provide happy hunting grounds for spearing fresh fish and lobster.

The east-west north coast highway runs along mile after mile of sugar cane fields, with roadside stands that sell everything from native art to hot dogs. There are conspicuous numbers of new developments in various stages of construction. Just beyond the cane fields to the south lie the lush green foothills of the major east-west mountain range which runs practically the entire length of the island. The foothills are liberally forested in coconut palms, towering royal palms and other trees. The further east along the shore one travels, the more dense becomes the vegetation. About 25 miles east of Sosua, we looked at some quasi-cultivated oceanfront property. Many areas had a striking resemblance to a rain forest. Everywhere were palms and fruit trees of all descriptions and a great variety of tropical plants and flowers. Mango trees, heavy with fruit, grow wild. The abundance and richness of the land is such that even fence posts sprout branches and soon turn into trees.

Beyond the mountain range to the south lies a high plateau stretching as far as the eye can see. Imagine a typical Swiss pastoral scene, but with palm trees. That's the picture. You will see mile after mile of pineapples, fruit orchards, dairy and cattle farms. At higher elevations there are coffee plantations. The natives here may seem poor, but none are starving. Given the richness of the land and the vast scores of fish which practically jump into nets, food is no problem. There are four sugar cane crops a year! This goes some way toward explaining why the Dominican Republic is such a peaceful place. There is no radical agitation among the poor people. To feed themselves, the poor simply squat on a piece of vacant land and grow or raise all they need to live.

Land in the underpopulated Dominican Republic is incredibly cheap. One personal friend bought a 60-acre farm for US \$350 an acre. Usually, land can be had from US \$500 per acre upwards. We saw one piece of land, 17 acres in a resort area, sitting right on a mountain road with electricity already on the property and with a river running through it for US \$1500 an acre.

Living in the best hotels will not set you back much either. At the newest four-star oceanfront hotel in Sosua, you will pay US \$80 a night, in high season, for a grand penthouse suite with an ocean view.

Sosua was settled in the early 1940s by Jewish refugees from Germany who became dairy farmers. It is still a major dairy region. Many of those original settlers and their children are still in Sosua. The village is comprised of the native quarter, called Charamicos, and the resort area, called Batey. In both, there are dozens of excellent restaurants and cafes, many serving ethnic specialties. Everything is cheap, except for wine, which must be imported. You have to be creative to spend US \$10 on dinner. Except for some obnoxious red-neck German tourists, the ambience is quite polite and peaceful. In towns it can get honky-tonk with hundreds of tourists speaking five or six languages, crowding into T-shirt shops and other tourist traps. There are always hundreds of noisy rented motor bikes frantically zooming through the streets filled with mulatto shoe shine boys, guides, touts and pimps hustling at every corner. It sounds terrible, but it isn't. All in all, even the shanty towns are quaint and delightful. The friendly young girls all seem to have beautiful smiles and "come hither" looks.

Entertainment is a bit provincial once you get outside the capital of Santo Domingo. Most cities have legitimate theaters, opera houses and movies. The Spanish dubbed movies are advertised in the local Spanish language press. There is skin diving, snorkeling and, at many locations along the coast, some sport fishing operations. There are a lot of tennis courts and a pretty good golf course at Playa Dorada. Then there are the famous cock fights, popular all over the Caribbean.

In the Dominican Republic, there is virtually no violent crime, although there seems to be many incidents of burglary if property is left vacant. All hotels, condominiums and stores have armed guards on duty at night, but there is no feeling of fear and insecurity such as one could expect in other places at the mere sound of a strange footstep in the night. Most foreign property owners arrange for a housekeeper or watchman to stay at their homes full time to guard against burglary.

Communications are pretty good. The phone company is owned by GTE and service is excellent. Good phones are slowly coming to smaller towns of the north coast.

There is cable TV with HBO, Showtime, ESPN, CNN, Disney, Arts & Entertainment and several other familiar US cable channels. There are usually satellite dishes at condos. There are several local English language papers such as Puerto Plata News, as well as several English language papers in Santo Domingo. According to local gringos, international airmail to the US will take anything between ten days and three weeks. Retrieving merchandise shipped into the country means going from office to office for customs clearance and is avoided by the locals as much as possible. Normally, imports should be brought in as personal property. Once when in the Dominican Republic, we had our mail shipped down from Bermuda by Federal Express. It arrived in 48 hours and cost us US \$63 for 7 lbs.

Transportation is fine, too. The airport at Puerto Plata has a 10,000 foot runway which will accommodate anything flying. Chartered flights arrive daily from every corner of the globe. Montreal, Toronto, Frankfurt and, of course, New York, Atlanta and Miami.

Automobiles carry an import duty of 27 per cent based on their value. The customs department arbitrarily determines what that value is, meaning that the duty could be even higher. Hiring a customs broker with good connections is necessary. Otherwise cars can be quite expensive to buy.

At Budget Rent-a-Car, a compact car rents for US \$59 a day. Motorbikes are the principal mode of transportation for the locals. They can also be rented. There are thousands of unusual things to be seen on the highways. An entire family of four on a motorbike is not uncommon. We have seen more cargo hauled on some of these home made contraptions than we could fit into our pickup truck.

Public electricity is unreliable. All developments and many private homes are equipped with backup generators. If you do not have a backup, be prepared for daily power outages and flooding in the rainy season. Why? Electronic pumps are sometimes needed to keep water out of the houses.

Economically, the Dominican peso, identified as RD\$, is exchanged at the rate of 12.5 for a US dollar. Yet, all evidence shows that inflation is about 20 to 30 per cent per annum, so it's only a matter of time before the peso is devalued again.

As you can imagine, locally grown meats and produce could only be cheaper if given away. But consumer goods imported from the US or Europe are probably a third more expensive than stateside prices. Local workers are paid very little. Thirty to forty dollars a week is the going rate for a night watchman, maid or gardener. Fifty to sixty dollars gets you an educated, bilingual hotel or shop clerk.

Contracts, such as for rent, must be written in RD \$. Some landlords get around this by tying the RD \$ rent to its US \$ equivalent at the time due. Buying or building in RD \$ and selling or renting in US \$ is obviously a road to riches.

The major local industry here, if you don't count separating the tourists from their money, is construction. Most construction is concrete block. Top quality work is quoted at RD \$35 to RD \$40 per square foot.

There is no zoning here, so much of the construction is extremely dense and targeted at the bottom of the market, e.g. Canadian tourists to whom densely packed cracker boxes are sold on a modified time share basis. There are 25,000 hotel rooms and there is a lot of construction along the coast within 50 miles of Puerto Plata. There is so much new construction that there is said to be a chronic shortage of cement. Very little speculative construction seems to be targeted at the top end of the market. This absence appears to be one of the voids in the local market and one which might represent an investment opportunity.

What is required for residency? Officially this appears to be pretty cut and dried, involving a big quota of bureaucratic red tape. Most gringos, however, never bother to obtain residency. They are PTs, coming in for three months at a time on a tourist visa which can then be extended almost indefinitely. Or, if one doesn't care to extend and be legal, he just overstays his visa and when he gets ready to leave the country pays a fine of a few dollars.

If you choose to obtain residency, you can import your automobile without the customary per cent duty. Also, residents can purchase developed or agricultural property without prior government permission or operate businesses without some of the restrictions applying to foreigners, etc. But by far, the major advantage of obtaining legal residency is for property owners. After only six months, you can theoretically get Dominican Republic citizenship.

The Dominican Republic is a big, rich and beautiful country. The north coast needs, and needs badly, virtually every service you can think of. There is almost unlimited opportunity here for entrepreneurs. A close friend earns over US \$200,000 per year from a popcorn and take-away taco stand in a shopping center. Both of these foods were totally unknown in the Dominican Republic before he came along. We haven't seen any of the usual franchises here yet, but based upon the success of tacos, Mc Donald's and Kentucky Fried Chicken would do well.

Prices, as we said, are still cheap here, although ocean front land has multiplied several times in the past few years. If you want a retreat where it is cheap to live, where there is little or no violent crime, where there is some infrastructure in place, where you can be virtually self-sufficient and where, if you decide to work, there are ample opportunities for various kinds of development. This place has all that. We would be hard pressed to think of any other place in the Caribbean that offers as much as the Dominican Republic.

Ecuador- Residence but no Passport

Unlike its neighbor, Bolivia, Ecuador does not have a passport and citizenship program. Having said this, foreign and national investments are roughly the same. In fact, the country has a long tradition of good treatment for foreign investors and residents.

For a long time no exchange controls or foreign currency limits have been set in Ecuador. A foreign investor is free to invest in any sector, be it real estate, agriculture, industry or tourism, although authorization is required for mining, radio and television. Foreign nationals pay taxes at 25 per cent compared with the nationals who pay at 15 per cent but there are rumors that this discrepancy will shortly be removed.

Because Ecuador has an active policy of attracting foreign investment and skills, most people can enter the country and stay for up to three months without a visa. PTs and other individuals who aren't in a hurry to collect visa stamps in their passport will find this aspect of Ecuador very attractive! French, Chinese and North Koreans can enter the country with a visa but those from the Sikh sect are not allowed to enter at all. Individuals who would have difficulty obtaining passports in their country of origin, for example Bosnians and Cubans, are issued with a special document called the travel document. This document is valid for one year and renewable if the unsettled circumstances prevail in their original country. An individual with such a document can enter and exit Ecuador freely.

Foreigners who wish to engage in business in Ecuador can do so with a six-month business visa. Individuals investing more than US \$ 15,000 in real estate, bonds, agriculture (especially agroindustry), industry, or manufacture of goods for export can apply for a resident or investor visa. Other visas are available also for those wishing to enter the country as executives, managers or workers, but applicants must present a valid contract of employment.

It is important to note that the Ecuadorian constitution was recently changed to allow Ecuadorians to have dual nationality.

An Ecuador immigration attorney specializing in naturalization and foreign investment is **Luis Andrade, Amazonas 2374, PO Box 17-07-8738, Quito, Ecuador, tel (593) 252 6288, fax (593) 250 4267.**

Estonia - You May Already be a Citizen

The laws dictating who actually qualifies for citizenship in this recently liberated country date back to 1938. Shortly after the country's return to independence, this original law was re-enacted with amendments. A few of these may be of importance to readers of this report. The most significant states that persons who held Estonian citizenship prior to 16th June 1940, their descendants as well as females married to an Estonian citizen and their children are automatically citizens of Estonia. In other words, if one of your ancestors was ever Estonian, you are as well. All you need to do is ask for the passport through the nearest consulate or embassy.

Other changes allow for dual nationality if one qualifies for Estonian citizenship by birth right, meaning those whose parents or grandparents were Estonian. For those not so lucky in digging up the right ancestors, naturalization is also possible, but requires two years of residence, knowledge of the Estonian language and the loss of all other nationality. Interestingly, the Estonian law even specifically qualifies illegitimate children born within the country as well as children simply found in the country for citizenship.

European Union - Get in While You Can!

In spite of the best efforts of some politicians, the European Union, formerly known as the European Community, is moving ahead albeit far more slowly than the optimistic predictions of the late 1980s. Holders of a valuable EU passport now have the freedom to work and start a business in another European Union country. However, you can't just sit around doing nothing. Most countries require new arrivals to become economically active in three months while Britain requires it in six months. All EU citizens are supposed to have full national passport to work in other EU countries. Britain abolished the visitor's passport in December 1995, which was never valid for working in other EU countries.

It was hoped originally that EU travelers would need to carry only national identity cards for identification at EU borders. However, EU border officials still require EU travelers to carry their passports. In fact we recently heard about the case of a Swede who ended up biting a border official after being refused access to an EU country because he did not have his passport with him. In short, things aren't progressing as quickly as was hoped but those with EU passports still have a lot of mobility within the EU.

Also, typically, EU countries have former colonies. Spanish citizens can go to most of Central and South America and Portuguese passport holders get special consideration in

Brazil, Macau and Angola. UK citizens can go to most English speaking Commonwealth countries without a visa too. Note, however, that visa requirements are not the same for every EU country. For example, a French citizen requires a visa to go to Argentina but a Spanish citizen does not. The EU passport does not mean then that all the holders can take advantage of the same privileges.

The EU remains ununited in many areas of law. A British citizen was refused permission to bring a foreign spouse into Britain. He appealed to the EU courts as an EU citizen but failed. The matter was still counted as purely domestic. In a similar vein, Gibraltar is using such a separation from the EU to its advantage. It is using its status as a British colony to stop British citizens coming over to work. The EU is counting the situation as a British internal affair and doesn't want to get mixed up in it. As for citizenship laws, even the most superficial look at the separate entries in this Report for the EU countries will show great differences. For example, individuals with an Irish ancestor can qualify for Irish citizenship (hence an EU passport), but those who were themselves born in The Netherlands and migrated to countries like Australia and even South Africa (a country with strong Dutch ties) now have great difficulty when applying for a Dutch citizenship (hence an EU passport).

Surprisingly, it still makes a difference where your EU passport is issued. We have heard stories about those in the US qualifying for an Irish passport and picking it up at a consulate there. Some of them have had trouble moving to certain countries in the EU. Rather, use an agency and have your EU passport issued in the actual country it is for. Passport officials in other EU countries would then have no cause to think that you lived in any country other than the one of your passport. Sound crazy? Maybe, but it's true. Good examples of this kind of biased treatment are likely to be seen when Hong Kong is returned to the Chinese and large numbers of Portuguese passport holders, who were issued their passports in Hong Kong or Macau, try to come to Europe. We believe that many of them will face some tough questioning when they arrive.

If your spouse has an EU passport but you are stuck with a passport which requires visas for travel to some or all EU countries, you may still be able to find some benefits. For example, take your spouse's passport and your marriage certificate when you apply for your visa and you won't have to pay the visa fee! Applying in this way could even quicken your visa application.

Remember, as explored elsewhere in this Report, those from European former colonies often get special treatment when it comes to acquiring visas and nationality for the EU country. Holders of passports from Brazil, for example, can obtain Portuguese citizenship after a relatively short period of residence in Portugal.

ELIMINATION OF BORDER CONTROLS WITHIN THE EU

It is the EU's aim to end all border controls. In fact, they've come a long way. EU citizens generally go through the special blue EU channels and wave their passports at the

immigration officers that sleepily sit there. Seven of the EU countries joined together under the Schengen Treaty to show their strong resolution to end all such controls. These countries were Germany, Belgium, Holland, Luxembourg, France, Portugal and Spain. The plan lasted about three months until Jacques Chirac, the new French prime minister, pulled France out of the agreement. The British government has continually expressed strong desires to retain passport controls but we have had reports from people who were not checked when they returned through the Channel Tunnel.

Most EU countries, however, still reserve the right to check a visitor's ID. Germany, for one, insists that random sample border checking is an effective weapon against crime. German officials arrest 100,000 people each year at frontiers! Half of these arrests result from the on-the-spot instincts of the officials, the rest from recognizing those on wanted lists. Internally, papers are routinely checked in connection with traffic law violations or emergency assistance requests. Don't assume you can get away with having no passport, ID card, driving license or insurance.

The EU aims eventually to allow free movement within its territories. The anticipated consequences or, perhaps the necessary conditions for this, will include:

1. Harmonized visa policies. For instance, France's questionable unilateral decision in 1987 to fight terrorism by requiring visas of most non-EU foreign visitors will be unavailable to any EU country.
2. The adoption of similar asylum and immigration rules. While national rules could, in theory, be policed with residence permits, in practice immigrants will always exploit the softest regime. In the KU, Greek, Spanish and Portuguese immigration laws are lax. Italy used be the country of choice, but recent legislation brought the required residence period up to a whopping ten years unless one qualifies for special consideration, such as having Italian ancestors. This example shows yet again that in the passport world, it is essential to act quickly. Things change almost by the day, and that program or passport that you qualify for today may not even exist tomorrow.
3. A common drugs policy. Our view. Legalize drugs and thus reduce street crime. This is not the view in Brussels. In the KU, only the Dutch are permissive about soft drugs. Dutch tolerated drugs already flow freely across the open frontier into Germany, where they are prohibited.
4. A common gun law. Problematic because France and Italy will not toughen laws on gun possession because of a right to go hunting that dates back to before the Napoleonic era.
5. Greater rights of hot pursuit. If criminals cannot be stopped at borders, they must be pursuable across them. That means German police cars zooming into France on high speed chases. There will be rapid, routine extradition and return of fugitives, with minimum paper work required.

6. Harmonization of laws on stolen property. Otherwise, loot will make its way to the jurisdictions where it is least recoverable, by law.
7. Binding agreements concerning arrests at the external frontiers. Germany must be able to tell Spain to make a pinch when a known German criminal is spotted boarding a ferry to Morocco.
8. A powerful information system for exchanging wanted lists. The French are worried about acting on this exchange of data. They want the right to vet the lists for accuracy before using them.
9. Tighter checks on foreigners entering the KU. The only way of compensating for the lack of frontier checks, both to catch criminals and to enforce immigration laws, is to get tougher on identity checks, residence papers and the like. The solution. Be a PT, a Perpetual Tourist. If you have not yet read *PT* be sure to get a copy from EXPAT WORLD. If you want to be free to visit and roam within the new United States of Europe, now is the time to start the process of getting at least one EU passport or residence permit.

EUROPEAN ECONOMIC AREA (EEA)

The European Economic Area currently is composed of the 15 full members of the European Community, now called the European Union, with Iceland, Norway and Liechtenstein. The point of the European Economic Area Agreement is to help facilitate the incorporation of new countries into the KU.

Of course, as far as PTs are concerned, EEA membership is just as good as EU membership as EEA membership is just as good, and perhaps better, than EU membership because EEA members travel, live and work freely in any other EEA member countries. Currently, the 18 EEA members are Austria, Belgium, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden and the United Kingdom. Applications for EEA/KU membership also have been made by the Czech Republic, Poland, Slovenia, Switzerland, Turkey and the Ukraine. Therefore, it stands to reason that these countries may be next in line for inclusion into the EEA. If you are eligible for citizenship in any of them, you should get to work on obtaining a passport as soon as possible. Of course, as politicians would much rather bicker with one another at the expense of the taxpayer than actually accomplish anything, these changes are still most likely a long way off.

For the time being, we are assured that the politicians will be far too busy with one another to actually accomplish much to worry about. Moral of story, act now while the loopholes are still prevalent. Whether the politicians individually want it or not, a European union will happen some time in the not so distant future. It will be a bumpy ride, but at the end of it, if you're not in, you may never be. Make preparations now while it's still fairly easy to gain entry.

For information on the systems used in specific countries, see the entry in this part of the report. Ireland and Italy may be your back door if your parents or grandparents came from those countries. Portugal and England offer citizenship after actual *bona fide* residence of about six years. Denmark is an easy in for Scandinavians. At present, the member countries of the EU are Austria, Belgium, Denmark, Finland, France, Germany, Greece, Holland, Ireland, Italy, Luxembourg, Portugal, Spain, Sweden and the UK.

THE SCHENGEN SHENANIGANS

In an attempt to quicken the dismantling of border controls within the KU, seven nations pledged to end all internal border controls after a three month test phase. These nations were France, Germany, Spain, Portugal, Belgium, the Netherlands and Luxembourg.

The logistics of this enterprise seem to have proved too much and France has dropped out, claiming that loopholes had led to increased drug trafficking and illegal immigration. The idealism of other members is weakening and several have resorted to the stiffer passport and customs checks that were in place before the Schengen Agreement was signed.

It seems very unlikely that the Agreement as it stands will ever become more than a set of theories and dreams.

Fiji - Possible But Difficult

All that the Fiji consulate had to tell us on the matter of passports and immigration was that the country follows a very stringent immigration policy. Apparently, they are of the opinion that the number of people who would like to settle in this Pacific island far exceeds its ability to "absorb" them. Hence, no instant passports are on offer.

We have, however, heard rumors about a program whereby an investment of US \$20,000 in manufacturing, agriculture, fisheries or forestry would lead to permanent residence. A passport would then be possible in five years. Again, we have no firm confirmation of the existence of this program and would appreciate any information that you come across. Let us know how you get on!

France - Bureaucrats Still Busy

Despite the official relaxation of barriers between EU countries, bureaucrats are still busy chasing pieces of paper around desks all over Europe to make sure everyone is documented. For example, if a UK national wants to enter France, he still needs a valid identity card or passport but may then stay for three months without a residence permit if looking for work. If he does find a job, he must apply for a five-year residence permit which can be renewed automatically for a further ten years. As long as he has a residence permit, the worker is entitled to all the social benefits available to a French national.

If you are working, you do not need to worry too much about income tax levels at a maximum of 56.8 per cent as only one-fifth of inland revenue is funded by income tax because of an inordinate number of exemptions including home purchase, certain bank savings accounts and allowances for children. An individual's liability to French tax depends on his tax domicile. If his family home, economic or professional interests are France-based, he will be liable to French taxes on his worldwide income. Non-residents are liable to French tax only on their French source income, subject to double taxation relief which prevents them from being taxed both by France and their country of domicile.

As far as methods for arranging residence in France for those who are not EU citizens, the process appears to be far less specific. In fact, unlike almost all other western countries, it seems that France has not yet decided officially what its requirements for residence are. However, the situation as far as we understand it is that residence would be no problem as long as you know how to pull the strings. Anyone who could demonstrate significant wealth or self-employment would probably face little difficulty if the situation was handled in the appropriate manner. France is also apparently interested in business proposals, for which a rough starting investment would be US \$50,000, but again, in France nothing is certain.

France used to be known as an easy path to the EU through the process of illegal immigration. However, a recently formed special police unit, known as the Central Directorate for Immigration Control, has been given the task of "resuming deportations and discouraging the world's poor from flooding the country". A flood of illegal immigrants from eastern Europe is responsible for this course of action. The basic idea seems to be to send a few planeloads of immigrants back to where they came from and thus make an example of them and discourage others from attempting the same. Our prediction is that although this new police force will draw mounds of attention to itself, it will also miserably fail in even scratching the surface of the vast numbers of illegal immigrants quietly living and working in the country. Those who stay low profile should escape unscathed, don't let the government make an example of you.

Also, until recently France offered an easy path to the EU through marriage to a French national. Nationality would be routinely granted after six months of marriage whether or not the couple was actually resident in France. Again, the new special police force has been called in to take care of the problem and expose sham marriages. Now all newly married non-resident aliens in France must leave the country and apply for a visa in their home country. This process is said to take a minimum of three months. Also, once in the country, a visit from the police at two in the morning, to make sure that both you and spouse are snuggled up cozily in bed together, should not come as a surprise.

In short, the notorious *marriage blanc* is no longer a valid option if one wants to live and work in France. If you happen to have a dear French friend who is willing to marry and live with you as a favor, things may work but extensive questioning may also reveal the ruse. However, as nationality is still available after one year of marriage whether or not

residence is in France, this path may still be a valid option for those not interested in actually living in France. EU citizenship would be available in record time.

Finally, if your whole reason for desiring to become French is due to your affections for the French Riviera, carefully consider the consequences of going native. French citizenship involves high taxes irrespective of the total amount of time spent in France. It is the responsibility of the citizen to prove that he has been resident outside of the country for a sufficient amount of time to make him no longer a candidate for the tax man. Also, Monaco, one of the most notorious tax havens on the planet, does not offer such advantages to a Frenchman residing in its midst. A Frenchman residing permanently in Monaco is still liable for French taxes.

Germany - Refugees and National Guilt

Most of what was said about Austria also applies to Germany. A huge bureaucracy in Berlin exists for no other purpose than the processing and resettlement of refugees. In the past, most were fleeing from communism. Today, many have religious reasons or simply seek economic opportunities in the West.

Millions have been processed. Despite the removal of the Berlin Wall and the partial lifting of the Iron Curtain, they still pour in with many of late from Asia and Africa. Germany feels a national guilt about its treatment of minorities during the Nazi era and is helping people who say they are fleeing oppression. Admission to Germany for refugees used to be automatic even without a passport (in West Berlin only). The German government formerly supplied housing, medical attention and relocation assistance.

Since 1981, high unemployment in the country has made foreign workers in Germany unpopular with the local workers and voters. This problem has become significantly worse, as unemployment figures rise and refugees continue to flood in. Thus Germany is giving out fewer work permits and is trying to export refugees to other countries. Germany actually pays non ethnic Germans in Germany large sums to give up their residence permits and move back home. This applies mainly to Greeks, Turks and Portuguese, who came to work in German factories but are no longer needed. There is talk of closing Germany to further refugees, but so far it is still legally open. However, the flood of poor Bangladeshis and others from the Indian sub-continent was stemmed by fining airlines which used to transport them to Berlin without proper visas.

We have not received a formal statement about entrepreneur or business immigration, but have been told that Germany has a program of economic development zones. The prompt assistance of all branches of government will be given (with loans, tax concessions and subsidies) for setting up businesses that will provide jobs or stimulate the local economy. Particular preference is given to investors who will create jobs in former East Germany.

Artists, creative people, self-employed people and those who will not compete for jobs are apparently welcomed and given residence permits and identity cards (good for travel

throughout the KU). For those who have given up their old passports or have renounced prior citizenship's because of unpleasant circumstances and the wish to travel, German refugee passports might become immediately available. These are good for transit through all countries, but only with visas.

Citizenship and regular German passports may be applied for after ten years of residence. The German ten year residence requirement can be reduced or waived in individual cases, such as descendants of persons who were forced to flee their country due to Nazi persecution or invasion or ethnic Germans (if you speak good German, you will probably qualify). Ethnic Germans from East Germany were and still are granted immediate Federal Republic citizenship and passports. As of today, in spite of glasnost many people are still trying to leave the former socialist paradise. Germany is now actively discouraging most immigration until the East German situation settles down.

Still, desirable artists, creative persons or entrepreneurs may get special consideration, especially if persecuted in their own home countries. Check with your local German consulate for a sympathetic interview and review of your chances for a fast German passport.

Applications for German passports are processed after arrival in Germany. The paperwork always takes at least a year even for ethnic Germans. No bribery should be attempted in Germany, but an experienced immigration lawyer will possibly be able to speed things along.

Taxes in Germany are quite high. We hear that Germany might consider imitation of the US policy of taxing citizens on their worldwide income, regardless of where they reside. As a result, many more Germans would acquire a second nationality, which the German government says will result in the loss of their German citizenship. So far, this is just rumor.

Although the German passport is generally well accepted, there is a certain international residue of ill feeling towards Germany due to Nazi excesses. This, coupled with an uncertain tax situation and the long wait for naturalization, causes me personally to relegate Germany to a less than top place on my list of passport targets. Also, Germany is a very authoritarian country where bureaucrats have much power. This fact makes Germans one of the largest groups of readers seeking other passports! Is it a good passport for you?

For those with German language skills, this is a country offering culture, high technology, very high standards of living and perhaps the least corrupt government and most efficient civil service in the world. Most people find that the German mentality is very close to the American way of thinking. English is spoken by all educated Germans and most businessmen. One strange freedom in Germany is the complete lack of any speed limits on their highways or autobahns.

For those who are willing to actually work, live and do business in a favored economic zone (such as former East Germany), the government is flexible enough to make concessions. These could include reducing required residence time and giving an investor considerable tax freedom for a period of years. Whenever we write about Germany we think of that old definition of paradise on earth: a French cook, an Italian girlfriend and British cops. Germans run the trains and utilities. Hell is having an English cook, Italian engineers, German cops and a French girlfriend. Pssst! Don't be offended. It's only a joke.

Ghana - Regulations Unstable

Regulations are subject to changes at short notice so intending visitors are advised to consult their nearest Ghanaian diplomatic mission. Every visitor must be in possession of a valid passport and if a passport is due to expire within six months, it is advisable to renew it before going there. Visas are required by everyone who is not a national of ECOWAS (Economic Community of West African States). Entry permits are required by those holding UK or Commonwealth passports and travelers should make sure they have the necessary permit before starting their journey. Application for permits can be obtained from the nearest Ghanaian diplomatic mission and permits are valid to both tourist and business visitors for up to 14 days.

Multiple entry permits can be obtained only after arrival in Ghana on application to the Chief Immigration Officer. Returning aliens require a re-entry permit which must be obtained before departure from Ghana. Anyone entering Ghana to take up employment must apply to the Immigration Office for a residence permit.

Greece - The Easiest EU Passport

Greece is an EU member and, therefore, its passport is worth having. A foreign-born child with two Greek parents is automatically eligible for Greek citizenship. A foreign-born child with a Greek father and a foreign mother also qualifies if the parents were married in a Greek Orthodox Church or if the father was baptized as a Catholic in a Catholic church. Church weddings other than those in Greek Orthodox or Catholic churches do not count when it comes to citizenship for the child. Registry office and courthouse weddings do not count either.

To claim Greek citizenship through birth you must first register your birth with the Greek embassy nearest the place of your birth. This is done by sending a certified copy of your birth certificate to the appropriate address. Once this is done, you need to submit your parents' marriage certificate, your father's birth certificate and his Catholic baptismal certificate if their wedding was performed in a Catholic church.

If your birth certificate does not give your father's place of birth, then your application needs to be made through the Ministry of Information in Athens. They can contact you through the nearest embassy to your place of residence. They are generally quite helpful and might be happy to rely on the information which you provide if you lack some of the

supporting documents. For example, you might be unable to provide your parents' marriage certificate if your parents are divorced, remarried and living on the other side of the planet. Also, as record-keeping in the Greek countryside is notoriously bad, simply supplying your father's details with your birth certificate is usually sufficient.

One of the easiest ways to obtain an EU passport is by marriage to a Greek citizen. One reader informed us that when he married a Greek woman, he received Greek ID within a month and the stamp allowing EU-wide travel was in his passport soon after that. He was told that he would be eligible for a full Greek passport within six months! This man was perhaps a little fortunate. Usually, if a foreign man marries a Greek woman, he might be eligible for a Greek passport after five years of continuous residency. A foreign woman who marries a Greek man, on the other hand, receives a residence permit-automatically and is eligible for citizenship after six months.

Ordinarily, a foreign national who stays in Greece for over five years can apply for a passport if he can present a contract of employment which is to run for a further three years. This man's foreign wife will be eligible for Greek citizenship after ten years continuous residence with her husband in Greece. During this period she is allowed no more than three months a year out of the country.

Guatemala - A Newly Opened Door

Guatemala has not yet caught on to the benefits of selling passports officially, but a new civilian government has expressed a willingness to receive as immigrants and new citizens any persons who could "contribute to the country". As you can see, the definition is vague and allows local bureaucrats a great deal of leeway.

The Guatemala plan involves making a personal visit to Guatemala and, in Guatemala finding two responsible guarantors or sponsors who will vouch for the fact that you are an upstanding person. Generally, no visa is required to get into Guatemala, but border officials can ask to see onward tickets or enough money to buy at least a bus ticket to Mexico or Belize. With a visa, or prosperous looking appearance, one would no doubt be admitted to Guatemala without question. Guatemala City was described to this author as a "terrible place", but expecting the worst, we were pleasantly surprised by a relatively unpolluted city of eternal spring, reminding us much of Mexico City in 1935 when it had a far smaller population than it has today.

Guatemala is the Spanish-colonial Mexico City of an earlier era. The Zona Rosa (European quarter) of Guatemala City is chic, ultra-modern and full of European-style coffee shops, boutiques, beautiful apartment high-rises and the sort of people you'd expect to find in London's Mayfair or Palm Beach, Florida. The town is surrounded by four towering and slightly smoking volcanoes. Very picturesque. The volcanoes never erupt but there are earthquakes every hundred years or so.

We discovered that in the nearby resort town of Antigua, one can live, have rent and full board and take four hours per day of Spanish lessons from a private tutor (in our case a beautiful 17 year-old single girl with long black hair down to her knees and a sensuous way of walking that takes your breath away). All this for about US \$300 per month. Why not go there and discover this wonderful place for yourself? There is much to see in this country with a magnificent climate, cheap everything and a most attractive native Indian population who dress in colorful wool garments. Almost immediately upon my arrival in Guatemala, I was set upon by adorable street urchins and a brother-sister team about six and seven years old. They became my mascots, guides and gofers for the duration of my stay, and they felt they were overpaid at 50 cents per day, plus an occasional ice-cream cone.

The Guatemala passport is theoretically issued to anyone who has been around for two years or more and isn't a communist or black person. However, American citizen blacks are considered not to be black. The reasoning seems to be that Guatemalans don't like the neighboring (black) Belizians very much. The blatant discrimination (like signs at the border saying "No Blacks Admitted to Guatemala") is aimed at Belizians rather than black people in general. The two year residence requirement can be waived locally if you get a lawyer who can convince a police official. This is accomplished in the usual South and Central American way. The cost shouldn't be over a few thousand dollars if one makes personal contacts and fiddles around with the project for six months or so. We have no personal contacts down there for passports but if you stumble upon a reliable immigration lawyer, let us know.

Life in Guatemala is sweet for the elite, a term which in Guatemala corresponds to European or white people. I saw almost no blacks in Guatemala. There are quite a few different tribes of local Indians. They actually make up the majority of the population. It seems that Spanish speaking, European looking people (five to ten per cent of the population) have all the good jobs, land, fancy cars, major businesses and political offices. During the past 20 years, there have been periodic rebellions by Marxists financed by Cuba and the former Soviet Union but most of those rebels have either been killed or exiled to neighboring countries. Those who went (or were forced to go) abroad to see for themselves how things worked in Marxist Nicaragua decided it wasn't any improvement and have lately been drifting back.

Today there seems to be more of a spirit of accommodation and a willingness to spread the wealth around. In the papers one reads about the occasional ambush, but military activity has now died down to almost nothing. The only people who get shot are government officials and the individuals they describe as "major troublemakers". Foreigners are rarely, if ever, caught in the crossfire.

Guatemala is still a third world country. It has the heavy population density of say, Italy. However, no one seems to be going hungry, and people have a happy-go-lucky, open and friendly attitude similar to that in Thailand.

The Mayan people in particular are very serene, beautiful and friendly. The Indian children try to sell tourists everything from chewing gum to hand woven bracelets and dolls, but they do it in an irresistible and charming way.

Bottom line, if you want to get away from it all to a place that is charming, off the beaten track, yet surprisingly sophisticated, try Guatemala. It is highly recommended as a port in a storm. A Guatemalan passport is good for travel to most countries in Europe without a visa, and dual citizenship is common. Most upper-class Guatemalans hold US and Spanish passports. Spain gives special consideration to Guatemalans, who by treaty need only two years of residence in Spain to acquire Spanish citizenship or vice-versa.

Honduras - Instant and Useful

Mid-1987 saw the opening up of a new instant passport scene. As Costa Rica closed down, Honduras opened up. This Central American nation could be described as a typical banana republic, controlled by a landowning, military aristocracy. Somewhat less advanced politically and economically than Costa Rica, it enjoys frontage on both the Pacific and Caribbean sea coasts. The population is about 4.5 million with the capital, Tegucigalpa, well served by many international airlines. The population speaks Spanish as well as the native indigenous tongues. The elite speak English and generally hold dual-citizenship in the US. Nicaraguan "Contra" or anticommunist forces, backed by the US, used to occupy the southern border areas. They have all gone home. The Pan-American highway which runs from California to Panama via Honduras is now getting back to normal after years of war. Internally, Honduras is peaceful as of 1994. Normal civilian airline traffic flows in and out of the airport. Civil wars going on in bordering El Salvador and Nicaragua have been bad for tourism and have also caused internal strains due to the influx of thousands of refugees. In the process of opening the doors of Honduras to political refugees, certain influential officials let it be known that wealthy individuals from outside the immediate area would also find a refuge in the country, with passports made available, for a price.

Honduras might not be an appealing destination for you. However, this small country has always had a vast array of honorary diplomats abroad and has, as a result, superb diplomatic relations. We have discovered to our pleasant surprise that Hondurans enjoy visa-free travel to the same extent as the holder of a Swiss or Canadian passport. A Honduras passport gets you to all countries of Europe (excluding France), as well as Central and South America, and parts of Asia. The cost of an instant passport would be around US \$20,000 for the head of a family.

A discount is available for spouses and dependent children. Honduras is accommodating in providing supporting documents like driving licenses, voting cards, tax clearances, etc. All the documents would be available at nominal cost if you went to Honduras personally and were able to push the paperwork through the bureaucracy. We are also informed that the services of a top lawyer shortens the process by several years.

A Honduran passport would probably be best for someone who wanted to live far away from Central America, yet was willing to learn Spanish. It is a good back-door for Spain because as it was a former colony, Hondurans can easily get Spanish residency. After two years of residency, a Spanish passport may be obtained. Honduras is one of our top choices for instant passports.

Alternatively, an investment in the country (purchase of a house) of at least US \$50,000 will provide instant permanent residency status. According to the existing laws, after five years, the applicant may apply for citizenship, which is usually granted.

Additional investments of approximately US \$100,000 are deemed as "meritorious services" to the country (provided the right people in the government are contacted) and instant citizenship is more than likely.

Iceland - Stiff Requirements

While not exactly a tourist hot-spot, both literally and figuratively, as of 1 January 1994, Iceland was part of the European Economic Area (EEA). What this means in practical terms is that citizens of Iceland no longer require visas, residence permits or work permits to reside in or work in any other EEA country (see the section on the European Economic Area for full details on this new development).

Essentially, the only way to acquire Icelandic citizenship is to be born to an Icelandic parent or satisfy a ten-year residency requirement. If you were born before 1951, then the Icelandic parent must be your father. If you were born in 1951 or later, then the Icelandic parent can be either the mother or father.

Of course, if you have a grandparent who was born in Iceland, there is nothing stopping you from making an application for your parent, allowing for the restrictions as outlined above. Once your parent's application has been approved, and citizenship granted, you can then go on to make your own application based on your parent's newly-acquired citizenship.

Note that this method essentially applies to almost any country. You should always research your family history back to your great-grandparents. Very few countries will not grant citizenship to a foreign-born child of a citizen. In some cases (eg Ireland), grandchildren are also eligible. Your parent or grandparent probably would be willing to make the application themselves, however, if they are not, the application often can be made by you on their behalf and, in some cases even posthumously.

The Icelandic embassies are very helpful and the government is keen to bring in foreign investment. If you have any Icelandic roots and a suitable business plan, the embassy would be willing to consider your application for citizenship. On the basis of investment alone, you would need to satisfy the ten-year residency requirement which, in our opinion,

isn't worth the effort when other EU countries have easier requirements and backdoors to citizenship.

Indonesia - Expensive and Takes a Long Time

We have heard rumors that an investment of US \$250,000 in an export manufacturing business would qualify one for permanent residence. This would then lead to a passport in five years. The consulate in London has failed to either confirm or deny the existence of this program, but needless to say it would not be surprising that if it ever did exist, it no longer does. Considering that for roughly the same investment and a shorter time requirement, one can qualify for Canadian nationality, there would be little reason to pursue this program even if it does, did or ever will exist.

Ireland - Find an Irish Ancestor

Ireland is a member of the European Union (EU) and an altogether delightful island country located next to the United Kingdom. Irish citizens can, as a result, live and work without visas or permits in all EU countries. Ireland permits dual citizenship.

In all of Ireland and Northern Ireland (under UK jurisdiction) there are roughly 4 million people qualified for Irish passports.

What is most interesting about the Irish situation is that with this population of 4 million, Ireland has about 14 million current passports outstanding! Like England, Canada and many countries who follow the old Roman Law, they believe that "once a Roman, always a Roman - down to the last descendant". Even if one turns in an Irish passport for cancellation and takes oaths of allegiance to another country because it is required in order to obtain a new passport, it is always possible to get the Irish nationality back again, normally with minimum formality and red tape. Unfortunately, in 1986 the Irish tightened up a little by saying that mere ancestry (great grandparent) wasn't enough, and one's parent or grandparent had to be born in Ireland. The moral of the story is, if you can qualify anywhere for a second passport now, by all means get it now because next year your rights may be terminated. As the PT option becomes more popular, the doors will start slamming shut.

Ireland's application form requires proof of Irish descent by birth and marriage certificates. In some countries, if you admit to holding another local passport, you may be required to turn it in for cancellation. The policy varies from country to country. Thus, it is always better to apply for Irish travel documents in a country outside of your home country. When you go abroad on a visit, you can do such things with greater ease and confidentiality.

Ireland does not ordinarily require an oath of allegiance nor does it notify the host country or the country of original citizenship of its passport issuance's. Thus, because the Irish

passport is acquired as a birthright, nations like Australia recognize that their citizens may legally hold dual nationality with Ireland.

To avoid border crossing problems, a holder of an Irish or any foreign passport who was born in Australia or the US, for instance, should only enter or leave his home country (ie birth place) with the local passport. A native born American entering the US on a foreign passport would always be subjected to suspicion and questioning. Since US laws mandate that US citizens enter and leave the US only with a US passport, a US border official who discovered a second passport in your luggage would probably confiscate both passports and let you sue in court to sort out your status. It is a simple matter to mail your second passport on ahead or to leave it in a safe-deposit box. A good rule for all seasons. Do not cross borders with two passports.

The US Immigration and Naturalization Service might say that they do not contest the fact that you legitimately are a citizen of more than one country. However, after confiscating your US passport and your Irish passport they might try to stop you from getting a new US passport on the grounds that the US government has the right to know where their citizens travel by means of passport stamps, and that a person who holds two passports is probably a dope dealer, currency smuggler or another type of bad guy.

The US would then notify Ireland. Upon learning that you are accused of some naughty activities you could find yourself without the right to a new Irish passport. A second passport, as mentioned earlier in this report, should be kept for emergencies and used with discretion!

With three photographs, proper proof of Irish ancestry and the legal right to be in the country from which you make the application, an Irish passport is normally issued in due course. The cost is currently about US \$155 for a ten year maroon passport that is issued under the heading "European Community".

How do you find an Irish ancestor? Sometimes, this can be a bit tricky. Many churches and court records were destroyed in the "troubles", the long running Irish independence struggle against the British. Fires consumed many public buildings all over the island and anarchists once even blew up Cork county's public records.

Without proper records, it could be difficult to firmly establish that your ancestors did come from Ireland. Fortunately, some Irish consulates and embassies abroad will understand your plight and can be satisfied with affidavits and research papers procured from a certified genealogist or other expert in Ireland. If you do not know your ancestors' exact name and birth place, you will need a genealogist to look up the facts for you.

An authoritative book on the subject is *Genealogical Supplement*, published by a company called Inside Ireland. They offer a well thought out approach on tracing your ancestry with lots of helpful hints and a basic plan of action. They also offer very inexpensive consultations and can refer you to a qualified genealogist in the country. Get in touch to

learn more about your Irish ancestry and hopefully in the process qualify for an Irish passport. The publication, now in its 7th edition, is available from **Brenda Weir, Inside Ireland, PO Box 1886, Dublin 16, Ireland** but only to subscribers of *Inside Ireland Quarterly Review*. A sample copy of this publication can be obtained from the above address and costs £1 or US \$2. An annual subscription costs £25 or US \$40.

If you know the full facts, names, places and dates of birth, marriages and deaths and other details of your Irish ancestors, then there is no need to use the services of any genealogist. Just fill out the Irish Citizenship Application form for foreign births registration (reproduced within the next few pages) and file it with your local Irish consulate.

You may only have one shot at obtaining Irish citizenship and a passport. Thus, it is vital that you get it right the first time.

Without Irish ancestry, it is also possible to get citizenship and a passport after a five year period of residence. Irish residence is not generally sought after because of high income taxes on all income over subsistence. There is one unique Irish exception to the confiscator income taxes. Artists, writers and composers can get an exemption of tax on royalty income.

BUSINESS ENTRY

A further program that appears to operate smoothly, sometimes in as little as 30 days, is the Passports for Investment scheme operated by the Irish Ministry of Justice. About 20 citizenship's per year have been granted through this program which has been in operation for ten years.

In this program, the Irish Industrial Development Authority has been authorized to dangle many incentives, including 100 per cent loans, cash grants, tax holidays, free land and possibly shortened residency requirements for passports. Business proposals are handled on a case by case basis, but Ireland puts out the red carpet to attract investors or those who create local employment opportunities. Virtually instant citizenship is available if the investment is high enough. About US \$1.7 million must be invested in a job-producing business in Ireland. Interest paid is very low but a bank guarantees that you will get your capital back after seven years. You immediately become a naturalized Irish citizen with an Irish passport and the right to live and work anywhere in the KU.

The criteria for instant citizenship are as follows:

1. You invest the required amount in an approved business venture in Ireland. The minister must be satisfied that it is viable and that it will create/maintain a job or jobs for Irish workers. Details of the investor's past ventures are required also.
2. A minimum of Air £1 million must be available for this approved investment.

If this sounds like the program for you, contact a reliable lawyer who is knowledgeable about Irish immigration matters. We recommend **Marshall J Langer, 48 Mount Street, London W1Y 5RE, UK Tel + 44 171 493 4840, fax + 44 171 493 4299.**

To acquire citizenship based on your Irish ancestry or to explore the other possibilities for residence in Ireland, contact the nearest Irish consulate or embassy for a friendly chat about the possibilities for you.

Note that individuals who were born in Northern Ireland or who have ancestors who were born there qualify for Irish passports. Most of the Northern Ireland Catholics have them but so do many cautious Protestants who realize that if Northern Ireland is ever ceded to the "Free Irish Republic" they may be protected from deportation and expropriation of their property by their Irish citizenship.

IRELAND THE FORMS

On the following pages, we have reprinted some of the forms and letters similar to those you may receive from officials when you seek to get Irish citizenship and an Irish passport.

Your first step would normally be to secure a certified copy of your own birth certificate. To get an Irish issued birth certificate, all you have to do is fill in the short form (A) and return it to the Registrar General with the fee. The Dublin address is on the form.

Under Irish laws, the spouse of a person who is Irish by virtue of Irish birth or descent may become an Irish citizen if they make a simple declaration accepting Irish citizenship after three years of marriage. Such "post-nuptial acquisition" of Irish citizenship by declaration used to be immediate, but after 1989, the law was changed so that the declaration cannot be made earlier than three years after the marriage took place or after the Irish spouse became Irish (whichever is the later). The marriage must be intact at the time of the application and grant of citizenship.

We have reprinted the necessary forms here. Return these signed forms or any later versions promulgated by the Irish government to the nearest Irish consulate or embassy within 30 days of filling them out. Ensure that your declarations and affidavits are sworn to before a Notary Public or similar local official who is personally known to you or who personally knows a third party who can identify you to the notary.

Lastly, we have reprinted a letter from the Irish vice-consul in San Francisco regarding the acquisition of Irish citizenship on the basis that either a grandparent or one of your great-grandparents was Irish born.

Once you have established your right to Irish citizenship via either Irish descent or via marriage, you can apply for a passport. Also included is the actual Irish passport application.

ARD CHONSALACHT NA hEIREANN
(415) 392-4214

CONSULATE GENERAL OF IRELAND
655 MONTGOMERY STREET, SUITE 930
SAN FRANCISCO, CA 94111

A chara,

Thank you for your recent enquiry about acquisition of Irish citizenship through the process of registration in the Foreign Births Entry Book of this Consulate. I am enclosing the relevant application form in connection with your application.

The regulations governing applications from people who have Irish born grandparents are explained in Section A. on Page 2 of this letter : the procedure governing applications from people with Irish born great-grandparents are explained in Section B on Page 3.

Applicants who fall into either of these categories should read this letter carefully, in order to establish the documents which they will need to submit to make a successful application for Irish citizenship.

An application for citizenship consists of the application form and ALL relevant documents required to support the application. Applications received lacking any relevant documentation, do not qualify as valid applications and Cannot be accepted for the purposes of registration.

Having read this letter and enclosures if you have any queries, do not hesitate to contact either myself, or my colleagues.

Mise le Meas

Barbara Jones
Vice-Consul

SECTION A
(Irish born grandparent)

If you are claiming Irish citizenship on the basis of an Irish born grandparent* please note that all relevant documents in connection with your application must be the official version (certified copies) bearing the seal of the Bureau of Vital Statistics or the relevant issuing authority.(i.e photocopies or notarised copies are not acceptable) Birth certificates should be in the long format clearly indicating the details of lineage. Accordingly please submit certified copies of the documents listed below in order to apply for Foreign Births Registration.

- (1) A completed application form
- (2) Your birth certificate; this should be in the long format showing your parents names/ages/places of birth
- (3) The birth certificate of the parent through whom you are claiming Irish citizenship (long format also)
- (4) The birth certificate of the grandparent who was born in Ireland. If *this* is not available, please submit documentation which will give evidence of the Irish birth of your grandparent e.g marriage certificate; foreign immigration or naturalization papers; death certificate.
- (5) A fee of US\$155.00 if you are over 18 years of age or US\$53.00 if you are under 18 years.

If you are claiming descent through the maternal line e.g. through your mother and/or your grandmother you are also required to submit civil marriage certificate(s) showing the relevant changes from the maiden names to the married names.

Please also enclose a complete set of photocopies of the documents which support your application. We will return all originals or certified copies to you.

*The regulations for acquisition of citizenship through Irish born great-grandparents are explained in Section B on Page 3.

SECTION B

(Great-grandchild of Irish born great-grandparent)

Please be advised that the regulations of the Irish Nationality and Citizenship Act 1956 were amended by Act of the Oireachtas in 1986. As a consequence of this amendment eligibility for applications for Irish citizenship on the basis of an Irish born great-grandparent is regulated on the basis of the following criteria.

Great-grandchildren of Irish-born great-grandparents are eligible to apply for Irish citizenship

(a) if the applicant was born after 17 July 1956

and

(b) if one of the applicant's parent's was registered as an Irish citizen at the time of the applicant's birth.(or had registered as an Irish citizen on or before 1 July 1986)

Accordingly applicants who satisfy both conditions (a) and (b) above should submit the following documentation in order to apply for Irish citizenship:

- (1) A completed application form
- (2) Applicant's birth certificate; this should be in the long format showing parents names/ages/places of birth
- (3) Evidence of parent's Irish citizenship i.e. a copy of their certificate of registration in the Foreign Births Register or in the Foreign Births Entry Book of an Irish Diplomatic Mission
- (4) A fee of US\$155.00 if you are over 18 years of age or US\$53.00 if you are under 18 years.
- (5) A large Stamped Addressed 9x12 Envelope with appropriate postage for First Class Maid

All relevant documents submitted in support of your application must be the official version issued by the Bureau of Vital Statistics and be in the long format. Please also enclose a complete set of photocopies of the documents which support your application, We will return all originals or certified copies to you.

AMBASAID NA HÉIREANN
AMBASSY OF IRELAND
20 ARKANA STREET
YARRALUMBA A. C. T. 2600
TELEPHONE: (06) 2733022
FACSIMILE: (06) 2733741

Dear

I refer to your recent enquiry about acquiring Irish citizenship by means of Post-Nuptial Declaration.

Anyone married to a person who is an Irish citizen by birth or descent may become an Irish citizen by making, on a special form, a declaration of acceptance of Irish citizenship not earlier than three years after the marriage or after the Irish partner became Irish, whichever is the later.

The following documentation is required:

1. Form 3 to be completed by the non-Irish spouse and must be declared and subscribed in the presence of the witness (enclosed).
2. Affidavit by Irish spouse stating that the couple are living together as husband and wife and that their marriage is subsisting and duly witnessed as above (enclosed).
3. 2 passport-sized photographs of the alien spouse, which have been signed and dated on the reverse side by the witness to the declaration on Form 3 and which are securely attached to that declaration.
4. 2 passport-sized photographs of the Irish spouse, which have been signed and dated on the reverse by the witness to the affidavit and which are securely attached to that affidavit.
5. Copy of the civil marriage certificate. This should show the civil status of each party before marriage, age of each party at date of marriage, and names of one of the parents of each party.
6. Long form birth certificates for both spouses.

.../2

7. 3-5 proofs of identity for the declarer e.g. passport' identity card with photograph, driver's license, utility account statements, bank account statements, bank cards, credit cards, etc.
8. 3-5 proofs of -identity for Irish spouse e.g. Irish passport, identity card with photograph, (as above). (Three to five of either of these sets of proofs of identity at 7 and 8 must include proof that the couple are residing at same address)
9. Proof of entitlement to Irish-citizenship for the Irish spouse if other than by birth in Ireland, such as parent's long form birth and marriage certificates, foreign births registration certificate, and where the latter is concerned all the documents submitted to acquire that certificate.
10. If the Irish spouse was born in Northern Ireland, please state date and place of birth of parent and a grandparent born in any part of Ireland before December 1922.
11. If one of the parties to the marriage has been previously married, evidence that that party was free to contract a second marriage must be provided, such as, (a) petition and final decree for the divorce which dissolved the previous marriage or (b) death certificate of previous spouse, whichever is applicable.
12. The PNC fee: A\$92.00.
13. Passport application if required (enclosed).

Kindly note that all documentation must be originals and where in a language other than Irish or English, must be accompanied by a certified translation.

Yours sincerely

Dr. Seán Ó Riain
Second Secretary

N.B. Please note that it takes a minimum of 12 months for processing of Post Nuptial Citizenship's as all applications are referred to Dublin.

Israel - No Investment or Fees

Why is an Israeli passport so desirable? Mainly because it is the only non-EU passport that is a near equivalent to an EU passport. That is, an Israeli can visit most of Europe without a visa.

The Israeli passport can be very good as a stepping stone to other passports since Israelis are sometimes offered special consideration and reduced residence periods when applying for foreign citizenship's. This is especially the case in Spain and Germany, countries which are atoning for their past mistreatment of Jews. Many other countries, such as the US, have also welcomed large quotas of immigrants from Israel. Israelis have a reputation as hard working, ambitious and generally non-disruptive citizens.

Israel itself offers a tax break from its horrendous income taxes to new immigrants for up to thirty years! In addition, there is a special tax concession for wealthy people who choose to make Israel the headquarters of their business empires.

So what are the drawbacks? If you are of military age, which in Israel is effectively 18 to 48, you will have to do a stint in the army. If you are over 39 when you enter Israel you have to serve only one month but, otherwise, you have to serve up to three years! Incidentally, women serve in the army from 18 until 25 but not if they marry before or after the age of 18. Check carefully with the Israeli consulate on whether you would have to serve in the army. Israel has a good military service, in fact one of the best in the world. If you want excellent training and combat experience, fine! But if military service is something you seek to avoid, you should, perhaps, think twice. It's worth noting that if you are of draftable age, you cannot under any circumstances get hold of a written guarantee to stop yourself being drafted.

Israel has an official government policy of gathering the scattered Jews of the world (the Diaspora) and giving them a homeland. It is here where the greatest opportunities lie. An instant passport is available for Jews and their spouses, as well as for their children, grandchildren, and spouses of these children and grandchildren, even if they are not Jews themselves.

What is a Jew? The Law of Return defines a Jew as anyone who was born of a Jewish mother or has been converted to Judaism without embracing any other faith. Documentary certification of the circumcision ceremony (briss) or other important Jewish ceremonies (bar mitzvah, Jewish wedding etc.) would serve as good evidence of Jewishness. Alternatively, and most simple of all, proof of synagogue membership should be adequate.

How does one convert to Judaism? Well, the process seems to vary greatly from place to place. However, in Israel, all conversions are chalachik, which means that they are according to the laws of Orthodox Judaism. Ordinarily, according to one reader who has now returned to the US, a conversion can be done for no less than US \$10,000 through some of the Israeli Orthodox rabbis. The conversion itself takes the form of a course

which lasts as long as it takes for the converted to learn what the rabbi wants him to learn. The course can be done in a variety of languages other than English, including Yiddish, Russian and French, depending on which rabbi is used. During the course, the converttee is required to be resident in Israel and to live kosher, observing Orthodox **Jewish** dietary laws. Don't let this scare you, though. You won't be restricted to one piece of toast a day! Far from it. The Israelis, and Jews in general, are renowned for their healthy appetites, tasty cooking and hospitality.

However, we have been informed by our reader who has returned to the US that such Orthodox conversions have in effect been stopped for the time being. The reason seems to be that recently there has been a large influx to Israel of Russian Jews and as many as 50,000 of them have required conversions to meet the stricter Orthodox conversion laws!

As for non-Orthodox conversion, you can convert by simply walking into a local reform synagogue and joining the congregation. After being a member for a respectable time, contact the local Israeli consulate or Aliyah (immigration aid) group for information on Israeli immigration and citizenship. Some hard-liners in Israel have pressured the government to deny citizenship to non-Orthodox converts but, as yet, they have been ignored. No non-Orthodox Jewish convert will be prevented from entering the country once he has shown his conversion documentation. In fact, if the immigrant declares himself a Jew, showing such paperwork is not absolutely necessary.

There are, however, certain problems associated with such non-Orthodox immigration, especially when the immigrant wants to marry. In Israel, you can only marry if you are Jewish in the Orthodox sense. But, there is a way round this, though. The State of Israel recognizes a nonOrthodox marriage if the ceremony is performed in another country.

Conversions outside Israel are accepted by Ministry of Interior officials without much scrutiny. If your conversion is non-Orthodox, then Orthodox rabbis in Israel will not declare you to be Jewish, but this has absolutely no bearing on your immigration.

Beyond this, it's a matter of what makes you feel comfortable. It might be a good idea to read up on Jewish history and culture. But don't worry. As a non-Orthodox Jew you would not be expected to provide great pearls of wisdom! Nevertheless, your desire to study Jewish culture and customs will be well received and encouraged.

If your name is of obviously non-Jewish descent, don't worry either. You could be the offspring of a mixed marriage. Traditionally and for practical reasons, the mother's faith is the important one. After all, so the reasoning goes, you can always be sure who the mother is! If both your mother and father have obviously non-Jewish names, you might consider changing your name before you go to Israel. Examples of particularly non-Jewish names might be Christian St. James or Mohammed D'Arabia. It is an Israeli custom for new immigrants to choose a Hebrew name. Quite simply, this involves a legal change of name which is carried out by means of a simple procedure at the local office of the Ministry of Interior. Once the Hebrew name has been recorded it is used in all official

documents, including your Israeli passport. Abe, for example, might become Avrom. If your father's name is David Jones, you may elect to become Avrom Ben-David (literally Abraham Son of David). You are not limited to translations of your name and you may choose any new Hebrew name.

Anyone who is at least a quarter Jewish, that is, with one grandparent Jewish, can immigrate! Such is the Law of Return. And remember, according to the Israeli rabbinate, which is the religious authority, the mother is the important parent when it comes to Jewishness. If your mother is Jewish, you are Jewish. You might be required to prove your Jewishness when you apply for immigration. To be safe, you should present a certificate from the rabbi of your congregation attesting to your membership. As mentioned earlier, if the immigrant is only half or quarter Jewish, he cannot marry in Israel before converting. However, it is generally the case that an immigrant can marry outside the country and the marriage will then be recognized by the Israeli authorities.

Once your Jewishness is firmly established you may arrange to move to Israel through the Israeli consulate or an Aliyah group nearest your present home. If you cannot afford the passage, the Israeli government may arrange and pay for your trip to Israel and also may help with the costs of moving your belongings. Once there, Jewish immigrants will be entitled to attend a three month long Ulpan language and orientation school for a nominal fee of NIS 40.

By virtue of the Law of Return, you will become an Israeli citizen automatically 90 days after entering Israel as an immigrant, unless, of course, you choose during that period not to take citizenship. However, you don't receive your Israeli passport immediately. It is the practice of the Ministry of Interior to grant a *laisser-passer* rather than a passport during the first year. This requires visas practically everywhere and is valid for a year, after which time a regular passport will be granted. It is worth noting that if you receive any government loans or grants as an immigrant, your application for a passport will trigger a demand for repayment or, at least, a demand for the provision of sufficient guarantees that repayment will be made before you leave the country.

Israel permits dual citizenship for those eligible under the Law of Return. Hence you will not be obliged to surrender your present passport on being granted one by Israel. They also maintain a policy of not reporting your acquisition of citizenship to your original country. However, next time you need a passport from your original country, the consulate is likely to ask if you have indeed become an Israeli citizen. If your original country does not allow dual citizenship, you will probably have to give up its passport. Fortunately, most countries will allow you to have an Israeli passport, but you would be advised to find out before applying to become an Israeli citizen. In effect, this means that you must make the necessary esquires in the first three months of your immigration because, after that, you will automatically become an Israeli citizen!

Israel has strict exchange controls and high income taxes. Fortunately, neither of these has much affect on new immigrants. New immigrants are exempted from exchange control

restrictions for up to 30 years are not taxed on foreign-source income which they do not bring into Israel. During this 30 year period an immigrant can keep his assets anywhere in the country. In his first seven years of residence a new immigrant may not even have to pay income tax on some or all of his foreign-source investment income which is remitted to Israel. This is a major benefit because all natural Israeli citizens have to pay taxes on all foreign-source income remitted to the country. In addition, new immigrants are exempt from income tax on foreign currency deposits in their Israeli bank accounts.

The Israeli authorities are liberal when it comes to renewing passports abroad every five years and they do not ask too many probing tax questions. If you are of draftable age you will need a paper from the army so that you can leave the country. This paper is easy to obtain and is unattached to the passport. It gives the bearer unlimited multiple entry and exit for three months.

A non-Jew can become a citizen of Israel too. This is at the discretion of the Ministry of Interior and the applicant must satisfy all the following conditions.

1. He is in Israel.
2. He was in Israel three years out of the five-year period immediately preceding his application for citizenship.
3. He is entitled to permanent resident status.
4. He has settled in Israel or intends to do so.
5. He has surrendered his former citizenship or has offered proof that he will cease to be a foreign citizen as soon as he becomes an Israeli one. You will remember that Jews who become citizens through the Law of Return are not restricted in this way.

If you are interested in immigrating to Israel, Kurt Levy can provide you with all the assistance you need. Write **Kurt Levy, 9 Dubnov Street, 64368 Tel Aviv, Israel, tel 972 3 69 65 851, fax 972 3 69 69 231.**

Italy - Reclaim Your Ethnicity

Italy radically changed its immigration and passport policies in January 1992. Now, the children of Italian nationals are automatically recognized as Italian citizens. Dual nationality has also been officially recognized and is thus no longer a problem. This change of policy is retroactive, meaning that those Italian nationals who lost Italian citizenship as a result of acquiring a different nationality are once again Italian. Likewise, their children and their grandchildren may qualify for Italian citizenship.

For those who lost Italian nationality as a result of acquiring nationality in another country, citizenship can be regained within two years from January 1992, by simply

providing a declaration to do so. After January 1994, one year of legal residency in Italy will be required.

The rules for the children and grandchildren of former Italian nationals are fairly complicated. You qualify if any of the following apply:

1. Your father was an Italian citizen at the time of your birth.
2. Your mother was an Italian citizen at the time of your birth, and you were born after 1 January, 1948.
3. Your father was not born in Italy, and your paternal grandfather was an Italian citizen at the time of his birth.
4. Your mother was not born in Italy, you were born after 1 January 1948, and your maternal grandfather was an Italian citizen at the time of her birth.

This program obviously favors the paternal line of the family (strange when one considers all that one hears about the notorious Italian mother). However, if you do not qualify under these somewhat stringent stipulations, you can receive Italian nationality after only three years legal residence in Italy. See the entry on Italian residency in this section.

Citizenship can also be acquired through marriage to an Italian national (male or female) but the spouse must be legally resident in Italy for at least six months before applying. Note that nationality is no longer granted immediately.

As for individuals interested in becoming naturalized Italians (those that are not ethnic Italians) the required residence period has now been raised to ten years, far too long in our opinion.

Another route to Italian citizenship is through the passing of a private bill in parliament. We have heard that this can be done by any politician who can be motivated to act on your behalf. Providing such motivation is said to cost around US \$250,000.

The Italian passport is a good document for visa-free travel. It is now the standard maroon EU document. Italy alone in Europe requires annual validation (tax) stamps to keep its passport current during its five year life. The Italian passport is highly recommended for ethnic Italians and those who have an Italian *affianzata* (lover) willing to marry.

ITALIAN RESIDENCY

Tourist (non-working, residence) visas are easy to get and can be renewed indefinitely for persons who are self-supporting or can show means of support. Unemployment is very high, particularly in Southern Italy, but a foreigner who manages to get a job or job offer reportedly has little trouble getting a work permit (with the assistance of his employer). Foreigners opening a new business or investing are generally given a red carpet welcome.

There are many tax-concession programs. Italians have never enforced their tax laws against resident foreigners who derive their income from sources outside Italy. Thus the whole country is a *de facto* tax haven. Once inside Italy, registering as a resident or domiciliary is a simple matter involving two visits to the local police station. Registration is renewed at three month intervals, but the local police will generally give six month and year long permits once a person is established and known in the community. There are government subsidized Italian language and culture courses at the University for Foreigners in Perugia, Siena, Rome, Milan, etc. Passable Italian can be learned at these institutions, in the company of exceptionally beautiful young females from Germany and Scandinavia, in about two to three months. Italians are exceptionally friendly to foreigners, and their emotion and warmth legendary. Although the power of organized crime (the Sicilian Mafia and the Neopolitan Camorra) has been well documented, the average tourist will not have any unpleasant experiences aside from pickpockets, purse-snatching and car radio thefts. Such thefts can be avoided by taking the same precautions one would take in any big city. Italy is an altogether civilized place of unparalleled man-made scenery blending with natural landscapes. It would rate among our top five places in the world to live. It is another place where it is much better to live as the holder of a foreign (non-Italian) passport. Why? Because Italian citizens resident in Italy are among the most highly taxed people in the world. Foreigners resident in Italy usually don't pay Italian taxes unless they have a visible Italian business.

Jamaica - A New Program That's a Flop!

We include the outline of the following program merely for historical perspective, or perhaps more importantly as a warning to countries interested in setting up a similar program. According to our information, this Jamaican scheme died for lack of a single applicant, although we still occasionally hear murmurs of its existence.

Hoping to attract new capital, Jamaica initiated a program to give instant passports to persons who had lived in any British Commonwealth country during five of the previous seven years and whose financial and moral characteristics were deemed appropriate. Special arrangements were possible for non-Commonwealth residents. Neither an oath of allegiance nor travel to Jamaica was required. Dual nationality was specifically allowed. So far so good!

The financial requirements involved:

1. The purchase of a US \$100,000 zero interest Bank of Jamaica bond for US \$30,000. This bond was to be repaid (one hoped) in ten years at full face value. This translated into providing a ten year loan to the government of Jamaica at approximately 13 per cent per year. The bond could probably have been sold at a discount after one obtained his passport.
2. The long-term investment of US \$50,000 or the purchase of an approved real estate development project. One could look for his own deal or invest in a ten year syndicated

package already approved by the government. This was handled by American entrepreneurs.

3. Fees of US \$20,000 were quoted as necessary to get through the bureaucracy.

SUMMARY

This \$100,000 up-front cash scheme was overpriced by \$80,000 in our opinion. Even though the country's travel documents are good for visa-free travel in most of Europe. Jamaica's major industry is tourism. Exports have been bauxite ore (aluminum), sugar, bananas and coffee. Because of low commodity prices and a flirtation with leftist anti-American policies, conditions deteriorated after independence from Great Britain. These policies have been reversed. Now foreign investors are being actively courted. This program may or may not resurface in the future, hopefully with a lower up-front cash requirement. We have even heard that it is still in operation but now only offers permanent residence which would lead to nationality in five years. This variation makes the program nothing less than comical. Furthermore, be warned about the misleading impression created by glossy brochures. This poor, overpopulated island is no paradise!

Japan - Some Opportunities But Difficult Procedure

Equality of treatment for women arrived in Japan in 1984 with the introduction of a new Nationality Law which allowed the children of a Japanese mother and foreign father to become naturalized Japanese. Previously in mixed marriages, only children of a Japanese father and foreign mother could become naturalized in this way. Before this law was introduced, some children actually ended up stateless. This was particularly common in Okinawa where US servicemen had children by Japanese women and then abandoned them. These unfortunate children could claim neither US nor Japanese Citizenship.

The Nationality Law states that children who have a Japanese and a foreign parent must choose by the age of 22 which citizenship they wish to adopt. Children under 20 years old who were born of Japanese mothers before the law was introduced also qualify. Contact the Regional Legal Affairs Bureau and District Legal Affairs Bureau in Japan, or the nearest Japanese embassy and consulate for application forms. When filled in, these forms are all that is needed to acquire Japanese nationality if your mother is still a Japanese national.

It is important to note that although the letter of the Nationality Law excludes dual nationality, the authorities seem to be allowing adults who are dual citizens by birth to keep both of their citizenship's. Registration seems to be the key here. All Japanese parents should register their children on a family scroll as this is the basis of citizenship by descent in Japan. Failure to register could deny your children citizenship. We heard of one case in which two children, born of Japanese parents, returned to Japan after a period of residence abroad. The eldest child had US citizenship by virtue of his birth on Hawaii and, unfortunately, his mother had neglected to register his birth on the family scroll in Japan.

The son, now returning as an adult, was refused Japanese citizenship and is now forced to apply for a visa every year to live in Tokyo!

There are other clever possibilities here too. Say, for example, a Japanese woman marries an American man and they decide to live in the US. When she applies for her US green card she uses her married name. Why? So that when her kids are born in the US, they have birth certificates and, eventually, passports bearing their American father's name. Meanwhile, the mother registers her children on the family scroll in Japan under her maiden (Japanese) name. This name, rather than the American father's *gaijin* (alien) name, will allow the children to be eligible for Japanese citizenship. You can see from this example that, with a little care and planning, mixed-heritage children with a Japanese parent can have the best of both worlds.

Foreigners who want to become Japanese must apply to the Minister of Justice and receive his approval. Five years of consecutive residence and good behavior are among the strict requirements for a successful application. Where couples have been married continuously for three years, the residence requirement can be reduced to one year. Applicants must also be able to show an ability to maintain an independent livelihood, not just for themselves but also for their dependent family unit.

In theory, Japanese naturalization is possible after five years. Unfortunately, however, this doesn't seem to be the practice. Unless the applicant is a stateless refugee, most regional offices take some time processing applications. Some offices are worse than others and some even require that the applicants change their name to "something which sounds more Japanese"! There have even been cases known where applicants have been asked to prove that they can "think like a Japanese person". Make no mistake, the application procedure for Japanese naturalization is tough.

Dual nationality is generally not allowed by the Japanese Ministry of Justice. An applicant with special ties to Japan who is unable to renounce his original nationality because he is forbidden to do so by laws in his original country might, however, still be granted Japanese nationality. If you have a Japanese spouse or parent, for example, your dual application nationality is likely to be all the more successful.

Note also that since November 1991 Koreans and Taiwanese already resident in Japan were exempted along with their descendants from immigration control laws concerning deportation and re-entry. Other nationalities have not been so favored.

Kenya- Restricted Travel

A Kenyan passport is one of the more respectable Black African documents but care must still be taken. There are a lot of fraudulent and stolen blanks about. The passport is valid for five years in the first instance and renewable for a further five years. Applications must be recommended by a citizen of Kenya, such as a minister of religion, a medical or legal practitioner, an established civil servant or bank official. Citizenship can be claimed by

birth, descent, registration or naturalization. But be advised. Although this passport is more respectable than most of its African neighbors, it doesn't offer much in the way of visa-free travel.

Lebanon - Easy to Obtain, Difficult to Use

We have heard that passports for this country are available through several different methods. The first involves the standard corrupt government official and comes in at the price of US \$16,000. The second is through an actual period of residence in the country. If this sounds appropriate for you, an immigration lawyer may be able to provide assistance. The third is instant and requires that one be a member of the Palestinian Liberation Organization (PLO). See the entry on Lebanon in the section Odd Approaches To Real Passports in Part VI of this report.

No matter what method you use, remember that a Lebanese passport comes with a very heavy price. To put it bluntly, you will most likely be treated as a potential terrorist and be given the third degree by some border officials, particularly those of the US and Europe. If you don't mind the extra attention and have nothing to hide in your luggage or your past, Lebanon may be your cup of tea.

Lesotho - Passports Not Much Value

Lesotho is a former British colony surrounded by South Africa. It is primitive but very pretty with its mountain ranges and valleys. It has had serious internal problems and within the last year, its army shelled the capital city of Maseru. South Africa's president Mandela urged Zimbabwe's president Mugabe to send some troops in to restore order and it is peaceful again.

Lesotho's passports have a bad past. Corrupt officials sold several hundred Lesotho passports in Hong Kong but, after the Lesotho government became worried that there might be a sudden influx of Chinese, all these passports were canceled. Lesotho passports can still be obtained for under US \$10,000, provided the applicant is not Chinese, but this is clearly an unstable country and its passports would not be of much value.

Those with a genuine interest in Lesotho for business or immigration would be advised to write to **Worldwide Services, Box 61490, Bishopsgate, Durban 4008, South Africa.**

Liberia - Do You Want to be a Diplomat?

The subject of great violence in 1994, things in Liberia are now somewhat more stable although travel is difficult and the country is still subject to curfews and lawlessness. It is inadvisable to visit the country but if you have to, it is better to travel around with an armed guard.

The passport is probably slightly better than most Black African ones in that the country does have a couple of dozen embassies and consulates around the world and Liberia is well known for ship, boat and plane registration.

The government will grant Diplomatic Passports for those who wish to improve trade and cultural relations with this emerging country. The fee is US \$65,000 and they are properly issued through an Honorary Consul directly by the Foreign Ministry in Monrovia, Liberia. They are certainly inexpensive and quick to obtain. As these arrangements have only come to the publisher's notice virtually on press day please write to EXPAT WORLD for further information and a referral. Honorary Consul appointments are available for US \$150,000 and a few Honorary Consul Generalships in countries where Liberia has a diplomatic presence, for US \$250,000

Lithuania - New Republic, New Passport

Lithuania is situated on the eastern coast of the Baltic Sea. It borders Latvia to the north, Belarus to the east and south-east and Poland and the Kaliningrad region of the Russian Federation to the south-west. The area was already the site of an independent state, The Grand Duchy of Lithuania, in the 13th century. The Republic of Lithuania declared its independence in 1918, but as a result of the Molotov-Ribbentrop pact, was annexed by the Soviet Union in 1940. Lithuania reinstated its independence on 11 March 1990.

The climate is too much like the British to be comfortable. It rains a lot, but summers are nice nevertheless. Geographically, with the country next-door to Russia, it is still too close for comfort. Sweden, however, has vowed to protect Lithuania, having publicly described the three Baltic states (the two others are Estonia and Latvia) as its "near abroad".

As many Western democracies did not recognize the incorporation of Lithuania into the Soviet Union, the pre-Russian government continued to operate its diplomatic and consular missions in Washington, New York, Chicago, London and Rome until the country's return to independence in 1990. This government in exile even issued passports to those who could demonstrate Lithuanian citizenship, which seems to have basically amounted to demonstrating a Lithuanian connection. The only other requirement was that one pay a consular fee of US \$25. However, it seems that even this payment, which it is said was considered to be merely a donation, was optional for those who could demonstrate financial hardship. This passport was accepted by many, though not all, countries of the free world, but of course not by communist states.

With the return to independence, the government has started to issue a new passport for the Republic of Lithuania. These passports were printed up by a Norwegian bank and are actually quite impressive in appearance. Also, the former passports issued by the government in exile can apparently be exchanged for this new passport.

The new passports were issued to almost every resident of Lithuania, except those immigrants who refused to accept Lithuanian citizenship. In fact, it is more or less

mandatory for Lithuanians living in the country to acquire this document as it not only confirms citizenship, but also acts as a standard form of identification. The good news, however, is that citizenship is also recognized for former Lithuanian nationals as well as individuals of Lithuanian origin. The bad news is that dual nationality is generally not recognized. Certain special situations qualify one for Lithuanian nationality. These include:

1. Persons who have had citizenship of the Republic of Lithuania and are at present residing in other countries, provided they have not repatriated from Lithuania.
2. Their children, who were born in Lithuania or in refugee camps, but are at present residing in other countries.
3. Persons of Lithuanian origin residing in foreign states.

Who exactly is a person of Lithuanian origin? Basically, the rules are not spelled out in black and white, and the outcome of one's eligibility ultimately rests at the discretion of an Honorary consul. Personal representation and sensitivity cannot be overemphasized. One naturally should be a strong supporter of Lithuania's struggle for freedom. Influential friends at the local Lithuanian community can be of great help especially if you do not speak Lithuanian or your name does not sound Lithuanian. Most Lithuanian Honorary consulates are not very prosperous and a few do accept donations from members of the Lithuanian community and general benefactors.

People of definitely non-Lithuanian origin may also be eligible for Lithuanian citizenship. Anyone who has been of merit to the Republic of Lithuania qualifies through a special arrangement. Who exactly they mean is at the discretion of a special Commission consisting of high-ranking officials. Again, the importance of contacts can never be underestimated in the passport world, but it seems that this category is generally reserved for what the consulate in London referred to as "outstanding artists, scientists and fighters for the independence of Lithuania".

In the capital, Vilnius, business is rife and deals are being made in a heady atmosphere mixing 1980s Wall Street with 1880s Wild West frontier. Yuppies are just now coming into fashion in Vilnius, so if you bring your beeper and your old cellular phone, you will be the height of chic.

For entrepreneurs, Lithuania offers one of the best and most stable bases in the former Soviet Union. Inflation has gone and the currency is actually convertible. Rule of law is respected and the legal system works, which is something that can't be said for nine out of ten of former Soviet states. What's more, in Lithuania, you get a two year virtual tax holiday when you start a business or lend money to a starting business. Article 3 of the Law on Small Enterprises sets out the details. The bottom line can be seen from how much tax the typical Lithuanian start-up pays to the government. During the third year, your tax relief is reduced to fifty per cent of the normal tax rate. If that still strikes you as being too much, use some of your new-found wealth to finance other ventures. They, too, get a tax break. After that, if you still find yourself with tax to pay, forget the tax man for

a full three years. Article 4 of the Small Enterprise Law obliges him to give you a three year tax credit!

Sometime during the next century, these three states will form the eastern frontier of the expanding European Union. For now, however, you are still safe from the ills of bureaucracy in Lithuania. And what's more, you're forever safe from the rest of the world's bureaucrats if you make Lithuania your base.

If you ever get in trouble with the tax man back home or with some other branch of the ever expanding official dom, Lithuania can be your secret bolt hole. As the saying has it: when the going gets tough, the tough get going. But where to? Lithuania is one such locale. It ranks right up there with Brazil and a couple of other choice spots as one of those very few places still left in the world for the tough to go when the going gets tough.

Once you're in Lithuania, you are home free. If you play your cards right, you will be immune from expulsion, from deportation and even from extradition. In a word, you will be untouchable. Above the law. Here's why. In Lithuania, you will not be deported or expelled if you somehow manage to establish ties with the country. This you can do in many ways. One is marriage. Another is the "love child" route. The father of a Lithuanian child, for instance, is guaranteed an irrevocable residence permit. Article 6 of the *Law on the Legal Status of Foreigners* spells out what other classes are also entitled to such a beauty. You get it if you (a) are an immediate relative of a Lithuanian, (b) are a dependent of a Lithuanian, (c) maintain a citizen of Lithuania, (d) are married to a Lithuanian, (e) have a legal source of support in Lithuania, (f) in other cases established by the laws.

Those familiar with comparative international law will already have spotted how lax these rules are. If you can't marry (clause d), get yourself adopted (clause b). If you can't get yourself adopted, adopt a Lithuanian (clause c). And if that won't work, simply draw up a contract with someone there and undertake to support her financially (c). That's what mistresses are for, after all. What if you are broke? Simply get a job (clause e). And if that, too, is out of your league, simply opt for the other cases. There are plenty to choose from and plenty of officials happy to interpret them as flexibly as possible.

Once you have a residence permit it can only be revoked within the first ten years of issue and even then only if:

1. the permit was procured by fraud,
2. you willingly commit a crime in Lithuania punishable with prison
3. you are engaged in treason against the Republic of Lithuania.

When you can't be expelled or deported, that leaves only extradition to look out for. Will your own country request you extradited once you're in Lithuania? Probably not. If you forget to pay tax, few countries (outside of the United States) will bother to file the expensive and cumbersome extradition requests once you are already abroad. But even if

they go overboard and do give you a hard time you can safely forget about them. You are in Lithuania. You are free. You are untouchable.

The reason for this is that Lithuania will only extradite resident foreigners if there is an extradition treaty between Lithuania and the requesting country. Since Lithuania is not one of the most famed countries in the world, and only recently regained its independence, very few countries have bothered to negotiate extradition treaties with the lilliput-state. If you are not an American, chances look pretty good that your country does not have an extradition treaty with Lithuania. And even though your own country may be willing to forget about such treaties and simply extradite on the basis of the reciprocity principle, the folks in Vilnius won't play along. Their law forbids extradition of anyone in the absence of a specific treaty.

Such a treaty usually takes a minimum of three or four years to negotiate. That will give you time to become a Lithuanian. And no Lithuanian will ever be exported from Lithuania, treaty or not. Nor can a Lithuanian ever be exported or expelled. Residence permits? You won't need one. Once you are a Lithuanian, Lithuania is your country and you have the automatic right to settle, with no paperwork and no hassle.

If you marry a local, citizenship is bestowed upon you after three years of wedded bliss. Marriage may be a steep price to ask. Many free traveling PTs would rather pay taxes. The lesser of the two evils.

So what are the other options? Several backdoors to Lithuanian citizenship exist. Your best bet is to go to Vilnius personally, sniff around for a week or two and survey the possibilities. Article 16 of the country's law on citizenship spells out one route: "Citizenship of the Republic of Lithuania may be granted to foreign nationals who have been of merit to the Republic of Lithuania." Residence requirements, language tests and other formalities are all waived in such cases. What does "merit" signify? Depends on who you ask. To some of the cash-only ax-communists merit comes in one color only. Green. The figures we have heard thrown around are all in the US \$13,000 to US \$15,000 range.

If you are like us, you prefer to deal at the highest level. So why not head straight for the ministries? You might wish to contact the head of the International Treaties Division at the Ministry of Foreign Affairs (*Uzsienio Reikalu Ministerija*, in local lingo), 2, **J Tumo-Vaizganto st, 2600 Vilnius, Lithuania Tel (370 2) 616985 (370 2) 221382 or fax (370 2) 620752.**

If you want to test the waters before you splash in and would like a second opinion contact "fixer" and lawyer Dr. O Jusys. His law firm deals with private international law, immigration issues, naturalization and the like. He is close to the leading lights among Lithuania's legislators. He can be contacted at **Smetonos 6, Vilnius, Lithuania.**

In your Baltic Bolthole, passport or not, foreigners are above the law. You won't have to pay tax, you won't be deported, nor expelled, and no one can have you extradited. You are untouchable.

We have also heard rumors that quasi-legal passports can be obtained from corrupt officials at the Passport Office. No back files exist for these passports, but they may be registered on the computer. Such passports are, of course, only of limited value. EXPAT WORLD strongly advises against the use of such documents, as it is obviously illegal. We only mention them here to inform readers of fraudulent documents so that they will not be cheated by unlawful operators.

One can also achieve nationality through naturalization, which requires a residence period of ten years (definitely for the strong in spirit), and through marriage to a Lithuanian national, which requires a more reasonable residence period of three years.

If the prospect of an instant passport sounds too good to be true, there is a catch. Dual citizenship is generally not permitted. The only people who are allowed such a luxury are persons of Lithuanian origin who have had citizenship of the Republic of Lithuania before 15 June 1940, who departed from Lithuania in the period of 15 June 1940 to 11 March 1990 and are at present residing in other states. Their children also qualify, but under the further condition that they have not acquired citizenship of another state by birth. In other words, it seems that the only people who qualify are those who were born in Lithuania and left because of the Russian annexation of the country. Their children who either are stateless or acquired their citizenship through naturalization also seem to qualify.

However, the legislation goes on to further confuse what is already one of the most confusing pieces of legislation concerning nationality. A further requirement that one must refuse citizenship of another country in order to implement the right to Lithuanian nationality makes it difficult to understand how dual nationality is officially permitted for anyone. Also, there is the final condition that those of either Lithuanian ancestry or origin establish permanent residence in Lithuania. Hence, we find it difficult to imagine a single possibility in which dual citizenship is permissible.

Although Lithuania at first glance seemed like a good place to acquire a second nationality, in Irish or Italian fashion, due to the overwhelmingly complicated nature of what should be fairly straightforward legislation, the option seems to not be quite so straightforward. The only possible approach that we can think of is to acquire nationality, if possible, and then maintain any previous nationality by simply not informing the Lithuanian government of its existence. We have heard that although technically one is required to renounce all other citizenship before acquiring Lithuanian nationality, this requirement is almost never enforced. An oath of allegiance is, however, definitely required.

As a new republic, Lithuania has few agreements for visa-free travel. The list currently includes two EU countries, the UK and Denmark, as well as Austria, Norway, Bulgaria,

Poland, the Czech Republic, Hungary, the Slovak Republic, Singapore, China and Hong Kong. As a former communist country, Lithuania also does not enjoy a great deal of international prestige. However, most Western countries do not fear a flood of illegal immigrants from Lithuania due to its small population of 3.7 million.

A passport must be renewed when its holder reaches the ages of 25 and 45, meaning that if the timing is right, it will be valid for 20 years. Passports do still require an exit stamp, but these can be obtained on a routine basis, free of charge, and are valid for five years. However, foreign immigration officials are rarely concerned with an exit stamp, making one absolutely necessary only if you're interested in living in Lithuania.

Although this passport has its obvious limitations, it may become quite valuable in the future. If nothing else, it will provide an excellent insurance policy. Therefore, if you qualify and can easily receive a passport today, apply today. The rules, especially those of eastern Europe, change constantly, and what's here today will probably be gone tomorrow.

Malawi - Poor But Beautiful

If you like roughing it in the true Africa, Malawi is for you. Since the fall of the old dictator, Hastings Banda, the Malawi government has adopted a pro-business mentality. The economy which is almost entirely dependent on agriculture, suffered badly in the recent droughts and the country has relied on foreign aid for many years.

Malawi is willing to grant visas to foreigners under several different categories. Temporary residence can be arranged for those who wish to visit the country for a period exceeding the three months normally allowed visa-free to most passport holders. Permanent residence can also be arranged for those of "assured income, who for health or other reasons, wish to take up residence in Malawi". A Permit of Business Residence is also possible for prospective investors who wish to establish a "business in the country as self-employed persons or partners in a large limited enterprise". No indication is given as to the minimum investment required, although the permit is good for a full five years.

It is also not said whether any of these visas or permits eventually lead to citizenship, although it is more than likely that they would. Malawi is a terribly poor, although beautiful country. Passports are not sold but anyone willing to contribute to its economy by either establishing a business or spending hard currency within its borders would undoubtedly receive the red carpet treatment including a passport. Contact the nearest embassy or consulate of Malawi for more information.

Those with a genuine interest in Malawi for business or immigration would be advised to write to **Worldwide Services, Box 61490, Bishopgate, Durban 4008, South Africa.**

Malta - Residence But No Passport

This sunny Mediterranean island, located just south of Sicily, caters well for expatriates who are looking for a second or retirement home or retirement location. The island is politically very stable and has attractive legislation for wealthy foreigners who wish to move there. Most notably, there are no property taxes to worry about and permanent residents pay income tax of only 15 per cent on income remitted to the country. Unfortunately, foreign nationals are not eligible at all for Maltese citizenship or passports.

When it comes to residence, foreigners in Malta come in three types. Visitors staying on the island less than three months are counted as nonresident. Those remaining in Malta longer than three months are temporary residents. Permanent residents hold a permit entitling them to come and go as they please. Such individuals must own assets outside Malta of at least LM 150,000 (around US \$450,000) or have a worldwide income of at least LM 10,000 (around US \$30,000). All applicants for a permanent residence permit must also be able to show that he can remit to Malta a minimum annual income of LM 6000 (around US \$18,000) plus LM 1000 (around \$3000) for each dependent.

A permanent resident of Malta is not taxed on capital gains arising outside Malta unless he is considered to have both residence and domicile in Malta. Also in the island's favor, there are no death duties and a residence permit can be inherited by a surviving spouse. Unfortunately, this rule does not apply to surviving descendants.

Malta has much to offer but it is worth noting that foreign residents are not allowed to engage in any business, employment or political activities on the island. Having said this, the minimum income requirement is relatively low so Malta still may be just what you're looking for. There is also the added bonus that if you bring any capital into Malta, you can freely repatriate any portion of it along with any income earned from it while you are resident. We have also heard that diplomatic passports from the country, as opposed to regular passports, may be available to the adventurous who possess the "gift of the gab". See the section dealing with diplomatic passports in Part XI of this Report for more information.

There are already 7000 foreign nationals living permanently in Malta and seventy-five per cent of these are British. Why? Quite simply, this is a sunny Mediterranean island where English is the official language after Maltese. For enquiries please contact **The Director, Camrose Ltd. 653 High Street, Hamrun, Malta, tel (356) 225 558, fax (356) 241 170.**

Marshall Islands - Another Flop

The Marshall Islands hoped to make a bundle when it began selling its citizenship to foreigners early in 1989 at US \$200,000.

There were no takers so the Pacific island nation slashed the price in half and held a bargain sale. There were inquiries from Hong Kong, Taiwan, Canada and Japan, but there are still no customers in sight.

The Marshall Islands had hoped that it could offer foreigners who bought passports the same unrestricted entry to the United States that islanders enjoyed. It did not work out that way. When the Marshall Islands approved legislation to sell the passports, Washington said naturalized Marshall Island citizens seeking to enter the United States would first have to establish five-year residency in the Pacific nation and prove they had not bought the passports just to get to the US.

Mauritius - Indian Ocean Pearl of the Commonwealth

Mauritius is the Hawaii of the British Empire. It is an exceptionally beautiful independent island republic located between Africa and India. The population is mixed Asian, Indian and white. There are virtually no Americans in a total population of over one million. The island is a member of the Commonwealth and is very prosperous. Like Hawaii, it is a favorite tourist destination for European sun and sea lovers. Because it was a French colony before becoming British, both French and English are official languages.

At one time passports were being offered to those willing to make an investment in the country. The arrangement was straightforward and completely legal. Investors or potential employers who established a business could qualify for immediate nationality. The required passive investment was about US \$50,000 minimum, but an additional US \$25,000 was needed for legal expenses and a required visit to the island. There was no extra charge for spouse and dependent passports. As far as we know, this program has since closed down. It may reopen at some time in the future, or the government of Mauritius may still be interested in larger investments. Contact a local immigration lawyer on the island for the latest information on the situation as it now stands.

Passports aside, the real benefit that Mauritius has to offer has nothing to do with nationality. If one is a resident of the island, but neither a citizen nor domiciled there, there is no requirement to pay income tax, which is generally about 35 per cent on investment income, even if it is remitted to the island. Mauritius may, therefore, be a suitable place to set up shop.

Mauritius is a nuclear-free, fairy-tale tropical island in the middle of the Indian Ocean. Numerous restaurants, entertainment and medical care of a high standard are all available. There is plenty on offer to occupy even the most easily bored. Communications are very good with an excellent phone system, and there are daily flights to Europe and South Africa. Mauritius is a little-known island outside of the Commonwealth but we would rate it among our top ten choices for places in which to live all or part of the time. Contact the nearest consulate or embassy for more information

Mexico - Many Possibilities, But Not All Lead to Citizenship

In an attempt to attract wealthy Americans to meander across the border, Mexico has established various immigration and visa programs. They have also established other

immigration programs with the hope of attracting immigrants who possess either certain skills or can demonstrate that they are of independent means.

The first category is known as *Visitante Rentista* and is issued by Mexican consulates in most European countries as well as Australia, Canada and the US. The visa is valid for only one year, although it can be renewed in Mexico, and is available only to individuals of certain nationalities, limited mostly to those from Western countries. The basic requirement is that one demonstrate proof of a monthly income of at least US \$1156 for the head of family as well as US \$578 for each dependent.

The *Immigrante Rentista* visa works in much the same way except that it is granted directly by the Mexican government and is valid for a period of five years. The basic requirement for this category is that one submit proof of a monthly income of at least US \$14 for the applicant and US \$905 for each dependent. One must also submit a health certificate and a police clearance certificate, both of which are not required for the *Visitante Rentista* category. Also, in variance with the *Visitante Rentista* visa, after five years of residence on an *Immigrante Rentista* visa one qualifies for permanent residence and apparently nationality. The requirements for both of these programs do not officially state that the demonstrated monthly income must be brought into Mexico, although apparently, as with Panama, this would more or less form the basis for the existence of the programs in the first place.

A further program has also been established to attract investors. Specific policies, stating the kind of investment the applicant would like to make, must be submitted to the Mexican government. The minimum required investment is US \$187,500. There is also the requirement that one submit a health certificate and police clearance form as well as various other documentation. There is, however, no restriction on whether the investment be active or passive, and no requirement that the applicant demonstrate any previous business skill or experience.

Various other entry permits are available for students, technical personnel and business visitors, although these cards do not represent official residence and therefore would not lead to a passport in five years. It also appears that after being granted entry through any of these categories, one is expected to leave the country within a fairly short period of time, as in within one year.

Citizenship is generally available after five years of official residence, of which one must spend at least six months per year in the country. However, as the *Visitante Rentista* visa does not qualify one for official residence, but merely resident visitor status, it is not a valid path to nationality. One must apply for the more restrictive, *Immigrante Rentista* visa if nationality, rather than simply the right to retire in a sunny, inexpensive and stable country, is the objective. Contact the nearest Mexican consulate or embassy if any of the above mentioned programs are of interest to you.

Morocco - Instant and Cheap, But Not Definite

Morocco is mentioned only because it is one of the few "moderates" of the Arab world. Holders of other Arab or Muslim passports tend to be regarded as terrorists. Morocco has not yet been accused of being a militant country or a nation of fanatics.

This North African country lies directly across the Mediterranean from Spain and Gibraltar. It is a constitutional monarchy. Morocco has succeeded in remaining at a distance from most of the turmoil and strife so common throughout the remainder of the Arab world.

There are many ferry boats to Morocco running back and forth from Gibraltar and also from Spain. Morocco's hills can be seen from southern Spain, across from the Straits of Gibraltar, where the Mediterranean sea meets the Atlantic Ocean.

There are many exceptional resorts and hotels in Morocco, including a popular Club Med. The resort area on the coast is a favorite destination, especially for the French since it was once a French colony. French is the second language, Arabic is first. Vacationers enjoy five star restaurants, exceptional beaches and entertainment second to none. The professional locals you will encounter are likely to be cosmopolitan, charming and fluent in Arabic, English, Spanish and French.

The city of Casablanca was, until the mid-1950s, a tax haven and playground for wealthy Europeans. In an outburst of "Africa for the Africans" fervor, legislation removed Casablanca from the jet-set itinerary. The once exclusive European expatriate quarter soon fell into disrepair and squalor. Vestiges of hostility towards wealthy Europeans persist, although the government policy now is to encourage tourism.

Morocco is hot, dry, dusty and poor outside of tourist areas. It is not a place most people would choose to live permanently.

Official information regarding Moroccan passports is difficult to obtain. However, we are reliably informed that several lawyers in Casablanca will exercise "Levantine flexibility" and can obtain genuine passports for US \$3000.

Morocco thrives on fraud and bribery at every level. Therefore, be warned. Pay for nothing in advance or expect to be swindled!

Contact with professionals and government officials in Morocco should be conducted while acting humble and polite. Avoid displays of wealth, jewelry and expensive clothing. Be prepared to drink endless cups of sweet tea while patiently pursuing your objectives. Patience and subtle behaviour will be the important ingredients in your successful pursuit of Moroccan nationality. At this time we have no personal connections nor contacts for passports in Morocco or the Arab world. We welcome any offers from governments or lawyers in a position to assist our many Arab readers.

Mozambique - A line Hell-Hole

The departure of the Portuguese and the subsequent civil war have devastated this Portuguese former colony. Heavy industry and mining have the potential for major development but demand a more substantial infrastructure than the government can supply. Agriculture, which employs 90 per cent of the working population, contributes little beyond subsistence level and has recently suffered greatly through droughts. Needless to say, the population is pessimistic and largely dependent on foreign aid.

Tourist, transit and business visas are available. The extendible tourist visa is valid for one month and the multiple-entry business visa is valid for either three or six months. The roads are appalling and lined with UN troops while the government is said to be officious and corrupt. Even if they gave the passports away, no one would want one.

Those with a genuine interest in Mozambique for business or immigration would be advised to write to **Worldwide Services, Box 61490, Bishopgate, Durban 4008, South Africa.**

Namibia - Possibility For Legally Issued Passport

Although citizenship of this African country is available through the common routes of birth in the country or after a five year residence period, what may be of interest to readers of this report is a special paragraph in the Namibian law on citizenship. Paragraph 6 of article 4 expressly states, "Nothing contained herein shall preclude Parliament from authorizing by the law of conferment of Namibian citizenship upon any fit and proper person by the virtue of any special skill or experience or commitment to or services rendered to the Namibian nation either before or at any time after independence.". This sentence undoubtedly leaves a huge margin within which the adventurous may be able to arrange a completely legally issued passport, albeit from a country in the heart of Black Africa.

The Netherlands - Citizenship After Five Years

HOW TO BECOME A HOLLANDER

Anybody who has lived in the Netherlands for the past five years, even illegally with no papers, and speaks a smattering of the local lingo can become a Dutchman. If you have romantic ties or other ties with The Netherlands, your residence requirement is lowered and in some cases even waived totally.

Here are the rules.

Five years' continuous residence or "factual abode" in The Netherlands and/or the Dutch Antilles immediately preceding the application is the standard requirement for naturalization. Factual abode covers clandestine with no residence permits.

The residence requirement is lowered to two years if you have, at some previous stage in your life, already lived in The Netherlands and/or the Dutch Antilles for another eight years ie ten years in total.

The requirement is deleted altogether in the case of persons adopted by a Netherlands national and the non-Dutch spouse of a Netherlands national. This does not mean that you can marry and that your citizenship is then immediate. It used to mean that in Holland but not anymore. Instead, what it means is that no residence is necessary. Still, the marriage has to have existed for at least three years before you can apply for the nationality of your Dutch spouse. The consolation is that you don't have to live out the three years in The Netherlands. You can down your tent anywhere on the globe or even be a millionaire vagabond PT, with no fixed abode anywhere.

Finally, in line with the prevailing ideas on marital bonds in The Netherlands, the residence requirement is lowered to three years for unmarried persons who have had an extra-marital durable relationship of at least three years with a Netherlands national. We're not discussing homosexuals here because we'll do that below. No, instead, we're simply talking about the plain old hanky-panky known as cheating on your wife. Assume you move to The Netherlands with your current wife then you find a Dutch honey on the side (in the name of equality of the sexes maybe your wife, too, finds a Dutchman to carry on with). You get an affair going. If you manage to have the same mistress for three full years, you can actually apply for citizenship.

This is based on the illicit love affair as proof that you are now "socially integrated" into Dutch society. This, according to a government white paper, is "in line with the prevailing ideas on marital bonds in The Netherlands".

BECOMING DUTCH THROUGH MARRIAGE

If your wife leaves you, smile and be merry. But don't marry again unless that is, you want to use marriage as shortcut to a second passport.

Previously, a foreign woman who married a Dutch man could opt for Dutch nationality merely by a simple notification. Like saying yes. A non-Dutch husband of a Dutch woman had to go through all the normal naturalization and screening procedures to acquire his wife's nationality. What an explanatory memorandum to The Netherlands Nationality act termed "a variety of safeguards to prevent undesirable persons in Dutch society from acquiring Dutch nationality" were wholly absent in the case of foreign wives marrying Dutch men.

Today, equality between the sexes is a feature of the Netherlands Nationality Act. Foreign wives are being screened for criminal records, while life has been made (a little) easier for foreign husbands. In either case, they both get the same "specially privileged naturalization procedure" referred to in the multilateral New York Convention of 20 February 1957 on

the Nationality of Married Women. They will not be subject to any minimum period of residence in the Netherlands.

A twist on this tale. In The Netherlands today, homosexuals can marry. Lesbians can tie the knot, as can two men. For all legal purposes, including naturalization, this qualifies as a marriage.

GOOD CONDUCT IS A NECESSITY

Whether you opt for naturalization via marriage or based on a period of previous legal residency, and what is termed "social integration" in The Netherlands Aliens Act, your good conduct is necessary or you will not be granted Dutch nationality.

In Holland, good conduct not only means having no criminal record. In fact, some foreign criminals, especially with drugs or pornography convictions, have found a doormat saying "welcome" in places like Rotterdam or Amsterdam where some mind-altering substances are sold legally (VAT included) and where all prostitutes pay taxes, social security, their union dues and even have been known to plan a general strike.

Here, good conduct means that a foreigner will not be granted Dutch citizenship if there exists, on the part of the authorities, a "serious suspicion that the alien in question constitutes a danger to public order, good morals, public health or the security of the Kingdom . . . Past contact with judicial authorities because of certain criminal offenses is not, in itself, sufficient ground for refusal . . . Suspicion of danger to public order, good morals, etc. must be based on facts. Information resulting from police investigation may be important in fact-finding."

What is to be understood by "danger to public order, good morals etc." can only be determined only by reference to a few clear examples. Dutch nationality cannot be granted to persons living by trading in narcotic drugs or who are in regular contact with police in connection with serious crimes. Those suspected of working as spies for foreign powers or who otherwise constitute what the Dutch see as a threat to the state cannot qualify for naturalization. By contrast, the mere fact of membership of an anarchist association or of a committee holding extreme political views, sympathizing with a foreign political movement or propounding particularly controversial ideas, will not justify refusal of Dutch nationality to an alien who otherwise may be regarded as "socially integrated".

IS YOUR CHILD DUTCH?

Dutch nationality can be derived from either a Dutch father or a Dutch mother. The relevant Article 3, paragraph 1, of the Netherlands Nationality Act reads:

"Any person whose father or mother is a Netherlands national at the time of his/her birth, as well as the person whose Netherlands parent was deceased at the time of his/her birth, is a Netherlands national."

Where were you born? If in The Netherlands, you will not become Dutch just because of that fact alone (with both your parents being foreigners). But there is hope for your child. What is known as the "third generation rule" is contained in Article 3, paragraph 3:

"Any person born in The Netherlands or in The Netherlands Antilles whose father or mother was resident there at the time of birth, while the relevant parent's mother was resident there at the time of that parent's birth, is a Netherlands national."

Just sold, the principle of a child becoming a Dutch national merely for being born on Dutch soil (by two foreign parents), hardly exists any more in Europe. Among the European Union countries, the Republic of Ireland is the only country still giving citizenship away to all babies merely born there, regardless of the nationality of the parents. Portugal offers a *just sold* citizenship's to newborns, but only where both parents are stateless. The very limited Dutch *just sold* (Article 6) provides for an option for persons born and resident in the Netherlands. For non-stateless persons, the residence requirement refers to continuous residence since the time of birth. For stateless persons, the requirement is limited to three years residence or actual abode at the time of the option. The act of option must be carried out before the person reaches 25.

New Zealand - An Unusual Opportunity

This country has so many positive attributes that it should be a finalist on anybody's list for a second passport. It would also make a good part-time residence. Its passport is one of the best in the world. Politically, New Zealand is neutral and enjoys normal diplomatic relations worldwide. As a result, travelers bearing its passports are welcome, usually without visas, throughout the world.

New Zealand's controlled and regulated economy proved to be restrictive to many entrepreneurs. However, excessively high tax rates have since been reduced, and libertarian ideas implemented to create a better environment for capitalists and entrepreneurs. There are substantial inducements to encourage maintaining a part-time residence. They have to do with the natural beauty and the healthy, safe and sane lifestyles to be enjoyed there.

New Zealand is an island the size of Great Britain lying southeast across the Tasman Sea from Australia. It is a very different country from that mini-continent, with its own very distinctive accents and customs. New Zealand enjoys a year-round growing season and is about as far south from the Equator as San Francisco is to the north. Rainfall is regular. The climate ranges from mild in summer to somewhat cold in winter.

Locals call their country "En-Zed", which is the way an Englishman would pronounce the letters "N" and "Z". The scenery is amazing, including fine beaches, fjords, mountains, waterfalls, glaciers, volcanoes, hundreds of fresh water lakes, geysers and thermal pools. On the two islands comprising New Zealand, one can enjoy a sampling of the world's most

spectacular natural settings, from endless seashores to Alpine mountain ranges that will make you think you are in Switzerland. As in Ireland, there are no snakes or dangerous animals. Fishing is the best in the world, and the locals have more boats per capita than in any other nation.

New Zealand has a population of about 3 million, principally of UK descent. and fifty-five million sheep and ten million head of cattle far outnumber the humans. Gold and jade from local mines/quarries are exported, but the economy is principally agriculture-based. Wool, mutton, dairy products and beef are exported in great quantities. International trade considerations have led to a quest for new exports. and the kiwi fruit is proving itself to be an increasingly successful cash crop. In addition, aluminum ingots made with Australian ore are refined and processed locally, then exported.

Geothermal and hydroelectric power are plentiful and inexpensive and large natural gas deposits are being developed into sources of synthetic gasoline. The tiny population grows enough food to feed itself twenty times over, and unique weather permits year-round crop growing.

There are five television stations, each delivering a steady diet of second hand soap operas and American movies. Auckland, Dunedin and Wellington (the capital) as well as a number of smaller cities have both live theater productions and music. Quite a few of the world class acts visit New Zealand via Europe from time to time. As a general rule, although New Zealand is not a wellspring of culture, there is plenty to occupy even the most easily bored.

New Zealand, for all its splendor and resources, has not always been so prosperous. In fact, after years of having the highest tax rates in the world, economic conditions bordered near governmental bankruptcy. The central core of this society aimed to abolish the class distinctions from which their ancestors fled in England a generation ago. By and large, they were successful in creating a Utopia, but overspending on a welfare state plus low commodity prices brought on the fiscal crisis. No one starved, but inflation, unemployment and large scale emigration were common.

As a result, major changes were implemented. Not the least of which was the Employment Contracts Act which effectively did away with unions. People now work on performance based contracts, thus creating a land of small businessmen and self employed individuals. Large scale emigration has been brought to a halt, inflation has been reduced to less than one per cent (the lowest of all OECD countries), and property prices have been rendered static.

Major efforts were also expended to attract new foreign investments, entrepreneurs and talent. As a first step, confiscator income taxes were reduced, making them lower than any European country and roughly equal to those in the US. These were followed by a dramatic turnaround in immigration laws. This country, which once strictly limited immigration, is now one of the easiest countries to immigrate to. In fact, New Zealand

even goes to the trouble of printing up elaborate full color advertising material to entice you to come and stay for a while.

The new program involved the introduction of a point system, much like that used by Canada and Australia. Applications can be submitted under one of four categories, general, family, humanitarian and business investment.

New Zealand passport holders have right of entry to Australia and can live and work in that country freely. A New Zealand passport could be your backdoor to Australia.

GENERAL CATEGORY

This category seems to have been established with the aim of luring young hopefuls to New Zealand. Applicants are awarded points based on a number of criteria, including employability (dependent on education and work experience), age (with those aged 25-29 scoring highest) and settlement factors (including level of assets, degree of sponsorship by a New Zealand family member or community organization, offer of skilled employment etc.). Applicants must also have at least a basic knowledge of the English language.

This program is obviously designed with the young in mind. Anyone over 55 is not eligible, but there are circumstances under which the age restrictions may be lifted. Each applicant is scaled and then either accepted, declined or assigned to a pool, a process that currently takes six to eight weeks (rather impressive compared with the one year wait Canada has been known to impose). As for the applications not accepted but relegated to the pool, those with the highest scores will be drawn periodically and approved. If an application does not succeed in either of two draws, it will be declined.

FAMILY CATEGORY

This category is broken into two sub-sections. Family reunion and partnership. The family reunion section extends to parents, children, brothers and sisters. For each sort of application there are many qualifying criteria. A partnership with a New Zealand citizen or resident is recognized and includes a legally married husband or wife, or a *de facto* or homosexual partner. For a partner to be admitted, you must prove that the relationship is genuine and stable and of at least two years duration if heterosexual, four years if homosexual.

HUMANITARIAN CATEGORY

To qualify under this category you must have a sponsor or close family member in New Zealand willing and able to support your application, be able to provide evidence of who or what is causing the physical or emotional harm and be able to provide evidence of why you think the granting of residence in New Zealand will resolve the situation.

BUSINESS INVESTMENT

New Zealand is a land of innovative people and projects, but the lack of existing capital does much to hinder progress. As a result, New Zealand is anxious to attract investors and entrepreneurs to develop this enormous potential.

This category is a little more tricky than just planking down a wad of cash and walking away with a passport, or at least residency. An applicant must demonstrate that the investment funds have been lawfully earned and are the direct result of his or her own business or professional skills and experience (or are consistent with income and earnings) over a period of at least three years. Applicants must also prove what is termed skill (basically a minimum of education or business/work experience) and at least a basic knowledge of the English language.

There are three investment options:

1. A minimum of NZ \$750,000 (US \$407,000) into a passive investment, such as bank accounts, trust funds or listed stocks.
2. A minimum of NZ \$625,000 (US \$340,000) in a commercial venture in either the Auckland or Wellington urban areas.
3. A minimum of NZ \$500,000 (US \$270,000) in a commercial venture outside of the Auckland or Wellington urban areas.

All investments must be maintained for a period of at least two years, but if an original business plan does not work out, one can switch to any other legal economic activity.

Under each of the resident categories, applicants must also submit a police and health certificate (including a chest x-ray). Most applicants will also be interviewed. Suspected terrorists and those known to have criminal associations need not apply. However, this does not seem to extend to tax evader, except those who have also been unfortunate enough to have been resident in the poky for either five years, or one year of the past ten years.

After three years of residence, one is eligible for citizenship and a passport. Foreign travel during these three years is unrestricted. Obviously, a genuine home should be rented or purchased, and some time should be spent there. Usual evidence of legal residence should be accumulated, including a drivers license and church or club memberships. Business contacts, hired attorneys and accountants will provide extra evidence of bona fide residence.

If you are interested in New Zealand, contact its nearest consulate or embassy for a big information pack.

WEDDING BELLS ARE RINGING

Just a few years ago, instant citizenship could be had through marriage to a New Zealander. However, due to the apparent widespread abuse of this policy, the situation has changed and two years of actual residence are now required. The new spouse must also show "an association with New Zealand in addition to the marriage". Practically this means having a home, business or job in New Zealand when applying for a passport.

Incidentally, as explained earlier under the "Family Category" heading, New Zealand is one of the few countries to recognize *de facto* homosexual relationships. They are joined by Australia, Denmark and Holland. See the appropriate listings in this part of the report.

NEW ZEALAND TAXATION

To legally avoid taxes, steps must be taken before immigration. Worldwide assets can be placed in offshore trusts or corporations, however, it is advisable to do so several years in advance as a relatively new section of New Zealand tax law makes any arrangement entered into to avoid taxes illegal. The income from such trusts is only tax-free in New Zealand if no more is brought into that country whilst resident in it. Any income received renders all such income liable to tax at 40 per cent. There are also tough new laws on share holdings in foreign companies or financial entities. One is now taxed on income derived from such share holdings.

Owning a home in New Zealand can also make you liable for taxation on your worldwide income, regardless of whether you actually live in New Zealand or not. In order to not be taxed, you must rent out your house while not using it, so that it is not immediately available, and not stay in New Zealand for more than six months a year. (All the gritty details of this policy are explained in IRD Public Information Bulletin 180).

The good news about New Zealand taxes is that there are no capital gains taxes and estate duties have been done away with.

A reliable firm specializing in New Zealand immigration. is **Malcolm Consultants (UK) Ltd. 1 Hay Hill, Berkeley Square, London W1X 7LE, UK, tel. +44171 607 9700, fax +44171284 0080.**

Northern Mariana Islands - The Gateway to the US

The Commonwealth of the Northern Mariana Islands (CNMI) are next door to Guam and have now become a US territory. In fact the US dollar is the now the currency used there. However, CNMI remains separate from Guam and are more autonomous than other US territories. The island of Saipan, which is the capital of CNMI, has a good, if somewhat expensive, infrastructure and is a popular holiday destination for the Japanese.

CNMI is outside the US customs area and is not subject to US minimum wage legislation. But, because CNMI falls within US territories businessmen have opened factories

producing "Made in USA" goods but using Asian materials and cheap imported Asian labor.

CNMI has its own tax laws with a flat income tax rate of 6 per cent. CNMI income is taxed initially at the same rate as US federal tax but, at the end of the tax year, the difference between the federal tax deducted and the CNMI 6 per cent is refunded! So, the government basically receives an interest-free loan until the end of the year and citizens end up paying a much lower tax rate than they would if they were earning income in the US proper. Citizens of CNMI do not pay any further taxes to the US on income earned in CNMI.

What about citizenship? CNMI inhabitants hold US citizenship and other US citizens and green card holders have free access to the islands. But the CNMI is outside the US immigration zone and has its own immigration laws. Citizens of any country who hold a valid passport can obtain a CNMI tourist visa at the airport as long as they have an outward bound ticket and proof of funds. A US visa proper is neither necessary nor of any use.

CNMI also issues its own working and business visas. These visas are not a way of gaining permanent residence or eventual naturalization as US citizens. Nevertheless, they can be renewed without too much difficulty. A CNMI visa by itself will not allow you to travel to other US territories. In fact, non-US citizens must have a US tourist visa even to go shopping on nearby Guam! Having said this, CNMI visa holders do not have to go through US immigration formalities if they want to live and work in CNMI. Furthermore, they can usually bring in their dependent family members without any trouble.

Unfortunately, CNMI land can be owned only by US citizens who are of indigenous Chamorro or Carolinian descent. Even US citizens must lease property, often at very expensive rates, or go into a real or paper partnership with an indigenous islander.

One of the advantages of CNMI is that anyone born there is automatically a US citizen who can go to the US proper and enjoy the same rights as any other US citizen. So, many families who could otherwise not obtain US residence and eventual citizenship go to CNMI to have their children! Why? Because when the children reach 21 years old, the parents can move with them to anywhere in the US. Several examples of this have been reported to us. One Chinese mother, whose family had pooled money for her to have her first child in CNMI, entered the islands when she was seven months pregnant. She had her baby boy in a modern CNMI hospital and stayed on the islands only long enough to obtain a US passport for her him! Several Korean families have done the same except they have stayed on the islands, earning their living by opening shops. These CNMI residents are now enjoying the sunny lifestyle waiting for their *American* children to finish high school and junior college there. They know that even if for some reason their CNMI visas should not be renewed, their return to Korea would not be indefinite. For, as soon as their children reach 21, they can move with them anywhere in the US!

Norway - Long Wait and High Taxes

Like most developed countries, Norway is only interested in new immigrants who can either fill a specific need within the existing employment market or who will be reunited with family members. The various categories that are open for consideration are specialists, researchers, au pairs, trainees, missionaries, students, musicians, entertainers and artists. In most cases, however, these entry categories will never lead to citizenship as they require that the applicant leave the country within a specified period of time. Special consideration is given to applicants for whom at least one parent was Norwegian at the time of their birth.

Norway will also grant residence to those interested in establishing a business in the country. A detailed description of the proposed business activities as well as financial and budget plans with proof of adequate financial backing must be submitted for approval. Also, those who have been appointed to a professorship or to some other academic position of an equivalent level at a Norwegian public university or college of higher education qualify for residence. These two types of residence, unlike most of the other categories, would lead to a settlement permit and eventually nationality in seven years.

In our estimation, the combined lengthy residence requirement and excessive taxation common in Scandinavia make Norway a poor target for immigration. If you would like to live in Scandinavia, consider Denmark. As it is a member of the EU, Danish passport holders are allowed to live and work with minimal hassle not only in any other Nordic country, but also in any other EU country. See entry on Denmark.

Panama - Offshore Income of US \$1000 Per Month Needed

In spite of the US invasion, immigration policies are still very favorable for the wealthy or even the moderately rich. Anyone who has a job offer from an international corporation in an executive capacity, or who will invest US \$35,000 in Panama or who comes to Panama with a proven income of over US \$ 1000 per month from outside sources, is welcome as a resident. Law number 9 from 24 June 1987 has been approved by the Panamanian Legislative Assembly, whereby a foreigner may obtain the status of pensioner in the country, if he can prove a steady and guaranteed income of at least US \$ 1000 a month.

For this purpose, the sum of approximately US \$ 120,000 is deposited with the National Bank of Panama (which pays a very high monthly interest in the form of a fixed five year CD). The immigration authorities will then issue immediate permanent residency. Time frame here is anywhere between 30 and 90 days. It is preferable if the applicant can travel personally to Panama. Agent's fees range from US \$20,000 to US \$30,000 depending on urgency and client background. A five year residence is generally required before one qualifies for nationality and passport but this can be shortened to about five weeks for meritorious contributions to worthy causes.

Land and property ownership by a foreigner is encouraged in the desirable resort areas, but is restricted to within ten miles of most borders. Although some real estate promoters will tell you otherwise, property ownership is not required and does not score extra points towards citizenship and a passport.

Besides granting ordinary passports, Panama is also known to be liberal in appointing honorary consuls. For those interested in the social life and partial diplomatic immunity provided outside of Panama by such an appointment, further inquiry is warranted. Your nearest Panamanian consul is the best place to start.

The national language is Spanish, but all business people speak English. Society is multiracial with substantial groups of Asians, Indians, Africans and Europeans to be found.

WARNING ON INSTANT PASSPORTS

Deposed dictator Manuel Antonio Noriega turned Panama's immigration service into a corrupt cash machine that made tens of millions of dollars each year peddling visas and passports, states the agency's new civilian chief.

Documents recovered from the militarized service revealed a vast network of sales deals and while-you-wait processing that brought a flood of refugees to Panama's shores along with the badly needed cash.

By the tens of thousands, Cubans desperate to leave their island and Chinese anxious over recent repression paid high prices for the chance to move here: US \$2500 for entry visas and US \$12,000 for Panamanian passports.

Eight former agency officials were prosecuted for immigration abuses.

Over the five years before the US invasion, at least 30,756 Cubans, 11,687 Chinese and 2585 Libyans have moved to Panama. In the last year alone, 11,931 Cubans and 8850 Chinese entered the country.

The exposure of the files after the US invasion may be the only time that figures on the size of the passport market have been accurately revealed by any government. But the legitimacy of all these passports and visas in Panama is now open to question, and it would not be impossible for a purchaser to become charged with a crime in relation to the purchase, although simple revocation of the documents is more likely.

The affair highlights the importance of either being part of an officially sponsored citizenship program legislated into existence or paying officials to expedite an application within an existing legal framework, such as waiving a residence requirement when a statute provides that a residence requirement can be waived. Documents purchased over-the-counter without legal backing in the country of issue can be worthless upon the next

change of government. There are many legitimate loopholes in citizenship laws that can be exploited by the properly connected agent.

*PANAMA IS UNLIKE ALL OTHER CENTRAL AND SOUTH AMERICAN COUNTRIES
FOR ONE MAJOR REASON - THE PANAMA CANAL*

The US considers the canal vital to its strategic interests. Even after the canal reverts to Panama at the end of this century, US efforts to prevent Panama from becoming another (communist controlled) Cuba are likely.

Thus Panama is an unwilling US protectorate. Its leaders are bullied, or more often co-opted into following US policies on matters of strategic importance. In return, individual Panamanians are permitted to feather their own financial nests. Panama is to the US a client state with a love-hate relationship with its master.

Panamanian politicians must verbalize anti-American sentiments in order to stay in office, but Uncle Sam provides too many economic benefits along with a clear threat of military intervention to be seriously challenged on vested matters. Although the US invaded and kidnapped leading lights of the Noriega regime and then claimed to leave the country to be governed by its own elected politicians, the affairs of the two countries remain inextricably entangled.

TAXES IN PANAMA

Post-Noriega Panama still strictly adheres to the territorial concept of taxation. In other words, only local source income is taxed. Inheritance taxes have also been abolished, but there is a tax on gifts of Panamanian property.

Panama, along with Hong Kong, is probably the most unregulated commercial center of the world. There are more than 100 international banks present. Before the Noriega affair the volume of transactions was said to rival London or New York. The latest electronic office toys are available at tax-free discount prices. Favorable incorporation laws and a lack of taxes make Panama the headquarters for many major international corporations. There are no currency controls and US dollars are used as the medium of exchange.

LIVING IN PANAMA

The climate is hot, humid and tropical, but air-conditioned first class hotels, homes and white limousines make it bearable. Life is pleasant for the many rich expatriates who live here, usually to avoid their own laws and taxes.

Panama received a lot of bad press in 1939 and 1991 but it is still a superb place to make money. Communications by air (40 airlines), telephone, mail and telex are first rate. Local laws and customs encourage free trade. There are minimal import or export duties if the Colon Free Trade Zone is used. Most taxes in Panama are nominal. Ship registration is

cheap and lacks rigor. As a result, the growing Panamanian Merchant Marine (registered cargo ships) is now second only to Liberia's. Liberia's lead is due to its much earlier entry in the tax haven ship registry game. Every bank in the world has a branch or representative office in Panama City, as do most international law firms and major public accountants.

In summary, although there are currently big problems relating to excessive corruption and political instability, we would rate Panama very high for:

1. Ease of obtaining a second passport or diplomatic appointment as an honorary consul general.
2. Visa free travel to most countries.
3. Use of passport by a person of any race who can speak Spanish or English.
4. Political stability where pro-business, banking and tax haven operations are concerned.

One serious drawback is that any Panamanian traveling to or from the US will be searched in the US and treated as a suspected drug dealer, money laundered or currency smuggler. Harassment and delays at border checkpoints are to be expected worldwide.

Papua New Guinea - Strict Requirements

Papua New Guinea has many expatriate workers, especially in the growing mining industry. Renewable three-year business visas for genuine professionals, business people and academics are not difficult to get hold of through normal government channels.

This isn't going to be everybody's cup of tea but few countries could be more exotic. But you can forget about the headhunter stories. Towns in Papua New Guinea are basically like any others in the world except, that is, for the alarming amount of violent crime. This can be avoided, though, and expats tend to enjoy a more comfortable lifestyle in the more rural areas.

Papua New Guinea prides itself on its democracy and its rules about citizenship are specified in its constitution. Naturalization is possible after seven years residence but only if, during that period of residence, the applicant has not left the country for longer than six months at a time. The applicant must also have a basic knowledge of a Papua New Guinea language but the applicant can nominate the country's version of Pidgin English (*Tok Pisin*) for this purpose and this is not a difficult language to learn. It is also important to note that the Papua New Guinea citizenship is exclusive. All other citizenship's must be relinquished.

And what does Papua New Guinea citizenship offer? Citizens can travel visa-free as tourists to most Commonwealth countries and Israel. However, visas are required in advance for travel to the US, Australia and most European countries. In short, the strict

application requirements and limited use will not make this a very attractive passport for many to have.

Paraguay - Protection and no Income Tax

For many years, Paraguay has been known in the passport world as one of the few countries where special arrangements abound. Its government was a one-man affair until recently, when Alfredo Stroessner, the half German half Paraguayan self-appointed dictator, was forced to step down. Still, little changed as the same Colorado party, in military dictator fashion, ran the show even after his forced retirement.

Elections held in the summer of 1993 have disrupted this stability, albeit stability at the price of a fascist police state. A new president, Juan Carlos, has taken office and has brought much change. Amongst this change is the ease with which passports are issued. Local newspapers in the country have even begun to report that the government passport office is under investigation for "irregularities in the issuance of passports".

The reports that we receive from our contacts in the country and our readers who have visited it vary tremendously. Some report that it is business as usual, and instant passports can still be had by those willing to do a little snooping or who can develop the proper contacts. Others say that all such arrangements have unquestionably shut down. Whatever the case, the only thing that seems to be certain is that passports are still available legally, but require a minimum of three years residence in the country.

Again, we must observe that when political power changes hands, it is not uncommon for passports issued by the old regime to be declared null and void. As Paraguayan passports are only good for two years and must be renewed personally in Paraguay, not at a consulate, problems could quickly arise for those interested in following the instant passport route. Anyone who is not comfortable with the possible dangers involved with an instant passport from Paraguay, should either steer clear of the country altogether or only approach it via the legal route as described below.

THE COMPLETELY LEGAL ROUTE

The Paraguayan Constitution is very liberal in granting rights to foreigners. It proclaims that all inhabitants of the Republic have the right to develop their personal inclinations, trade and business. Nationals and foreigners are equal before the law, without discrimination. There are also no restrictions concerning the ownership of property by foreigners.

Official residence which will lead to nationality is fairly easy to establish and basically requires that an applicant shows the ability to support himself either through personal resources or under the employment of another person, enterprise or company. Applicants must also show evidence of good morals and the capacity for work.

The documents which must be submitted for consideration include:

1. Passport from the country of origin, with photograph.
2. Birth and marriage (if applicable) certificates.
3. A certificate from an administrative or judicial authority or an employer evidencing occupation, degree, diplomas or income from retirement.
4. A certificate from a medical doctor or institution in Paraguay evidencing good health.
5. A certificate from the police or judicial authorities of the country of residence evidencing good conduct or the lack of a criminal record.

All of these documents not issued in Paraguay must be both translated into Spanish and certified by the Paraguayan consulate.

After approximately two weeks of processing in Paraguay, a Certificate of Residence will be issued, including a Cedula or identity card. After three years of residence one qualifies for naturalization, meaning citizenship and passport. No one is specific as to exactly how much time must be spent in the country. We have even heard some reports of individuals acquiring residence, leaving the country and then returning three years later to acquire nationality. Again, we have no firm information on whether this procedure would be possible. One must certainly be present in Asuncion, the country's capital, for approximately two weeks to acquire residence. Three years of residence is required to obtain subsequent nationality.

Again, we stress that this is the only completely legal route for acquiring citizenship in Paraguay. All other methods are of questionable legality. If you would like to follow this procedure, contact: **Peroni, Sosa & Altamirano, Avenida Espana 2012, Casilla de Correo 114, Asuncion, Paraguay, tel. 595 21 208 791, fax 595 21 22 242.** This legal firm has been highly recommended to us and should be able to help with the above outlined procedure. Its estimated legal fees for securing the residence permit are approximately US \$ 1000.

Alternatively, you may be able to arrange for your own residence permit, but will need to either speak Spanish or have a contact in the country who can act as a translator for you. This will, however, take longer and undoubtedly involve a steady stream of minor headaches. It also will not be free, probably coming in at the price of around US \$ 100.

THE INSTANT PASSPORT ROUTE

This route involves much the same procedure as that outlined above, except when the residence permit is granted it is backdated by three years. In this manner, one qualifies for nationality and passport instantly. As this procedure is of questionable legality, we emphatically do not recommend it.

One firm offering to provide an instant passport at the price of US \$16,000 is **Comerçio Internacional Ltd. Casilla de Correos 1358 CC, Asuncion, Paraguay, tel. 595-21-44-37-04, fax 595-21-44-53-49**. This firm also offers other things of interest to PTs, such as Paraguayan driver's licenses and car registration. They can arrange standard residence, as described above under the legal route, at the rock bottom price of US \$500. They even claim to be able to provide diplomatic Paraguayan passports at prices ranging from US \$35,000 to \$55,000, but we advise extreme caution to those interested in acquiring such documents.

We have heard both good and bad reports on the work done by Comercio Internacional. Most of the bad reports center around their failure to deliver within the time frame promised. As when dealing with all firms offering either passports or other such services, do not part with your money until you have received the documents, signed, sealed and delivered.

Finally, as a further word of warning, Paraguay is the country that almost invented the instant passport scheme as a source for foreign income. Many passports have been sold illegally over the years and the country has gained a reputation for selling passports on a large scale (which of course is the truth). Border officials tend to look very closely at Europeans who do not speak any Spanish traveling with a Paraguayan passport. It is an open secret that criminals will obtain Paraguayan passports to flee their country, which has happened and is happening all too often.

TAXES AND OTHER SUCH CONSIDERATIONS

There is no personal income tax in Paraguay. Yet it is not particularly known as a tax haven, principally because of its geographic remoteness. Paraguay is landlocked between Argentina, Brazil and Bolivia. It does have an international airport with daily flights to the US, Europe and Asia.

Government revenues are derived principally from tariffs and the sale of hydroelectric power to neighboring countries. There is little tax burden for the citizens to shoulder, but for young men born in Paraguay a period of military service, at least theoretically, is compulsory. The smuggling of cigarettes, liquor and appliances between other South American countries appears to be a major industry. With Uruguay and Ecuador, Paraguay is the only other country in South America with no currency controls.

The standard, maroon colored Paraguayan passport is good for only two years and must be renewed in Paraguay personally, not at a consulate. It allows one to travel visa-free to Canada as well as most of western Europe. A special green cover passport is also said to be available and only issued to naturalized Paraguayans, meaning foreigners. The expiration date on this passport is apparently determined in negotiations with the chief of police. We understand that five or ten year periods are possible. This passport is said to

cost US \$35,000 or \$40,000 for a family. We currently have no contacts in Paraguay offering this type of passport.

THE PARAGUAYAN MENTALITY

Paraguay prides itself upon its relative independence from foreign powers. Extradition demands are commonly ignored if they involve a resident who has managed to curry favor with Paraguay's establishment. Paraguay does not recognize tax or currency crimes, nor does it frown upon civilian henchmen and military personnel who "did their duty" under a deposed dictator. Thus, financial, tax and political criminals in the eyes of their homelands often find refuge in Paraguay. The only unwelcome categories appear to be communists and what the government calls "leftist agitators".

Paraguay welcomes immigrants. The prevailing attitude towards immigrants seems to be that as long as they stay out of local politics, they are quite welcome to do anything else. The country has allowed autonomous self government for many groups seeking refuge from religious or other persecutions. For example, a large group of German speaking religious fundamentalists have established an autonomous state in the Chaco. These Mennonites are similar to the Amish and the pacifist Quakers of Pennsylvania in the US. They originated in Germany, spent a generation in Canada, returned briefly to Europe and then moved to Belize and Paraguay. There are also autonomous colonies of Koreans, Japanese and Germans. A sophisticated cosmopolitan group is found in Asuncion. Paraguay has always been a place for the persecuted to find refuge. Asuncion however is no Buenos Aires or Rio. It is a relatively small provincial backwater where few international newspapers and magazines of current date can be found.

Deposed South American dictators almost always fled to Paraguay for sanctuary until the emergence of Miami in the 1970s as the Spanish-speaking exile capital. Anastasio Somoza of Nicaragua was one of the last Latin American dictators to flee to Paraguay. He was subsequently assassinated there in a rare incident of political retribution.

There are a few Hitler-era German Nazis still living in Paraguay, with other ageing folks with blood on their hands. They remain out of sight, avoid trouble and eschew local politics. The government opposes any discrimination against racial or religious groups.

Paraguay's relatively small Jewish population, for instance, has equal legal rights and is subject to less discrimination than in Argentina. Free trade policies have kept Paraguay neutral and prosperous. It is one of the few countries in South America where the native Indian population is not exploited by a white ruling class. They are at the bottom of the economic strata, but this is more because of their non-materialistic instincts rather than laws or discrimination practices. The government actually promotes Guarani culture and language in all schools. The population is 95 per cent mixed race (native Indian and European) or Mestizo.

LIVING IN PARAGUAY

If you don't mind living in a backwater, Paraguay is probably one of the finest backwaters you are ever likely to find. It is a politically stable country and has been for longer than most South American nations.

The climate and temperature is much like that of Arizona in the US but with the seasons reversed. It has hot, dry and comfortable weather from April to November, becoming hotter and nearly unbearable during the summers, which occur during northern hemisphere winters. The winters, which occur during northern hemisphere summers, can be a bit cool due to the fact the country is landlocked.

Decent housing can be had for as little as US \$50,000, but luxury living is the real bargain in Paraguay and can be had for a song. When Alfredo Stroessner ruled, the country was basically a military dictatorship, meaning that the army and air force top brass all became wealthy, fast. Now that the country has returned to democracy, these military men have seen their stars fade. Their income, too, is nearing nil. In short, they are going downhill and fast.

In Asuncion, huge neighborhoods resemble Palm Springs or Santa Barbara, California. A drive through, say, the Villa Mora section of town will reveal Beverly Hills sized mansions and enormous Mussolini-type palazzios with garages for three cars, at least. Most have a swimming pool and some have two. A tennis court is also a standard feature, and staff quarters are plentiful.

Many of these huge luxury mansions are now for sale or rent. The former colonels and generals who used to live in them when times were better for them have now retired to more modest accommodation. They are now renting out their old places as a way of securing an income. As income producing real estate goes, this is not a bad deal, at least for you. One of these impressive structures can be had for around US \$2000 per month. This is less than the monthly rent of an ordinary two bedroom apartment in Lausanne, Switzerland. The place will come fully staffed if you throw another US \$100 to \$200 per employee into the deal. Where else can you find abundant luxury, with staff to look after you and drive you around town, for this kind of money?

Paraguay is not for everyone, but for those who find the offerings of a backwater nation more charming than annoying, the opportunities are plentiful.

Peru - Instant Passport But Many Questions

In March 1993, Peru established what appeared to be an instant passport program. President Fujimori and the Peruvian Congress have created legislation to form what is termed the Migration Investment Program. Although details are still not clear, it appears that a significant bank deposit for five years will grant one what are known as a Qualified Immigrant Visa and a Qualified Immigrant Passport.

The basic requirement for this program is that one deposits at least US \$35,000 for the head of household and an additional US \$3000 for each dependent in the *Banco de la Nacion* (Bank of the Nation) in Peru. This deposit is said to generate five per cent interest annually and cannot be partially or wholly withdrawn by the holder nor can it serve as a guarantee to its beneficiary. The passport and visa issued will be valid for five years, at which time they can be renewed, but proof that the deposit has been and will continue to be maintained must be submitted.

Other requirements include that one submit a certificate of good conduct and a certificate of physical and mental health. Personal interviews with diplomatic or consular officials, the exact number of which is not specified, are also necessary. An application form, reproduced on the following pages, must also be filled out. The entire application process must be started at the consulate or embassy which has jurisdiction in the current place of habitual residence of the applicant.

The legislation does allow for a fairly loose definition of dependents, including the spouse, direct parents and children of the applicant. Children must be under 18 years old or, if still economically dependent on the applicant, under 21 years old. The spouses of children can apparently also be included provided that they are economically dependent on the applicant. Other relatives by up to the fourth degree by blood or second degree by relationship of marriage can be included as well, although again only provided that they are economically dependent on the applicant. However, a maximum of ten individuals, meaning the applicant plus nine dependents, can be included in a single application.

Beyond these requirements, the actual workings of the program offer far more questions than answers. The legislation specifically states that a Qualified Immigrant Visa will be issued upon approval, but goes on to say that a Qualified Immigrant Passport will be issued "should it be necessary". No further indication is given as to what exactly constitutes necessity or if the issuance of passports will be standard procedure.

As Marshall Langer points out in *The Tax Exile Report*, it is also not specified as to whether or not those accepted for this program will be considered domiciled in Peru. As an individual domiciled in Peru is subject to Peruvian tax, at rates up to 37 per cent on his worldwide income, this is a very important consideration. Marshall Langer also points out further areas of confusion, such as:

1. Is the Peruvian wealth tax of 1.5 per cent still in effect, and if so will it apply to those accepted under this program?
2. Will those accepted under this program be subject to Peruvian exchange controls?
3. Will they need to obtain tax clearance before leaving the country as regular citizens do?
4. Is dual nationality permitted?
5. Is it necessary to travel to or actually reside in Peru?

6. Is this program being handled directly by the Peruvian government or are any agents involved? If agents, who and where are they?

Peru does not, however, have inheritance or gift taxes, meaning at least one small area of concern has been clearly established.

Whatever documents are actually issued, it is clear that they are valid for a period of five years, after which time they will have to be renewed. Amongst the qualifications for renewal are that the bank deposit must be maintained and that one must be resident of "the country". Apparently this country is Peru. However, there is also the requirement that one state the diplomatic representation or consular office under whose jurisdiction one resides. These two requirements seem either to be contradictory or to allow dual residence. The legislation, however, does not elaborate on the tax consequences of such a situation.

Also, as the deposit must be maintained as long as the passport is desired, it should really be viewed more as a straightforward investment rather than a simple and temporary bank deposit. Another obvious area for concern is whether the Peruvian government will decide to increase the minimum amount required to sustain citizenship, meaning that the passport could become an increasingly expensive burden as the years go by. No indication nor assurance of how the cost of the program will operate over the long term has been provided.

What does this all mean? Basically, the jury is still out. Peru has established what appears to be the basis for a decent program. However, at present there are far more questions than answers, and it seems that whoever or whatever actually wrote the legislation involved has a great deal more work to do. We have heard rumors from several agencies in the passport business that they have not been able to process a single application, meaning the program more or less has yet to come into operation.

If it does turn out that the program requires any form of actual residence, expect it to die a quick death, Jamaican style. Peru is certainly not the most desirable of countries in which to live. Strikes, labor unrest, guerrilla insurgency, terrorist activity, high inflation and general economic chaos make it a trying place for even the most patient of souls. If this program sounds like it might be of interest to you, contact the nearest Peruvian consulate or embassy, but make sure you fully understand what is on offer and the requirements involved before taking even the first step. If you'd rather wait, watch this space. Future editions of *The Passport Report* will contain updates on the situation as it develops.

The Philippines - Long Wait and Worldwide Taxation

As of now, the Republic of the Philippines (RP) has no investor programs leading to instant passports. Citizenship can be obtained only by birth in the Philippines, by having a Filipino parent or by physically and legally living in the Philippines for the required

residence period of ten years. The Philippine passport has many serious disadvantages and only one advantage that we have been able to discover.

BECOMING RESIDENT IN THE PHILIPPINES

The RP has established several investor programs whereby one can qualify for temporary residence. These generally involve a substantial investment in the country's economy which must be maintained for as long as residence is desired. They have broken the actual legalities of the program into several different categories, but basically they boil down to either an investment of US \$50,000 in a tourist related business or an investment of US \$75,000 in any other business. Either of these investments would qualify one for a Special Investor Resident Visa (SIRV).

Passive investments, which are to be deposited in any RP accredited bank, are also allowed for those who have reached the age of 35. This approach results in a visa known as a Special Retiree's Resident Visa (SRRV). For applicants aged 35 to 49, the minimum deposit is US \$75,000. For those 50 and over, the minimum deposit is US \$50,000. All applicants for both the SIRV and SRRV must also provide evidence that:

1. They have not been convicted of a crime involving moral turpitude.
2. They are not afflicted with any "loathsome, dangerous or contagious disease".
3. They have not been institutionalized for any mental disorder or instability.

Again, residence is only available for as long as the investment is maintained.

Nationality is available after ten years of continuous residence and involves all sorts of further restrictions. The most significant of these restrictions is that dual nationality is not recognized, and therefore, any previous nationality must be renounced. One is also required to either buy a property in the Philippines or demonstrate some "known lucrative trade, profession or lawful occupation". In short, the many, often ridiculous, restrictions concerning the acquisition of citizenship in the RP, makes this passport one that is far from desirable.

If for some reason you would like to obtain one, or perhaps simply establish residence in the country for the ease of entry that it would permit, contact **Angara Bello Concepcion Regala & Cruz, ACCRA Building, 122 Gamboa Street, Legaspi Village, 0770 Makati, Metro Manila, Philippines, tel. (632) 817 0966, fax (632) 816 0119**. This reputable law firm on the islands should be able to provide the necessary assistance.

INSTANT PASSPORTS

We have also heard of a number of promoters who claim to sell valid, government issued instant passports to all comers at prices from US \$500 to whatever the traffic will bear. These passports are issued on the basis of sworn statements attesting to the Philippine

parentage or birthplace of the applicant. The "facts" stated give rise to the legal right to a passport. These documents have been particularly popular with Chinese who wish to settle in the Philippines.

Unfortunately for these new Filipinos, when they achieve a degree of wealth or political influence, someone in the police always seems to investigate their background. Blackmail is the name of the game. A person whose citizenship was based upon fraudulent affidavits who does not yield to extortion can be and sometimes is deported. The threat of deportation is used to extract protection payments. Thus, while this passport may be suitable for getting out of a tight spot, for long-term use, we do not recommend it.

The only possible benefit that it may offer is as a back door to Spain and the EU for a person of "Spanish blood", meaning white race, Spanish surname, Spanish speaking. A Filipino moving to Spain can acquire a Spanish passport in an abbreviated period of two years. (See section on Spain.) In Europe it is unlikely that anyone would ever bother to investigate records back Air Manila, although it is still questionable as to whether an RP passport truly offers much of value. Almost any South American passport, many of which can easily be acquired legally, will offer the same benefits in terms of a reduced residence period in Spain.

DISADVANTAGES OF AN RP PASSPORT

1. The RP does not allow dual nationality (except with Spain). It obliges its citizens to take an oath of allegiance renouncing all other citizenship's. But Spain allows dual citizenship with RP.
2. The RP taxes worldwide income of its citizens even if they do not reside in the RP. It is the only country in the world following US practices in this regard. As a practical matter, it means that when renewing a passport (five year validity) at a consulate, Filipinos will have to make a negotiated cash settlement with the consul. In practice, this amounts to about US \$2500 unless one is visibly wealthy and able to bear a higher exaction.
3. As a member of an economically depressed country and exporter of cheap labor, the Filipino citizen needs a visa to go almost everywhere and is always suspected of wanting to illegally immigrate. Thus, visas are hard to get except for executives of companies or those able to prove they have very substantial assets. The only places a Filipino can go without a visa are Brazil, Hong Kong, Thailand and a few fourth world places. Even Switzerland and Spain recently imposed visa requirements.
4. Filipino young women and men (who are certainly among the most physically attractive people in the world) have a reputation with police all over the world for seeking tourist visas and then engaging in prostitution or working illegally at the destination. As a result, many legitimate entertainers, singers and musicians who fit the "young and beautiful" profile are given the third degree and subjected to a thorough search for

drugs and pornography at borders, even when all their papers are in order. An onward ticket and adequate funds for the visa period are usually requested by border officials.

Since Filipinos are often suspected of being involved with some sort of smuggling or illicit activity, the passport is not particularly attractive to someone who wants to avoid close government scrutiny. These comments are not made to denigrate the Philippines. This is potentially a great country, with intelligent, hard working, basically honest people. Unfortunately a corrupt and exploitive regime has made economic survival there a matter of grabbing what you can, when you can. Petty crime is a major annoyance with burglary, purse snatching and hold-up all common in tourist areas.

ADVANTAGES OF AN RP PASSPORT

1. The RP is a beautiful country and a good place to live particularly for one who has an income from abroad. Taxes are very high, but, as in Italy, few people pay them.
2. The climate is tropical but high altitude regions like Bagio City offer Paris in springtime temperatures all year round.
3. The RP is an excellent place for a single man or woman to find passionate lovers of either sex.
4. The common language is English. The other languages include Tagalog, Visaya and Locano. Five per cent of the population are Arabic speaking Muslims. Catholicism is the predominant religion.

Of course one may live in the Philippines without being a citizen. But in order to work, own 100 per cent of a business or even to own any real estate, one must be a citizen. While these rules are often circumvented by using friends as nominee partners, many nominal owners have been known to assert their ownership and oust the foreigner from his comfortable home or business.

SUMMARY AND RECOMMENDATION

Although the RP passport may be able to be obtained instantly at a relatively inexpensive cost, the illegal nature of this method makes it inadvisable. The official residence programs that can eventually lead to legally issued citizenship seems to come with far too many restrictions. In effect, these ridiculous restrictions put a stranglehold on the program, causing anyone within even the slightest actual business sense to steer clear of these so-called business resident programs. In short, although the Philippines is a wonderful place to spend some time and enjoy a holiday, let them keep their passport.

Portugal - Easy Entry to the EU

Portugal lies at the south-western tip of the European continent on the west coast of the Iberian peninsula. Its population numbers in the tens of millions of whom approximately

one million reside in the capital, Lisbon. It is governed by a democratically elected parliamentary government. Portugal is an enthusiastic member of the European Union (EU) which it joined in 1986, thus citizens of Portugal may live and work in any other west European country (except Switzerland).

In recent times Portugal has been the poor relation of western Europe. Even today its living and labor costs are the lowest of the area. However, the growth of tourism in the Algarve and in the greater Lisbon area has steadily brought foreign wealth into the country over the last two decades. This influx is supplemented by the benefits of EU membership which is helping the country to develop fast. In a nutshell, this country offers a wealth of opportunity for the individual that is willing to find a need and fill it.

English is widely spoken and there are large British expatriate communities around Lisbon and in the Algarve. Beaches and golf courses are amongst the best in the world. Health and sanitation are at European levels. The finest merchandise, wines and foods are available in every city and resort. Prices are typically very low, on almost everything. In less popular areas, adequate condominium apartments start at US \$25,000 while some farms with good houses are still under US \$50,000. Magnificent mansions with grounds, pools, golf and club memberships and a sea view are in the US \$1 million range. Bargains in the Algarve region are more difficult to come by. Honest, competent household help is available at a reasonable cost.

Portugal enjoys low crime rates and minimal political unrest. The communist party was very strong for a while, but now the social democrats rule. As wealthy foreigners are a recognized major source of income, the expatriate community and home ownership by foreigners have always been carefully protected by the government. In 1992, the government adopted a Reagan Thatcher approach and embarked on a massive privatization program.

Travel is inexpensive to most European destinations, particularly to London. There are also government subsidized routes to the sunny and beautiful Azores and Madeira islands in the Atlantic Ocean, which are autonomous regions. We have heard rumors that individuals who spend some time on these islands can cultivate local officials and gain Portuguese nationality and passports in one or two years. We have no personal contacts, but welcome input from readers who are able to exploit such options in either Junta Delgada or Funchal.

Otherwise, citizenship requirements are currently quite liberal. Marrying a citizen can be one way but be warned. Portugal is likely to get in line with the EU. If so, spouses will be able to apply for citizenship only after three years of continuous residence with not more than six months out of the country. Furthermore, processing in EU countries takes anywhere between two and five years, and cops come to check if the spouse really is living at the address claimed. In fact, these policemen can be very thorough and will even interview neighbors. For the purpose of obtaining a right of abode leading to the issue of a European passport (in six years), Portugal is the easiest and least expensive country in the

KU. It also compares well with other destinations. An investment of US \$100,000 will support a business migration to Portugal whereas Canada would require a minimum of C \$250,000 and the UK an investment in excess of £200,000. These liberal passport laws could change at any time. If the Portuguese program suits you, it is wise to get in before the door is shut.

HOW TO APPLY FOR PORTUGUESE RESIDENCE

Basically, the Portuguese government requires that you are what they call "a person of means". Their main interests are that you prove that you will not become a burden on the State and that your application adds up. Therefore, individuals with an off-shore income, including pensioners, will generally qualify with few, if any, problems. Applicants may also either buy into an existing business (or establish a new one) in Portugal, as long as the profits likely to arise from this business are adequate to support the applicant and his dependents. Other categories through which one may qualify for residence are as a missionary or for the purpose of family reunification. If you will be joining a relative in Portugal, you must submit proof that he or she can support you if the need arises.

Another basic requirement is that you prove you have secured adequate accommodation. For most, this involves purchasing a property, but there is no requirement to do so, renting will suffice. Beware of firms more interested in selling real estate than securing residence for their clients. To prove such an application the Portuguese government requires that you submit:

1. A declaration of intent, basically a letter explaining your reasons and intentions for applying for a residence visa and your financial capacity to support yourself.
2. Certificate obtained locally to prove adequate housing conditions.
3. Documentation showing that an account has been opened in Escudos, the Portuguese currency, in a bank in Portugal and that sufficient moneys have been deposited. (As a general rule this is a minimum of £2400 per person on the application).
4. Certificate of good character.
5. Medical Certificate attesting to good health.
6. Copies of relevant pages from your current passport.
7. Three passport size photos.

If tugal

8. Three copies of the official visa application form (V3) duly filled in. (This form has been reproduced here).

9. Testimonials from acquaintances in Portugal. (This final requirement is optional).

The processing of this application through a Portuguese Consulate can take from 6 to 24 months, however an average time can be regarded as 12 months. This time may possibly even be shortened to only a few months by a good lawyer. Given that the application is successful a residence visa will be issued which can be transformed into a residence card in Portugal.

Initially a type A residence card will be issued which is valid for one year and renewable annually. After five years of residence a type B residence card valid for five years is issued and after 20 years foreign residents may apply for a type C card which is valid for life. Although this card cannot currently be used for EU travel, it does ensure that visas can be obtained easily for most EU countries.

After six years of residence, one qualifies for naturalization and passport. As in most European countries there is no continuous presence requirement, but we have heard many recent reports that proof of actual residence, such as utility bills or references from neighbors, is sometimes necessary when applying for citizenship.

If six years is too long to wait, one may apply for what is called a Portuguese Aliens Passport after receiving a residence card. Such a passport generally allows for visa-free travel throughout Europe. However, this passport is only issued "under exceptional circumstances". Generally this means stateless persons, but we have also been told that a foreigner with good legal representation willing to make a productive investment may also qualify.

TAX CONSIDERATIONS

Exchange controls are in effect, but these are not major considerations for persons with income or assets abroad. Annual property taxes are on the order of one month's rental value, or one per cent of total value. Residents of Portugal are theoretically taxable on their worldwide income at a rate which varies from 16 to 40 per cent, but there is no attempt to collect taxes unless the income is generated in Portugal. The higher rate of tax in respect of capital gains is 20 per cent.

Competent English-speaking attorneys whose specialty is immigration law are readily available. Consulates and branches of your bank in Portugal can make recommendations.

OTHER WAYS OF BECOMING PORTUGUESE

Portugal is an ancient and respected country and a former colonial power in Africa (Angola), the East (Goa, India and Macau on the Chinese coast) and South America (Brazil).

Reciprocity of citizenship, after a three year residency period, exists with Brazil. Movement to and from this former colony requires no visa. A Brazilian can vote in Portuguese elections upon registration as a resident.

All citizens born in former Portuguese colonies in India (Goa, Daman and Diu) before 1961 are entitled to Portuguese citizenship. They should apply in the nearest Portuguese consulate outside of India.

All citizens born before 1974 in Timor, an ex-colony in Indonesia, are also entitled to Portuguese citizenship. Application should take place outside of Indonesia, preferably in Singapore.

All citizens born in former African colonies are entitled to Portuguese citizenship as well. These are: Cape Verde and Guinea-Bissau before 1961; Angola, Mozambique and St. Tome and Principe before 1974.

To live temporarily in Hong Kong, the Portuguese passport is second only to the British. Other nationals who are not permanent residents in Hong Kong cannot travel freely to China or Macau to renew their visas in Hong Kong. They will have to fly overseas. Portuguese and British citizens have an easier time. They can just walk across the border to China or take a short ferry-ride to the glittering casinos of Macau every three months to stay as perpetual tourists - in Hong Kong. No need to waste money on expensive air fares.

The only limitation thus far placed on Portuguese immigrants by another EU country involves Macau. The UK was concerned that holders of Macau Portuguese passports obtained by citizens of Hong Kong would overrun London and thus placed a limit of 100,000 upon new Portuguese citizens of Chinese ancestry. Long term residents of Macau are not affected and can still attain Portuguese nationality and access to the KU.

An individual who obtains Portuguese citizenship must swear allegiance and renounce his prior nationality. After obtaining Portuguese nationality, one can have two or more nationalities. The rule is "once Portuguese, always Portuguese".

PORTUGAL - THE FORMS

On the next couple of pages is the V3 form required in triplicate by the Portuguese government with applications for residence.

Portugal's bureaucracy is still not computerized. Almost everything is entered into hand written ledgers. Bureaucracy in Portugal, as a result, is a very slow moving monster. A residence permit can easily take the better part of one year to get. We have even heard reports that waits of up to a year and a half are common. However, even without a residence permit, no officials will bother you if you live in Portugal. The local cops are the friendliest in Europe. If you behave well, you really don't need any papers. In the country with Europe's nicest people and Europe's lowest prices, even the authorities don't like

authority. The Portuguese are also non-racist and thus have provided a refuge for hundreds of thousands of African and Asian stateless people who now call this little European country their home.

The Portuguese Servi de Estrangeiros is nothing like the dreaded INS in the US. Portuguese officials are courteous and most of them want to help, but their red-tape is one hell of a maze to get through. It takes the patience of a saint with many weeks wasted standing in line at dinky little government offices furnished with pre-World War II office equipment. They are friendly, but nothing seems to get done.

Fortunately, many Portuguese officials are corrupt enough to make the creaking system spit up the papers you need. For a relatively small tip they are willing to bypass usual channels to backdate papers or speed things up for you. Friendly behavior, an understanding smile and small gifts to the right people can still Ret You a lone way in this backwater of the KU.

The great Portuguese paper chase for a passport can be done by a good lawyer within a few months, not a few years, if he knows what officials to go to for expedited service.

One more thing about Portugal. This government has the lowest tax rates in Europe. They keep taxes down by simply not spending any money. In 1990, they told their diplomatic corps abroad that they would have to go without pay for a while. No funds were available to pay them. Nobody quit!

On a low level, too, every government office tries to save. They don't know what an electric typewriter is, much less a computer. There is very limited public sector spending. No waste of taxpayers' money here. Nothing is free at government offices in Portugal. If you want to fill out a form, you pay the cost of that form. We feel that the Portuguese way is reasonable. Each man pays his own way. Very libertarian!

SUMMARY AND RECOMMENDATION

Portugal is a wonderful country which is just starting to come into its own. The people are friendly, the climate is more than just bearable and governmental interference is minimal. As this country is a member of the KU, its passport, with a very low up-front cost, is in league with that of the UK or Germany. The only major drawback is the lengthy period of time required for citizenship, which will take at least seven years. As proof of actual residence is also more than likely required for citizenship, only those interested in living in the country for at least part of the year should consider this path into the KU. Personally, we can think of many worse fates than a four to six month annual sentence on a beach in the Algarve.

St. Kitts and Nevis - Instant Citizenship in Tax Haven

A new island country in the Caribbean, formerly a British colony with a majority black population, St Kitts had little going for it except natural beauty. To exploit this, the government agreed with various promoters to permit hotel-condominium developments, one of which has a casino. Legislation was enacted by the country's Parliament, and Section 3 (5) of the Citizenship Act now provides for a person to be registered as a non-voting citizen provided that "the Cabinet is satisfied that such a person has invested substantially in the country".

In practice, this program involves an investment of US \$150,000 or more in qualified local real estate, typically a condominium unit, or a ten-year loan of EC \$275,000 (about US \$103,000) made directly to the government, on which it pays four per cent interest tax-free. The interest is paid twice annually and the principal is returned after ten years. The Eastern Caribbean dollar is used in eight Caribbean countries; EC \$2.70 equals US \$1.00 and it has remained at that rate for many years.

Each eligible family member receives a certificate of citizenship and a ten-year passport which as citizens they have an absolute right to renew for the rest of their lives. Further costs include government registration fees of US \$25,000 for the head of household and US \$10,000 for spouse and dependent children under 18. It may be possible to include young adults under the same investment but they will each have to pay a US \$25,000 government registration fee. Legal fees will run to another US \$16,000 for the applicant and about US \$6000 for each included family member, bringing the total investment for applicant, spouse and family to US \$150,000 or more.

This figure sounds expensive when compared with the other programs described in this report but St Kitts and Nevis offers one major difference. The country has no personal income tax, no capital gains tax and no inheritance or gift taxes. There is also no corporate tax on offshore earnings or assets. There is, however, a 2.5 per cent tax on the purchase of condominiums and four per cent tax on the purchase of single family homes. Legal fees on property transactions generally run to 1.5 per cent. Confidential offshore financial services are also available.

Processing time for applications is said to take anywhere from two to six weeks. Dual nationality is permitted. There is no residency requirement, and, indeed, one is not even required to personally visit the country. Documents which must be submitted include: the application for citizenship (printed on the following pages), birth and marriage certificates, a police certificate or affidavit showing no criminal record, evidence of own assets, and a medical certificate showing a negative HIV test.

Aside from the fact that it is pricey, the only major problem that we can see in this program, is that as a new country, a St Kitts and Nevis passport allows only limited visa-free travel. It can be used to travel without a visa to about 85 countries, including Canada, Switzerland, the UK and many British Commonwealth countries. A prosperous looking traveler and his family will probably have no trouble getting visas. Other than this, St. Kitts has much to offer. As it is a former British colony, it is a parliamentary democracy

based on the Westminster model. It is also English speaking with a local population of approximately 47,000. Agriculture is the main industry with a variety of light manufacturing. Nevis has a new Four Seasons Resort which the American Automobile Association has rated as the best in the Caribbean. Hyatt is also building a large new resort hotel in St. Kitts and the government has approved a plan under which a US \$100,000 investment in the new Hyatt resort project will qualify the applicant and family for citizenship.

For a fast, absolutely legal deal with a legally authorized passport, St. Kitts and Nevis is the real McCoy. St. Kitts is a fine place for those who enjoy white sand beaches, deep-sea fishing and casino gambling. Golf, tennis and all the other usual resort activities are also present, making the island a popular tourist destination. Communication is adequate and getting better, and there is an international airport on St. Kitts. Unlike the generally poor race relations at most Caribbean islands, St. Kitts' natives do not yet resent the rich foreigners.

If this sounds like the program for you, contact **Marshall J Langer, 48 Mount Street, London W1Y 5RE, UK, tel +44 171 493 4840, fax: +44 171 493 4299.**

Seychelles - No Firm Information

It has been reported that a scheme is in operation whereby one can qualify for permanent residence by making a special contribution to the economy of the Seychelles. Apparently this residence would then lead to nationality and passport five years later, during which time applicants would only be required to reside part-time on the islands. Unfortunately, no conclusive information on this program seems to be available, and it has further been reported that the scheme operates on a case by case basis. Our advice is to proceed with extreme caution if at all. It seems that the government of the Seychelles is either not willing or able to provide detailed guidelines. Without this information, an applicant is left with no firm understanding of where he stands or, more importantly, the legal basis for such a program, assuming that one actually exists.

Sierra Leone - Instant Banking Passport Scheme a Flop!

A new scheme apparently set up in conjunction with the Sierra Leone government started in 1994. Banking passports in any name were reportedly available for ten years complete with a certificate of authentication from Sierra Leone and renewable.

The offering firm's publicity stated that "the government have made it a condition of issue that the passport carries an honorary consulate appointment and a choice of three are available".

"The passports are reportedly issued directly from Freetown, Sierra Leone, and carry an exit stamp. They are ideal for banking but of little use for travel seeing as a visa will be required for just about everywhere except similar Black African nations".

Processing time was advertised at between four and six weeks and the cost was £4750.

We would be interested to hear readers' experiences if they have obtained one of these documents. As of June 1995, David Milton was not answering our letters and we have received one complaint that a deposit had been paid and no document or response had been received. Caveat emptor.

Singapore - New program for the 1990s

The new citizenship program of Singapore is called the Scheme for Entrepreneurs. It is designed mainly for wealthy residents of Hong Kong who wish to secure a place for themselves and their families in a similar bustling economic environment, but persons other than Asians may apply.

Citizenship and passports are granted to the entrepreneur, his wife and his children under the age of 21, after two years of residence. During the two years of residence, one's comings and goings from Singapore are unrestricted. The applicant is however expected to maintain a home, meaning at least a rented apartment and not just a mail-drop, during the two year residence period.

There is also the unfortunate requirement of an oath of allegiance and the surrender of prior passports upon the granting of a Singapore passport. However, even after doing so, it is often possible to simply re-apply for a new passport from the old country which will be granted without any notification to Singapore. This is true for all Commonwealth and US citizens, except Australians.

The most important requirement of the Singapore program is an investment of US \$1,000,000 in Singapore. At the time of writing, a Singapore dollar is worth roughly 60 cents US. Fifty per cent of this may be in any type of real estate: industrial, commercial or residential property. In the case of the latter (a personal home or apartment), government approval should be obtained in advance of making any purchase as not all residential property qualifies for approval. Thus, a rather nice apartment could be purchased with around US \$300,000, and another US \$300,000 could be invested in a local business. Perhaps as a loan with a good interest return. The funds can be deposited with the Government Treasury at interest for two years, but must be invested in Singapore after those two years. The investment must be for a minimum of five years.

Close family relatives such as parents, in-laws and non-dependent children over the age of 21 will be considered favorably for citizenship. Additional deposits of US \$300,000 per person are required for extra adult family members or relatives.

Application forms for this program may be received without charge from: Immigration Unit, Singapore Economic Development Board, 250 North Bridge Road, Raffles City Tower #2400, Singapore 0617, tel. 65 330 6686, fax 65 330 6077.

A very nicely illustrated brochure called *Making Singapore Your Home* is available to interested parties from the Immigration Department, Ministry of Home Affairs, 95 South Bridge Road #08-26, South Bridge Center, Singapore 0105 or the nearest embassy or consulate of Singapore.

The official language of Singapore is English. The vast majority of the population is Asian, with commerce being dominated by ethnic Chinese usually of Confucian religious background. Persons of Malay background who are predominantly Muslim make up 15 per cent of the population. The remainder of the population is in part composed of a large sprinkling of Indians, a moderate balance of Thais, Vietnamese, Jews and Laotians and a very small number of Europeans. The Europeans tend to be in very high positions and are generally well regarded. Singapore is a multiracial, multi religious society with little ethnic friction. The political administration has been accused of high handed dictatorship in such things as at one time making gum chewing or smoking in public a minor crime. Littering and not carrying a poop-scoop to clean up dog-mess is still a crime. To this sort of restriction, I give my wholehearted blessings.

The City State of Singapore is one of the cleanest and most un-polluted population centers in the world. Sanitation in restaurants is also regulated at a high standard. Building and zoning is at Swiss levels of modernity and quality. Although this writer is a libertarian in favor of minimum government controls, the result I've observed, in places like Thailand where there is no long tradition of individual responsibility, can be a Jerry-built, dirty and unsafe city. In Singapore, the regulations have created in the last thirty years something of a paradise, at least in our opinion. Those who don't like high-rise buildings and crass materialism should go elsewhere. In Singapore they have won the "War On Drugs" without imposing a myriad of laws and regulations that allow government officials unlimited power over citizens. Intrusions on innocent people are only felt necessary in the US. Yes, serious penalties are meted out in Singapore to addicts and pushers, but those in the banking and private enterprise sector cannot be jailed and bankrupted just because they transacted unrelated business with these people. The public transport systems are clean, fast and comfortable. Government officials are generally uncorrupted.

Singapore is not a tax haven. It supports a generous social program of free schools, low-fee universities, child-care, socialized medicine, subsidized housing, etc. Tax levels are considered low by international standards. Slightly above Hong Kong's 25 per cent yet below those of the US. The top income tax bracket is 33 per cent, on income over S \$400,000. While any tax code is complicated, generally speaking, worldwide income is not taxed in Singapore. Non-resident Singapore citizens do not pay any taxes. Persons engaged in exporting can usually apply and get a tax holiday for about 15 years under various tax incentive programs.

There are no currency controls, reporting requirements or restrictions such as the US Money Laundering Laws. The bureaucracy generally stays out of businessmen's hair except in connection with Singapore product quality and health controls. The author spent

time in Singapore 30 years ago when much of it was an unsanitary slum. The transformation to the Switzerland of Asia has been a remarkable achievement. We feel that the government of Singapore has got it right.

Real estate is taxed at a rate that works out to be about 15 per cent of the annual rental value of real property. The maximum estate/inheritance tax is 10 per cent with a big exemption of around S \$500,000 to S \$1,000,000, depending upon the nature of the deceased's assets. Import duties are very low or non-existent on almost everything except cars which have a 125 per cent duty on them. As a result, Singapore is a shopper's paradise.

International copyrights were not enforced until recently with the result that the latest pirated computer programs and instruction books were given away free with computer purchases or sold for nearly the price of blank discs. Copied Gucci bags, video-tapes music cassettes, Encyclopedia Britannica and Rolex watches are still available, from under the counter at ten per cent of the cost of the real thing but Singapore police today will confiscate counterfeits and enforce anti-piracy laws where complaints are filed.

Restaurants and hotel services are of very high standard and charge about half of European prices. Prices in nearby Thailand are half-again below Singapore rates. Singapore being primarily a port-city is modern and beautiful. The climate is generally hot and tropical (about 80°F or 30°C) on a typical day. There is a dry season during European winters and a monsoon (wet) season during European summers.

I would rate Singapore very highly alongside cities like San Francisco and Sydney for quality of life and economic opportunity. Singapore is more high-tech oriented than any other city in the world with the exception perhaps of Sophia Antipolis - France, Tokyo - Japan and San José California. It is a good place to live for those interested in business and commerce. As to the two year citizenship program, the only disadvantage is the relatively high investment required. However, it should be remembered that persons with a long list of skills or professions deemed needed in Singapore do not have to make any investment at all to get Singapore permanent resident status. After five years as a resident, they can apply for citizenship. Children born in Singapore are automatically citizens, and the parents of Singapore citizens can expect some preference in obtaining residence.

Should you do it? As in choosing a mate, we all have different needs, expectations and desires. A six month visit to Singapore with an investment-search could make some of our readers into multi-millionaires with a new nationality. Other countries may be cheaper. For those who prefer nature, hunting and fishing, New Zealand (with a three year program and a much lower investment) is a better bet. Singapore is a very small urbanized city-state with very little countryside, at least within its own borders. On the other hand, it is a quick (and cheap) flight away from anywhere in Asia and the most important transportation hub (shipping and air traffic) in the Pacific. For lovers of open space, there is always the sea. Many Singaporeans own boats used for fishing and recreation.

The Slovak Republic - An Abundance of Opportunity

This country, more commonly referred to as Slovakia, comprises with the Czech Republic what was Czechoslovakia. Slovakia seems to not be nearly as well known as its neighbor, probably due to the fact that it is relatively poor and underdeveloped. The country does, however, offer scenic mountains, great skiing and beautiful, friendly women.

Residence in the country is easy to establish and will lead to nationality after a five year period. However, a quicker method, involving a three step process, is also available to the adventurous, at least for the moment. First, one must arrange for a *notarská zápisnica*, or Notarized Guarantee of Residence. This form is basically a statement from a Slovakian national stating that the applicant will not become a burden on the State's housing system. In other words, they agree to take financial responsibility for you. This guarantor can be anyone, a distant cousin or a friendly girl in the bar willing to help you out for a small fee, say US \$50. Lawyer fees for arranging the document generally run a further US \$7.

The second step involves proving that you will not become a burden on the welfare or unemployment system. This can be easily accomplished with either a letter of employment or bank statements. These statements must be translated and notarized, which can again be done by a lawyer for a second fee of approximately US \$7.

For the third step, the documents reproduced on the following pages must be submitted with three photos and a *zadost*, or application form (reproduced here), at the county police station. After a further payment of US \$185 and assurances that one is seeking residence to open a business or contribute to the country's economy, residence is granted. This generally leads to an *obcansky preukaz*, a sort of internal passport and the equivalent of an identity card. It is in every way the same as that issued to citizens save its color, which is green rather than the citizen red.

The official passport is then granted within six to eight months. One is not actually required to live in the country, although speaking a little bit of any Slovak language or Hungarian, which is also widely spoken in the country, will help. For the identity card and passport, your first name will either be translated or changed to a Slovak name that sounds like it. Names can even be changed entirely to the tune of US \$500 per letter. A driving license, provided you have one already from another country, can also be obtained for one passport photo and a fee of US \$47.

Hence, for a price just short of US \$300, one can obtain a complete new set of documents. The actual legislation concerning naturalization for Slovakia does require that one both have a command of the Slovak language and have initiated legal proceedings leading to the loss or annulment of prior citizenship. However, these requirements are overlooked for those who have married a citizen of Slovakia or who have "gained significant economic, scientific, cultural or technical contributions to the Slovak Republic". Apparently, the intention of starting a business or contributing to the country's economy is just such an exception.

Residence in Slovakia has much to offer. Property, which only residents can legally purchase, is inexpensive. A three bedroom house outside of the major cities of Bratislava or Kosice could be built for approximately US \$35,000. One could buy a small three room apartment for about US \$7000. These properties aren't fancy, but they are functional. Utilities are inexpensive, but phone rates are high. Office space can be rented for as little as US \$50 per month.

New residents are also allowed to bring in - tax and duty free - personal goods to set up a house for up to one year, including a car. Slovakia is not very advanced in matters of police, banking or customs. Computers are a rare sight, but satellite dishes are common. The national currency is not yet convertible, but should be in a year or two. The bureaucracy is almost unbearably slow, but anything is possible with the right words, connections or a few dollars.

Solomon Islands - Best Avoided

The Solomon Islands, in the Pacific Ocean, seems to be very selective in terms of who it is willing to grant residence to. They are willing to consider investment proposals, but provide no guidelines as to what sort of investment would be successful. They only mention that such proposals are scrutinized by the Investment Division of the Ministry of Commerce, Employment and Trade. Apparently, one should contact them if interested. The only other sort of application that will even be considered are those from individuals wishing to retire, but not work on the islands. Such applicants must show that they are able to support themselves with income or capital from abroad and therefore will not be a burden on the country or its services, whatever exactly such "services" may be.

All applicants must also be of good character and "have a valid and acceptable reason for wishing to live in the Solomon Islands". Citizenship is not available until ten years of residence have been completed. At this point, one must also demonstrate the intention of continuing to live in the Solomon Islands and renounce any other citizenship, as dual nationality is prohibited. In the past, we heard rumors that the Solomon Islands was willing to grant instant citizenship to ethnic Solomon Islanders, but the country has since vehemently denied such claims. See the entry on the country in "Real Passport, but Oddball Approach" in Part VI of this Report.

In any case, it appears that the Solomon Islands is a poor choice for a target country. Not that this situation should cause undue duress. In the Solomon Islands, jobs are hard to find, the birth rate is currently increasing by 3.5 per cent annually, malaria is common and schools are rudimentary. About the only thing that the country actually has going for it is that it is a member of the British Commonwealth.

South Africa - New Country, New Possibilities

We have always maintained that this is a country where a person of relatively modest means can live like a millionaire enjoying a champagne lifestyle on a beer budget. This has never been truer. The ANC are in power at last, Mandela is president and all is well. The country has even rejoined The Commonwealth and is, once again, participating in world sport. In fact, it is country of the moment as far as credibility goes. And don't be put off by the statistics which are coming out of South Africa because they're probably not that reliable. After all, they're based on figures cooked up by the old National Party who had trouble enough counting how many people there were in the population.

South Africa is doing all right but it is still going through a turbulent economic period, an unsurprising fact when considering the huge about-face that has occurred. Unfortunately, the immigration requirements there have tightened up to make sure that the country faces no extra and unnecessary costs. South Africa is no longer taking immigrants unless they have special skills which are unavailable locally. There are not many opportunities for those seeking employment and, generally, the wages are so low anyway you would be better off staying at home.

Investors and entrepreneurs, however, receive special treatment. South Africa is hungry for investors and business talent to help build up a new country and if you are prepared to invest and create a few jobs, your application is likely to meet with approval. Those willing to invest R60,000 (US \$17,000) can apply for a 12 month residence visa which is renewable every 12 months and which, it is hoped, will become a permanent visa after the individual has been resident for a few years. South African passports can be obtained after five years but holders still require visas for most countries in Europe. Fortunately, though, South African army conscription is now a thing of the past.

South Africa could be a better place to do business than most Eastern European countries. Why? The main language everywhere is English and there is a strong international presence. The infrastructure is also very good and international communication links are already well established.

South Africa is building from the ground up so high-tech investment isn't so much in demand there. What they really need is low-tech, labor-intensive business. If you have any machinery which is no longer viable economically in your country because of the cost of the labor needed to work it, ship it out to South Africa and it could probably find a whole new lease of life.

The tourism and services sectors are mushrooming in South Africa. People have been coming to the country from all over the world to see its beautiful, mountainous countryside and coasts as long as there has been foreign travel. Now that this country has become politically correct, everyone is making a visit. This has been made all the easier as air fares to South Africa have fallen very dramatically over the last 20 years.

Within South Africa the black middle class is growing quickly. These people have a need for the services and consumer goods which were for so long denied to them. Invest in these very profitable areas and you are likely to be treated well by the immigration office.

Success is guaranteed because labor is cheap. White workers are being replaced by blacks and there have been inevitable problems with wage differentials. Black employees (understandably) want to be paid as much as the white employees whose jobs they took. Generally, they have not been able to secure such wages because their white predecessors were being paid too much. Either way, you can now hire a low-skilled white worker for the equivalent of US \$1.50! High-skilled workers make as much as they would anywhere else in the world because they can generally qualify to migrate by virtue of their skills. Lots of high-skilled whites have indeed emigrated from South Africa. For example, Portugal has been quite generous to South Africans with Portuguese connections and many of those who have migrated to South Africa from the United Kingdom in the last fifty years have been allowed to re-enter.

There are still a few million whites stuck in South Africa and they will make the best of the situation. Some are Boer farmers running reasonably successful farms but others are not so lucky. Especially the younger ones who are living off their fathers. There is no welfare system for those out of work and we are told that a number of these youngsters spend their time getting drunk on Cane (similar to rum) at US \$2 a bottle. If the father thinks he is going to lose his job, he will try anything to get himself and his family out of the country while he still has a little money to do so. Many families have become destitute because they have mistimed their departure or simply been unable. There are plenty of whites begging in the streets of South Africa and things haven't been helped by the migration whites from Zimbabwe, a country where wages are lower. Many of these immigrants whites have been let down by the lack of jobs.

If you go over to South Africa you can live like a king. The value of the rand, the currency there, has suffered much because of the sanctions placed on the country in the 1980s. So, take some funds in your own currency and you will have a small fortune. Many South African houses traditionally have accommodation for live-in servants because wages for them start at a couple of hundred rands a month, which is about US \$50. The servant accommodations are sometimes called granny flats now. Some servants quarters in some houses are very pleasant with ensuite tiled bathrooms that would make the average British council (projects) house look very poor. Servants eat and clothe themselves from their own wages and, even if you don't particularly want to have them, you will be pestered until you hire a maid, garden boy or the like.

Basic food prices are cheaper than in Europe. Frozen vegetables might be more expensive but fresh vegetables are cheaper, milk and chicken are about the same, but beef is much cheaper. Fillet steak is about quarter the price of that in Britain, for example. There are very few internationally known brand names in South Africa and you won't recognize the name on your baked beans or tomato sauce, but the quality of the local brands is generally very good. Surprisingly, bread is more expensive than in Britain even though wheat is

cheaper in South Africa. but fuel costs half as much. Wages in general are about a tenth in South Africa.

Right now, there are incredible bargains in the housing market too. Some white citizens, eager to leave a country which no longer pleases them, are putting their houses on the market at deflated prices. But that's not the only reason that house prices have come down. Fewer people have the money to splash out so the prices have had to come down. Actually, the price of property has risen in real terms. There have even been newspaper headlines like Property Prices Up Three Per Cent. But there has been a lot of inflation too so, *in real terms* property prices have really fallen. A magnificent ten-room mansion right on the Indian Ocean-front can be bought for under £100,000. You couldn't buy anything vaguely similar for under a million in Britain. Alternatively, a flat on the sea front can now be bought for not much more than £10,000. Such a flat would be in what were once white-only areas and today these areas remain predominantly white. It probably isn't a good idea to buy such properties as unseen investments but if you are a fit, retired person, having a flat in South Africa might be the perfect way to enjoy the glorious South African summers. Remember, summer in South Africa comes while many other countries in the world, including United Kingdom, and the US have their winter. Indeed, summer in Durban can last all year round!

Those interested in investing in South Africa are likely to be most concerned about the country's future. There are still many reports of interracial violence and we are told that South Africa's cities are some of the most crime-filled in the world. Nevertheless, there is a strong optimism in the business community and integration between white and black seems to have occurred much more smoothly than anticipated.

Of course, the economy has a long way to go. There is now an estimated population of 43 million to be taken into consideration and most of these people are keen to find their share of what they've been deprived of for so long. President Mandela has made a pledge to build houses and accommodate everyone but this rapid political change has not left the government coffers overflowing. Fortunately, the country is very rich in minerals and ambition. It has the largest deposits of chromium, manganese, vanadium and platinum in the world and has long been the world's largest producer and exporter of diamonds and gold.

South Africa has a hard work ethic too but, no doubt, a number of the citizens still harbor bitter thoughts about white men with money. Perhaps the collapse of communism has helped to suppress such thoughts and those who have worked so hard for such little wages in the past will now be even more keen when offered larger wages.

It is worth noting, however, that exchange controls are still operational in the country. Single adults who wish to leave the country for the purposes of pleasure can take only R23,000 (a little over US \$6000). Those leaving on business can take a little more and those who wish to emigrate can take only R100,000 (under US \$60,000). The emigration allowance for a family is R200,000 Those South Africans who have already left the

country probably made an initial trip with R23,000 to make sure that they had that little bit extra. Generally, those who do not have a foreign passport have had to stay in South Africa. Why? Quite simply, exchange controls would never allow them to take out enough to become involved in investors' programs. As for those who can emigrate from South Africa, it can be quite frustrating because they can draw only the income earned from capital and none of the capital itself. Exchange controls are probably going to be around for quite some time so those who are wealthy in South Africa and only comfortable abroad are likely to remain that way. What's the purpose of these controls, it may be asked. After all, it might be argued, they are discouraging a large number of big foreign investors who might otherwise be only too happy to put their moneys into a developing country. Of course, though, the flip side of this could be catastrophic and if the controls are lifted what would stop those with assets in South Africa from investing abroad? Perhaps, in the future, the government will introduce more concessions for entrepreneurs to attract investment but this remains to be seen. Meanwhile, the split between the commercial and financial rend, which was introduced by the former white government to attract foreign investment, has now dissolved. There is only one currency now and there are currently about R3.6 to the dollar.

Those with a genuine interest in South Africa for business or immigration would be advised to write to **Worldwide Services, Box 61490, Bishopgate, Durban 4008, South Africa.**

Spain - EU Country With Special Programs

Post-Franco Spain is more attractive than ever. According to the popular song, *The Sun is Always Shining in Spain*. These words couldn't be truer! Winters are mild and snow-free along the south coast. But there's more than just the good weather to be happy about in Spain.

The integration of Spain in the European Union has created a unique way of becoming a European citizen. Unfortunately, though, EU membership has a price and Spain has had to update its legislation to get in line with requirements made by the Parliament in Brussels. In fact, there is now a long series of legal articles dedicated solely to Spanish citizenship and how to obtain it.

BECOMING A SPANISH CITIZEN

The easiest method of becoming a citizen used to be by marriage. Under the old laws foreigners were able to apply if they were or had ever been married to a Spaniard, even if the marriage had been dissolved! Now, the legislation has tightened up and the foreigner must be married to a

Spaniard at the time of application and the marriage must have been in existence for at least one year.

You can still acquire Spanish citizenship if you were born in Spain or in certain Spanish territory at certain times. Alternatively, if one of your parents was born in Spain you qualify too. To find out whether you might qualify, consult a respected Spanish lawyer with practical experience in nationality issues. Normally, your embassy or consulate can provide you with a list of legal offices in different cities. It's probably best to avoid Gibraltar for passport counseling about Spain as some inhabitants of Gibraltar don't feel too friendly towards the country. But perhaps this is just worrying for the sake of worrying!

Ordinarily, a foreign national must first be resident in Spain for a staggering ten years before he can be naturalized. Refugees are granted citizenship after only five years residence and citizens of some of Spain's former colonies can apply for a Spanish passport after a period of only two years residence. As there is no shortage of citizenship's available from former Spanish colonies, this appears to be an easy path into the KU. Former Spanish colonies include most of Central and South America, except Brazil which was a colony of Portugal. It is worth noting also that those of Spanish-Jewish descent can also apply for a Spanish passport after two years residence.

Purchasing a home is not a requirement for obtaining citizenship and the legal right to work is normally granted instantly or, if not, after six months of residence. To become a citizen you will be expected to become a reasonable Spanish speaker and to maintain a real presence in the country. However, during your period of residence, which will be between two and ten years depending which category you fall under, your travel will be totally unrestricted. No one will count the days you are away and, because you will be living in the KU, your movements through member countries will be entirely painless.

While there are no restrictions on travel during the required residence period, token residence is not acceptable. The Spanish police maintain close tabs on foreigners and will actually visit your home and interview neighbors to make sure you really live there and are behaving yourself. It is worth remembering that the authorities will not hesitate to expel any resident alien they consider undesirable. But there's no need to worry. It's relatively easy to prove that you are living in the country through a *Renta*, a permanent residence income tax form. All permanent residents also have an ID called an NIR that identifies them as Spanish taxpayers to EU tax officials.

TAXATION IN SPAIN

Permanent residents of Spain are taxed on their worldwide income at rates in excess of 50 per cent. Income is estimated by authorities based upon home, car and lifestyle. It's not surprising then that many wealthy Spanish passport holders who do not want to keep a low profile prefer to establish legal residence in a tax haven.

Wealthy foreigners are therefore advised to consider Spain as a fine place to spend some leisure time, but not as a place to live tax-free after acquiring a passport.

Major reform of Spanish taxation legislation became effective on 1 January 1992. The maximum percentage rate of tax payable is now 56 per cent for residents and 25 per cent on income and capital gains for nonresidents. These new tax laws mean that individuals will be considered resident if they stay in the country for longer than 183 days annually or if their main center of professional or business activities for economic interest is in Spain. If an individual's spouse or dependents remain resident, he will be considered resident unless he can prove he was resident for more than 183 days in another country. Temporary absences will be included in the authorities' calculations.

As a general rule, income obtained by nonresidents is deemed to be earned on the date it became claimable or when it was effectively collected. Another new measure affecting nonresidents who own a property in Spain is that unless they have a permanent establishment, they must appoint a fiscal representative in Spain and notify the tax authorities. Nonresidents who own only one holiday home need not worry about this requirement. Tax haven corporations who own villas are charged with a special tax of five per cent of their villa's value per year.

Spain has tax treaties with many non-EU countries including the US and Switzerland. These treaties tend to allow individuals to pay taxes in the country where the rate is lower.

Spain is the most popular tourist destination in the world and it has much to offer as a location for investment, vacation or residence. Spain has more than 50 million visitors each year, a number greater than its total population! Developers and speculators are reaping vast fortunes in real estate, property and building developments. Restaurants, transportation companies, brewers, hotel operators, golf and tennis clubs and organizations involved in the tourist industry are all prospering.

WHAT'S IT LIKE TO LIVE IN SPAIN?

Prime Spanish attractions include year-round sunshine, low prices and low rents. Spain is not as inexpensive as Portugal, but prices are still below the European average. There is an incredible variety of restaurants and entertainment too. Domestic help is inexpensive but there are a string of strict Spanish employment laws to watch out for. For example, when workers have provided one year's service, their employers are required to provide them with 30 paid days of vacation a year.

While home ownership is not required to become a resident, owning may be more economically desirable than renting. Why? Because real estate in Spain will probably be an excellent long-term investment. Since 1994, there has been a steady fall in the price of real estate. Many bargains are available at 1986 prices. But you can't be too lazy about it. There's now a new set of wealthy people looking to buy property. Inhabitants of former communist countries, especially Russia, are taking over as Spain's nouveau riche.

A grotty basement studio condominium by the seaside may be bought for as little as US \$40,000 in certain areas on the Costa del Sol, while a pleasant and proper two bedroom,

two bathroom home with seaview will run between US \$80,000 and \$150,000. Veritable castles and palaces built by Arab princes near Marbella sport gold-plated plumbing and luxurious residences. These sumptuous villas can be acquired from bored owners for US \$500,000 to \$900,000.

Legal residents in Spain, whether citizens or not, enjoy protection from extradition for tax and currency offenses. They are, however, vulnerable to deportation for violent or terrorist offenses, even if the crimes were committed abroad. The Spanish police are notoriously political. They are not so efficient with domestic criminal cases but when it comes to international affairs, they keep a close eye on their suspects. The police's low prioritization of domestic offenses means that there is a lot of petty crime and this is one of the most unpleasant features of the country. Pornography | and prostitution are openly advertised and solicited in all cities and tourist centers, especially Barcelona. Incidentally, Barcelona is known as one of the world's gay capitals.

For the rich, country club communities and private villas are protected from burglars by dogs, guards and high walls. An unoccupied, unguarded home in Spain often represents an open invitation to burglars. Acts of violence against tourists are punished very severely so they are uncommon, at least on the scale of the horror stories that periodically come out of Florida. Nevertheless, armed robbery and crimes of violence are on the increase at an alarming rate in some parts of Spain. As in most countries, many crimes are drug-related and visitors are advised to take the same precautions as anywhere else.

SUMMARY

The Spanish passport is a good one but can take between two and ten years to obtain depending on which category the applicant falls into. Renting an apartment and keeping it for the period of residence is enough to secure citizenship and no home purchase is necessary. If you want to live only part-time in Spain, it is best to keep a foreign passport and take "long vacations" there. As in most countries, tourists are treated better than citizens. So, a Spanish passport is good only if you wish to live there for most of the year. Remember, Spain is a high-tax country.

And if you're looking for more reasons not to become Spanish? Besides the typical rob-the-rich taxes on residents, the authorities require passport applicants to renounce existing citizenship and to swear an oath of allegiance to Spain. Dual nationality is recognized only if the other nationality held has a dual nationality treaty with Spain. Spain has a dual nationality treaty with Chile, Peru, Paraguay, Nicaragua, Guatemala, Bolivia, Ecuador, Costa Rica, Honduras, Dominican Republic, Argentina, Colombia and Venezuela. Those of Spanish-Jewish descent are also allowed to hold dual nationality.

Spain also has a nine month compulsory military service for men of draftable age (roughly 19 to 20), though this can be avoided by those who declare themselves to be conscientious objectors.

These negative aspects notwithstanding, the Spanish passport is a very good one to hold. It offers widespread visa-free travel including to the US. In fact, a Spaniard can travel to a dozen more places visa-free than an American. In addition, Spain has a superb relationship with its former colonies in the same way the UK does with the Commonwealth. And remember, Spain does not tax its nonresident citizens. A recommended Spanish firm specializing in naturalization and foreign investment is **Malaret & Associates, 104 Paseo de Gracia, 08008 Barcelona, tel (343) 217199, fax (343) 4151546.**

Sri Lanka - Expensive and Politically Unstable

Sri Lanka is an independent republic, formerly known as Ceylon, located off the southern coast of India. In an attempt to establish itself as a retirement haven, the country introduced a program known as the Resident Guest Scheme in 1991. This program grants residence to those willing to invest US \$150,000 in a government approved project. A further investment of US \$25,000 must be made for spouse and each dependent child included on the application. There is also the requirement that an additional US \$1500 for head of household and US \$750 per dependent be remitted to the country each month for living expenses. Citizenship and passport would be available after three years of residence.

Tax concessions are available to guests or settlers who qualify. However, considering the disturbed political situation present in Sri Lanka, which dates back more than ten years, and the significant size of the investment required, this program is probably not a desirable option for most who may be interested. As parts of the country are still off limits to tourists, Sri Lanka is definitely not a retirement haven. Other programs, such as those of Australia, Canada and New Zealand, are probably more worthwhile ventures even though they involve a more significant investment.

Swaziland - Passports Not Much Value

This former British colony is situated between South Africa and Mozambique. An interesting country because it is the center for smuggling currency out of South Africa. Local whites can obtain passports if they want them but they would not be much use. There are no passport programs but a few months and US \$10,000 would probably be enough.

Switzerland - Difficult But Not Impossible

In May 1992, the Swiss government announced its intention to apply for membership of the European Union, the World Bank and the International Monetary Fund. Although this has not yet come to fruition, such a radical change in Swiss thinking will undoubtedly have profound effects on many areas, including the ease with which one can obtain Swiss nationality. At present, Switzerland is not the easiest place in the world to get a passport. Yet contrary to popular belief it is not impossible.

It is true that a few common ways by which citizenship are granted in most countries are either not possible or far more difficult than standard in Switzerland. Birth in Switzerland does not qualify one for citizenship unless at least one parent is also Swiss. A foreign woman marrying a Swiss male, which at one time granted immediate citizenship, as of January 1992 requires a five year residence period. A foreign male marrying a Swiss woman will qualify for residence, but will have to wait the full standard 12 year residence period before citizenship is a possibility. In either case, if the marriage is later discovered to have simply been for convenience, citizenship or residence is instantly lost.

Standard forms of residence are difficult to arrange, but not impossible. Switzerland does not really differentiate between residence permits and work permits. The residence permit that they issue is more or less a combination of the two and entitles the holder to work in a specific canton, the term for a state or province within Switzerland, for a specified employer. As is often the case regarding such issues of legislation or taxation, the rules are determined by the local canton, not on a national basis.

The sort of permit issued has been divided into three categories. The A-Permit is granted for seasonal employment in the building, hotel and holiday industry and is usually valid for a period of only four to five months. Entry and exit dates are strictly enforced. The B-Permit allows one to take up specific employment for a limited period, usually one year. Unlike, the A-Permit, this permit is renewable. The C-Permit grants one permanent residence. It is given either to those who previously held a B-Permit, for a period of five to ten years depending on nationality, or to persons of retirement age. Self-employment in Switzerland is only possible after a C-Permit has been granted. Hence, at least according to the Swiss embassy in London, it is "virtually impossible to emigrate to Switzerland for the sole purpose of being self-employed".

Marshall Langer claims to have had good success in obtaining B-Permits for clients interested in investing in a new business in the Canton of Neuchatel. See the "Resource List" at the back of this report for further information. Generally, a *forfeit*, or a lump-sum tax, is negotiated with cantonal tax administrators. The amount varies considerably depending on the canton involved, but generally amounts to at least US \$35,000 per year. If such an arrangement sounds like your cup of tea, first keep in mind that such applicants are expected to have a significant net worth. Taxes vary tremendously from canton to canton, meaning anyone interested in establishing residence in Switzerland should check the individual tax position of the specific canton involved.

As each canton is free to establish its own rules, a few loopholes do exist. It is said that only a few years ago, someone who went to one of the poorer cantons and became a public benefactor by building a hospital, school or providing employment with a new business could gain citizenship in about a year (by popular vote). Total cost? Around US \$250,000. We have also heard rumors of another program involving the Grand Council of Geneva which would lead to citizenship after an investment and only six months of residence. However, we have no firm information on the details of this program, or that it even exists at all for that matter. Furthermore, in recent years, the Swiss have become

somewhat xenophobia, meaning few public benefactor citizenship's have been given. However, this may change with the end of the Cold War and Switzerland's pending membership of the KU, IMP and World Bank.

As a general rule, an individual must actually live in Switzerland legally for 12 consecutive years to qualify for nationality. For children under high school age, this is reduced to six years. The application process involves an in-depth investigation, plus detailed personal questioning of neighbors. Citizenship has been denied for fairly petty reasons, such as complaining about noisy cow-bells early in the morning. Apparently, every Swiss person or person worthy of becoming Swiss must be thrifty and absolutely adore cow-bells, yodeling and cleanliness. A person whose garage was untidy and who sometimes left his mess exposed to public view through open doors was denied citizenship even after a lifetime of residence. A famous (reformed) hallucinatory drug guru, Tim Leary, was said to have been denied citizenship on the grounds of morality due to the fact that neighbors reported that he lived in sin with two nymphets. The Swiss have many ideas about proper conservative behavior. They are well known for refusing to renew residence permits or grant citizenship to those who don't measure up. Arriving at a citizenship hearing five minutes late was once considered proof of irresponsibility to the punctual officer in charge.

However, if you happen to have recently won a Nobel prize, despair not, Swiss rules do allow instant grants of citizenship for "Persons of International Stature". Apparently this category includes poets, authors, deposed aristocrats, movie stars, heads of state and religious leaders. Otherwise, if citizenship seems either impossible or too much of a bureaucratic hassle, become a PT. Switzerland does have very liberal laws concerning tourists, allowing one to visit the country twice a year for up to three months each time. The visits must also be separated by an adequate period. Pay careful attention not to overstay, as the Swiss are quite likely to notice, making you liable for high Swiss income taxes. Also be careful not stay more than three months in any one canton.

Drawbacks of citizenship include the fact that summer military camp is required of all males, from age 18 to 50, which is about the same as the draft laws of Israel, although naturally one would be far less likely to be sent off to combat. There is also military tax, ranging from one-half to three per cent of income, for all Swiss men living abroad. Unlike all other Swiss taxes, failure to pay this one could land you in the poky for up to 15 days.

Other than these drawbacks, Switzerland is widely regarded as a Utopia. Clean, prosperous, beautiful, crime-free, neutral for hundreds of years and internationally respected. Communication and financial services cannot be faulted, they are terrific! Personal freedom thrives in Switzerland (aside from National Service). Of course, we are talking about economic freedom (investing, trading, etc.). Outside of business and economic matters (where they are progressive and innovative), the Swiss are very conservative people. They are in fact less tolerant of eccentricities involving illicit sex, drugs, pornography, fraud and violence than most other places.

A back door to Switzerland involves Champion, a tiny Italian enclave located entirely within Switzerland. See "Switzerland Via the Italian Back Door" in Part VIII of this report or *The Champion Report*, which is dedicated specifically to this topic, for more information.

Taiwan - Instant for Chinese

If you are of Chinese origin you may qualify for a passport of the Republic of China, that's Taiwan to the rest of us. The only requirements are that you live in Hong Kong and possess a Hong Kong Identity Card which has been valid for at least one year. However, this passport appears to be of almost no value, as it does not grant the right of domicile in Taiwan and even a visa is needed to visit the motherland. Undoubtedly, visa requirements and undue hassle would be experienced almost wherever one chose to travel on such a document. It is a bit of a conundrum why this program even exists at all. Nonetheless, for those who qualify and are interested, the price is right at HK \$180. Contact: **Chung Hwa travel Services, 4th Floor, Lippo Tower, Lippo Centre, No 89 Queensway, Hong Kong.**

Thailand - Opportunity for an Almost Instant Passport

People in Thailand think differently from Europeans or Americans. Their culture, religion and morality are quite un-Western. Virtually every Thai is proud and happy to have been born a Thai. They believe that their nation is infinitely better than any other on earth, and that their royal family is divinely inspired. Accordingly, any disparaging remark about the nation or the royal family will be taken very seriously and would probably have severe negative consequences for anyone seeking favors (like a passport). One local celebrity went to jail for a few weeks for merely saying, "I would like to have been born a Thai prince, then I wouldn't have to work so hard at being a comedian." The police thought the remark to be unfunny and an "illegal slur on the monarchy".

Thailand in fact is the only nation in Asia that was never colonized by European powers. In its foreign relations it has always cultivated the logical "winner" in international power struggles. As a result it has stayed free. In World War II, when the Japanese could have over-run Thailand militarily, they became reluctant allies of Japan thus sparing themselves from the destruction that befell their neighbors. After the war they became allies of the victorious Americans until the US defeat in Vietnam. Then Thailand asked the Americans to remove their big airbase in order to cultivate better relations with communist neighbors. Thailand's own government is, in Western terms a constitutional monarchy. Army officers run things, but they are subject to the moral authority of the King and Buddhist monks. There are frequent coups and power changes, but the power of the King and the religious leaders is never challenged. For a more detailed picture of Thailand's ways, suggested reading would be *Culture Shock Thailand*, a book found in the travel book section of most bookstores.

The old capital city of Thailand, Ayuthia, was a center of art, music and culture when Europe was in the Dark Ages. Thailand was a unified nation where people could engage in a lively commerce, travel freely on good roads and where highly advanced metallurgy, chemistry, astronomy, rockets and canal building on a national scale were all commonplace. This at a time when in Europe (700 AD) every little hilltop was occupied by warlords in constant states of conflict. During this period individual Thai adventurers were discovering the world and, like Marco Polo, writing their memoirs. According to Thai folklore, Buddhist missionaries traveled all over Europe in post Roman times where they established religious centers like Canterbury which still survive today. (The Thai word for town is *Buri*, and thus there may be some truth in these tales.)

There are very few non-Asians resident in Thailand. The white percentage of the total population is under one per cent. Off the beaten tourist track of Bangkok, Pattaya and Chaing Mai, most Thais have never seen a white person, except on television news programs. Thus an occidental will be something of a curiosity to be squeezed, touched and perhaps pinched in order to make him say something funny in his incomprehensible, silly sounding language. During the Vietnam era, Thailand was the site of a huge air force base. The first foreigners ever seen by most Thais of the present generation were probably American airmen exploring the countryside in jeeps from this base. Many of these men fell in love with the country and one or more of its spectacularly beautiful women. Many GIs stayed or came back to live after their discharges. Individuals also stayed behind when the US Government was asked to remove its military presence.

Thailand until recently was under-populated and willing to absorb all immigrants. They were always quickly assimilated. There was no racial prejudice or discrimination. Chinese, Burmese, Cambodians, Laotians, Vietnamese, Indians and a few whites settled and intermarried throughout Thailand. Their children (usually half Thai) spoke only Thai and typically became Thai in outlook and language.

Due to mass migrations as the result of nearby communist revolutions (whose ideology conflicted with a desire to practice their religion and own their own land) the population of Thailand tripled during the past 40 years. Native Thais felt squeezed by newcomers. Today, immigration has been restricted. For a European, there are only a few ways to get a residence permit. Citizenship and a passport comes after 12 years of legal residence. "Special arrangements", African or South American style (for money), seem difficult, if not impossible to make for unassimilated white people. Once an individual can speak and write Thai and has powerful sponsorship (ie establishment friends who will vouch for him) arrangements can be made - not necessarily for cash. Aside from getting chummy with the royal family, the most powerful sponsorship one can get in Thailand is from a Buddhist teacher or monk.

Thailand in many ways is a Theocracy. Ninety-nine per cent of the population are devoutly Buddhist. It is customary for young Thai males between 14 and 22 to spend three months or more following the disciplined life of a Buddhist monk. Unlike Christian religious leaders, Buddhist teachers live incredibly austere lives, with no possessions other than a

piece of cloth to wrap around their bodies and an iron begging bowl. Christian ministers in Europe or America who come to visit their parishioners for donations may be mildly resented. Buddhists never ask for anything but are always given food. They are appreciated for the opportunity to "make merit". The idea is that by supporting a worthy person, one will have better luck in the present and will be reincarnated into a good life form in the future. According to Buddha, the spirit or soul never dies, but keeps returning to earth in different forms. Thus a Buddhist will often refuse to kill insects or eat animals killed for food. Like Italian Catholics, lay Thai Buddhists are very loose in their beliefs and do not necessarily interfere with or object to others who eat meat, get drunk, gamble, commit adultery or engage in un-Buddhist practices. They believe that the Buddha will judge and punish, and it is not the place of an individual to make moral judgments, unless perhaps that person is a very saintly monk. In that connection, a venerated monk with a following of disciples (students) is extremely important in Thailand and will be asked to decide such questions as fitness for promotions in the army or even questions of royal descent. The moral authority of the religious establishment is the greatest power in Thailand.

What does all this have to do with getting a Thai passport?

Simply this, the shortest path to Thai citizenship (and a passport) is by way of becoming a monk. Unlike his Christian equivalent, most Buddhist monks do not regard their vows of poverty and celibacy as lifelong. In fact, the vast majority of Buddhists take this path of enlightenment for only three months. *The Passport Report* has up to this point been entirely pragmatic, perhaps a bit cynical. In this context, you may find it strange that we now say that becoming a Buddhist monk will be the most significant experience of your life! Buddhism does not reject or conflict with any other religion. It is a search for enlightenment. Even after three or four months, your quest for a second passport, material success, sexual adventures and everything else you once regarded as important will be relegated to a lower level. After emerging from the monkhood, the odds are that you will be a different, much improved person. More effective at whatever you do as a result of improved powers of concentration.

You may not be willing to undergo the experience we describe here, but if you can, you will have an inner peace and satisfaction of the sort claimed by born again Christians. Unfortunately, the Buddhist equivalent takes considerably more work. It is however, longer lasting than conversions that take place with less discomfort.

HOW DO YOU BECOME A THAI BUDDHISTMONK?

The first stop is the nearest Thai Buddhist temple or What. Go to any Thai embassy, restaurant or grocery store to make an inquiry. Near London, for instance, in Hampstead, is What Ba-Pong. You can begin your studies locally, or even by mail, and move to Thailand for the last three months. It's best to know the Thai language before you leave to enter the monastery.

Will the life of a monk appeal to you? You will sleep on a wooden plank and rise before dawn. There will be several hours of silent meditation and contemplation while you are sitting in somewhat painful, yoga-like positions. The idea is to be able to transcend physical sensations such as pleasure, pain, heat and cold.

The goals are:

1. Harmony with nature and the universe.
2. Perfect peace.
3. Contemplation of the true nature of things.
4. The impermanence of life.
5. Doing no harm to any living thing.

A bell signals the end of pre-dawn meditation. Monks assemble in military-style single file to walk in silence to a point where villagers will place food in their iron bowls. The food is rice and vegetables but monks are not supposed to notice or taste what is in the bowls. This is the only meal of the day.

Daily existence for a novice is strictly disciplined, involving 227 rules which must be memorized and chanted singly and as a group. These rules relate to the complete and sincere renunciation of all earthly pleasures, emotions, relationships, possessions and ambitions. It is not expected that a novice will be able successfully to follow even a small fraction of these rules, but one does try. At a public confession twice a month, transgressions are admitted. A sincere effort at purification is expected, and faking will be impossible under the circumstances. Some violations are considered serious enough to result in immediate expulsion from the Order, without a second chance. One such violation is having any sexual relationships. A monk is expected to have no physical contact (touching) with his parents, children, wife, girlfriend or anyone else. The head is shaved to symbolize a renunciation of vanity.

After the morning walk and only meal of the day, monks return to their quarters where each is assigned a routine, monotonous and repetitive task. This is another form of meditation. A way to leave behind changing moods, memories of past life, lust, greed, hate, love and all other emotions. Extreme concentration is put on to the physical task with the idea of doing it automatically and emptying the mind of all thought. This is very difficult. To achieve it initially, the monk concentrates on his breathing, experiencing only the moment. The first month is always very difficult and thoughts of despair and suicide are common. These are banished by Patimoka, the group recital of the 227 rules as a monotone mantra. There is also prayer and singing of chants. The idea is to "let go of self" and thus separate from the physical body without trying.

Eventually there are results. The mind becomes as still, empty and pure as a forest pool. Strange and wondrous animals come to drink from the pool. The nature of reality and ultimate truth begin to unfold. The monk has the "religious experience". This is the reward for one, two or three months of sensual deprivation.

Discussions with the Spiritual Master follow. The teachings of the Buddha are studied. Inspiring and uplifting ancient chants are learned and sung. The monk is now able to show moral leadership to the laity and to new novices. His purpose in life is revealed to him. He finds great inner strength, peace and a complete release from all stress.

The period of training is at an end. The monk returns to the world, only to re-enter the monastery from time to time, as desired. The process can be as short as a few months, as long as a lifetime.

Since a foreigner is only allowed to stay in Thailand for three months, at which time he must leave the country and re-enter, it is necessary to inform the Spiritual Master of one's immigration status at the time training is initiated. As a monk is considered higher than a mere human being, one's immigration status will be worked out by the Master and the authorities so that no departure is needed. By the time three months have passed, the novice will have undergone a training that will give him physical and mental health and far more self-control. He will begin to understand why the typical Thai never shows anger or aggressiveness, but has vast reserves of strength to meet any adversity.

A good student who expresses the desire to stay on in Thailand for a period after his training and wishes for citizenship, will normally have his request granted. He will be considered the most desirable sort of citizen, son-in-law or employee. A former monk presumably will always be relatively free of avarice, sin or illicit desires. He who has trodden the path of Enlightenment sets a moral example to others and is greatly admired. If after a period as a monk, a young (or not-so young) western male becomes a teacher (of, for instance, European languages) in Bangkok, he achieves considerable status and is a welcome guest in most Thai homes. This stature does not accrue to a mere vacationing tourist or western businessman on duty in Thailand. A foreigner's social contacts are normally only with the lower classes. Of course, about six months will have passed and by then you will have become a Thai and a Buddhist. You'll have left behind a lot of the ideas that caused you to read this report and become a Thai passport holder. You will no longer seek to avoid what you now perceive as legitimate duties, such as paying taxes or submitting to authority. For this author, the Western humanistic libertarian idea of controlling my own destiny (not becoming part of a beautiful, harmonious pre-ordained universe) was too strong to enable me to fully accept Buddhist teachings. However, I'm glad and will forever be nostalgic about the one time I tried it and came close, just for an instant, to Enlightenment.

As my Spiritual Master once said, "Every human being can create a new universe. We see what we will. We create by our perceptions."

Your Thai passport will, however, not be philosophical abstract reality. It will be a little maroon booklet. It is a fair document for traveling with but not good in Europe for visa-free travel. You will also need a tax clearance to leave Thailand each time you go. A westerner with a Thai passport is likely to be asked more questions than an Asian.

Is a Thai passport something to try for? Yes, but only if you want to live mainly in Thailand and own property there (something foreigners can't do). Thailand's most appealing attraction, its serenely beautiful, accommodating women have not even been discussed here. For a full treatment, you will have to see the special report - *Sex Havens*. The report that could not have been written by a monk. Now available from Expat World.

THE SECULAR WAY OF BECOMING THAI

As mentioned earlier, it is far from easy to gain official residence in Thailand. However, there are several categories under which one may qualify. Two of these categories are loosely described as business and investor. No indication is given as to the size of investment necessary for consideration, but many other stipulations are given, such as that of submitting an organization chart showing all positions of manpower within the proposed company including the total number of aliens. Retirees, apparently, also receive special treatment but again no basic outline of the requirements is provided. Other categories that may qualify one for residence cover those who are government officials, missionaries, evangelists or "experts or advisors".

Special consideration is also given to those who will be able to receive support from a resident or national of Thailand. Marriage to a Thai national, however, does not work in quite the same manner in Thailand as in many other countries. For a woman, marriage to a Thai man does allow one to claim immediate citizenship and passport. For a man, marriage to a Thai woman does not result in citizenship but does, actually, cause loss of Thai citizenship for the woman. Any children ultimately born to the marriage are not Thai. The man does qualify for "favorable consideration" which generally results in a permanent residence permit. This is given simply as a means for the man to support his Thai wife, as is expected of any husband in Thailand. After 12 years of residence, both husband and wife can apply for Thai passports.

The few official guidelines for establishing residence and, subsequently, citizenship in Thailand that we have been able to obtain have been translated from the Thai language by Dr. Hill's Phuket girlfriend and are presented below. As we have mentioned previously, with powerful sponsorship, anything can and will happen. Thai rules below are often waived on a personal basis by a wide variety of officials who will readily thump away with the necessary rubber stamps if properly motivated.

1. GETTING YOUR THAI RESIDENT'S PERMIT (THE CI CARD)

1.1. You must stay in Thailand continuously for a period not less than three years with the entry stamp non-immigrant type in your passport (not the tourist visa). During your

stay, you are allowed to travel abroad, but you must be back in Thailand prior to the date your visa expires. Before traveling, you must always register your intention to return with the Thai immigration office.

- 1.2. Foreigners in Thailand must have a firm financial status or, if an employee, must be at least employed in a managerial position. If your moving to Thailand involves any investment on your part, be sure that you keep all forms and other evidence showing the amounts transferred from foreign country through the Bank of Thailand.
- 1.3. When investing in a Thai limited company or a limited partnership, a registration certificate and the trade registration, issued by the Commercial Ministry, is required.
- 1.4. Further, in all visa or citizenship matters you must submit evidence of corporate tax and personal tax payments for the last three years.
- 1.5. When submitting the application, a 2000 Baht fee is required. (Note: 2500 Baht is approximately US \$100.)
- 1.6. It takes at least six months for the application to be processed. When approved, a further 5000 Baht must be paid.
- 1.7. Each year, Thailand will grant only 100 permanent residence permits for the nation. This quota is waived, however, if you invest more than ten million Baht in the country. Furthermore, it is also waived in special cases.
- 1.8. If the applicants are Taiwanese, the nationality must be transferred to Red Chinese (the People's Republic of China) prior to submitting the application. Thailand has no diplomatic connections with Taiwan.

2. GETTING THAI CITIZENSHIP AND PASSPORT

- 2.1. All applicants must have had residence in Thailand for at least five years and must hold a CI (permanent residence card).
- 2.2. Usually, no one under 21 is considered.
- 2.3. You must have no criminal record within Thailand.
- 2.4. A basic knowledge of the Thai language is required. You must be able to communicate in Thai.
- 2.5. When submitting the application, a 5000 Baht fee is required. Upon approval, another 5000 Baht is payable for the necessary papers to be completed.

NOTE: The above fees do not include any tip or gifts to sponsors which might be a decisive factor in the success of your application.

Tonga - Protected Persons Passport

As author Paul Theroux depicts in his best-selling novel *The Happy Isles of Oceania*, the king of Tonga, namely King Taufa'ahau Tepuo IV, happily sold passports to individuals who subsequently became known as Tongan Protected Persons. What sort of protection was exactly on offer is debatable because these passports were intended to be good for travel anywhere except Tonga. However, in spite of this restriction, the documents were still snapped up by Hong Kong Chinese for approximately US \$10,000 each. This program closed down once it became apparent that because of the restriction against Tonga, many other countries were also not willing to accept the passport.

Subsequently, the king started a new program in an attempt, he said, to attract millionaires to aid the economy rather than middle class people. This basically meant passports that sold for US \$20,000 for an individual or \$35,000 for a family of four. Holders of these were granted the privilege of one year's residence in Tonga during which time they were expected to locate a suitable third country and migrate to it. This program, apparently, has also shut down, although we have heard rumors that a personal audience with the king may work wonders. In any case, it is estimated that this little scheme has generated in excess of US \$30 million for the Tongan government.

Turkey - Almost Anyone can be a Turk

Issuance of a Turkish passport is discretionary with Turkish diplomats abroad who are empowered to give them to any Turk. Can you be a Turk? Perhaps but it takes slightly more than buying a fez and a scimitar.

One Turkish Ambassador told me that he could identify a Turk in two minutes of conversation because only Turks spoke Turkish. I asked if anyone who spoke Turkish was a Turk and thus entitled to a passport, regardless of place of birth. He responded: "Over 100 million Turks have emigrated to all parts of the world; we regard them and all of their descendants as Turks. As a practical matter, anyone who ever came into this office who spoke Turkish and had a Turkish name or some evidence of Turkish ethnic associations would be considered a Turk. We are very liberal and flexible about extending the benefits of our passport to those in need of one."

In view of this situation, it is suggested that a crash course in Turkish or a friend in the Turkish diplomatic corps would be useful. There are Turks of many races and physical descriptions, although European and Asiatic types are dominant. Their religion is mainly Moslem, with a substantial Jewish minority.

Could you become a Turk? The answer seems to be, with a bit of study, effort and the cultivation of a few Turkish ethnic associations - yes!

For another approach, Turkey seems to be fairly liberal in granting residence visas. They have special categories for technicians, teachers and students. They are also willing to

grant residence to anyone who can demonstrate independent means or income from a pension or something of the sort. This path to citizenship would, however, be much slower as a five year residence period is required before one qualifies for nationality.

Bottom Line, since Turkey is an overpopulated, labor exporting country like Pakistan or Korea, most countries require visas of Turks. This makes a Turkish passport less desirable than one from more prosperous countries. Yet Turkey has applied for membership in the European Union, which is expected to be granted, eventually.

Ukraine - Beware Bogus Passports

We have recently heard of an establishment that is selling admittedly phony passports from the Ukraine and several other countries. The price is rock bottom, at US \$1000, but we strongly advise that anyone who comes across such an offer steers clear of it. Never cross a border with a document that you know to be a forgery, you're only asking for trouble. The other documents for sale by this outfit are the Dominican Republic at US \$5000 and Israel at US \$7000. Beware of any instant passports offered for any of these three countries. They may well be documents originally sold by this firm, but then re-sold, probably at a much higher price, by third parties not quite so up front in explaining what exactly they have to offer. Furthermore, no instant passports are available from any of these countries, save Israel, and that one should not cost anything. See section on Israel for more information.

Obtaining a genuine Ukrainian passport is far more difficult. It requires five years of residence in the country, knowledge of the Ukrainian language and the renunciation of any other nationalities.

Generally speaking, only people born on Ukrainian soil or previously resident are entitled to citizenship. However, there is a provision for foreigners to acquire citizenship which requires a five-year residency requirement. This residency requirement may be waived if there is proof that at least one of their parents or grandparents was born on Ukrainian territory and that they are not citizens of any other country. This is your loophole. Ukrainian laws are very strict on citizenship matters and preclude citizenship of another country, the Ukraine does not have any dual nationality agreements. Therefore, you are required to renounce your present citizenship in order to become Ukrainian.

While this can be a negative, it can also be a positive for those who want to ditch a burdensome passport anyway. As Ukrainians need visas for almost everywhere though (except for ex-Soviet bloc countries), its passport is a fairly limited travel document. Therefore, it would be recommended that you already hold dual nationality, a fact which you don't inform the Ukrainians of, or have potential to obtain nationality e.g. through parentage or marriage from some other Western country.

On the plus side, the Ukraine is the most economically viable of all the CIS countries. Only citizens, or joint ventures with the government, may own property or businesses and there

are a number of nice resort areas along the Black Sea. By Western standards, the cost of living is ridiculously cheap. Exit visas are not required and there is no taxation on income or investments abroad. The Ukraine has made a formal application to join NATO and there are talks of EU application as well. The fact that many large multinationals have established their Eastern European bases in the Ukraine means that services such as shipping (TNT Express) and communications (joint ventures with AT & T and Dutch PTT) are some of the best in the former communist bloc.

Another plus is that the Ukrainian government has very little representation abroad so the potential for diplomatic positions is wide open. The common practice among the Baltic states is to appoint educated English-speaking ie North American and British people who are of ethnic descent.

United Kingdom - Bank Deposit Plus a Five Year Wait

The British Isles are small, overpopulated islands in a very convenient location. Although public opinion has been anti-immigration for some considerable time, it is still relatively easy to immigrate to the UK and, after a five year residence, to obtain the coveted British passport. Although Britain had a color-blind policy for many years, recent backlash by the natives now makes it easier for white people to gain permission to live in the UK than those of other races.

All the usual means of gaining preference for permission to live apply in the UK: marriage to a local, political asylum, various occupational classifications, etc.

There is a complex hierarchy of preferences and a set of maze-like rules exists which are exceeded in complexity only by those in the US. There is, however, one big difference between the two countries. British consular officials are knowledgeable, polite and efficient. They will try to help and generally give useful advice. As a result, if your situation is not borderline, you do not need a lawyer to represent you as long as you can read and write English.

Once you are a legal resident of the UK, a passport can be obtained after five years. It should be noted that only EEA citizens are granted residence permits and the term has no meaning for non EEA citizens. Except for certain applicants who have an absolute right to citizenship, the award of residence permits and passports are a matter of discretion for the bureaucrats or politicians.

To obtain competent advice you might consider purchasing an excellent, detailed book entitled Immigration Law by Nicholas Blake and Ian A McDonald, a new volume of which was published in autumn 1995, by Butterworth & Co, 35 Chancery Lane, London WC2A TEL, England. Although this is a legal work, it is easy to understand. If you study the rules in this book, you are likely to pigeonhole yourself into a suitable category eligible for immigration and, after five years you will be able to qualify for your own British passport.

As there is no passport stamp or record of arrivals and departures for British or other EEA citizens within the EEA, there is no conclusive check on how much time you actually spend in the UK. Non-EEA passports are always date-stamped on the way in and out, unless the holder arrives and departs via Ireland, in which case the traveler may or may not have his passport stamped.

Immigration Categories

The following are the major categories of immigration:

RETIRED PERSONS OF INDEPENDENT MEANS This category is for retired people who are able to satisfy the following conditions.

1. At least 60 years old.
2. Have under their control an income of not less than £25,000 per annum which is disposable in the UK. There is no provision to substitute this with a capital sum.
3. Able to maintain and accommodate themselves and any dependents indefinitely from their own resources in the UK without taking employment, engaging in business or professional activity or having recourse to public funds.
4. Able to demonstrate a close connection with the UK.
5. Have the intention to make the UK their main home.

This category can lead to settlement (permanent residence) after four years.

BUSINESS ENTREPRENEUR

A business entrepreneur must now invest £200,000 of his own money, create full-time paid employment for at least two people settled in the UK, and show that his services are genuinely needed in the UK. He must also be able to show that he is able to maintain and accommodate himself and any dependents without recourse to employment (other than his work for the business), or public funds. Once business entrepreneur status has been achieved an individual will need to file proper audited accounts to allow the status to be renewed and permanent residence can be secured after four years. The business entrepreneur category is not as viable as it once was but it is still possible to use it for setting up hairdressing salons, wine bars etc.

As a result of EEA Association agreements, citizens of Poland, Hungary, Rumania and Czechoslovakia are subject to immigration checks when they are seeking to establish themselves in business in the UK but they receive financial concessions which are not given to other non EEA nationals. Hungarians benefit from these concessions if they are coming to control a company and Poles benefit even if they are seeking to establish themselves in business on their own account or in a partnership.

SOLE REPRESENTATIVES

This category applies to individuals who have been recruited and taken on as employees outside the UK by a company whose business headquarters are overseas. Such an individual may apply to establish a place of business in the UK on behalf of the foreign company and act as the company's representative there. This place of business must be a registered branch of the foreign company or a wholly-owned subsidiary and the applicant is not allowed to be a major shareholder. Nevertheless, the applicant must be able to maintain and accommodate himself without recourse to public funds. It is important to note that audited accounts are required to show that the company is trading, solvent and not merely a sham to facilitate entry. After an initial period of 12 months, a three-year extension may be granted. After four years the sole representative may be granted settlement (permanent residence).

INVESTORS

This category is intended to cater for people who have substantial funds of their own to invest in the UK and who wish to make the UK their main home. Individuals have been able to come to the UK as businessmen or as people of independent means for many years now. In 1993, however, the UK government concluded that while businessmen were able to generate new enterprises and jobs in the UK, those of independent means were unable to pursue an active business career and, in fact, brought in no major investment. A new category was created for investors and this came into effect on 1 October 1994. Individuals applying under this category are not able to take employment as employees but they may be self-employed or hold non-executive directorships.

All investors, like businesspeople and persons of independent means, must obtain prior entry clearance at a British diplomatic post abroad before they can enter the UK. In addition, investors must show that they intend to bring not less than one million pounds of their own money to the UK and to invest not less than £750,000 of that capital in the form of UK government bonds, share holdings or loan capital in active and trading UK registered companies other than those principally engaged in property investment. The investor is also required to make the UK his main home, although not necessarily on a permanent basis or to the exclusion of temporary residence elsewhere.

Of course, as mentioned before, nonresidents can invest in the UK exactly as they please and spend time here as visitors for periods of up to six months. However, for the investors category, the minimum investment sum and the non-property specification of that investment means that some serious commitment is required. An investor needs to show evidence that he will be in receipt of sufficient income to support and accommodate himself and any dependents without recourse to employment, other than on a self-employed basis, and without recourse to public funds. If the investor intends to supplement maintenance and accommodation by earning money on a self-employed basis, he must give details of the work to be undertaken.

An individual can invest in unit trusts or other collective investment scheme provided £750,000 of the funds are invested in companies which meet the requirements of the investor category rules. An individual can invest also in private companies but evidence of share holding or loan certificates in the form of legal documents signed by or on behalf of the company, e.g. audited accounts, must be provided. Investments in property companies and offshore companies are not acceptable for those applying under the investor category. Investments in property, major artworks and other durable assets which are made in addition to the required £750,000 can be counted as part of the remainder of the necessary one million pounds capital provided that these additional investments do not exceed £250,000. Personal effects such as jewelry and antique furniture do not count as major assets. Accompanying spouses who have been given permission to stay in the UK as an investors' dependents are allowed to take employment.

Investors are given permission to stay in the UK for 12 months in the first instance and this can be renewed by application to the Home Office towards the end of the 12 month period. If all the investor category rules are being observed, an individual's permission to stay will be extended for another three years. After four years of limited leave to remain in the UK as an investor, an individual can apply for settlement. Such an applicant is expected to have spent at least 75 per cent of his time in the UK during those four years and show that he has kept a capital sum of £1 million in the UK throughout that time with £750,000 invested as required.

COMMONWEALTH CITIZENS WITH UK ANCESTRY

Those who fall under this category are those Commonwealth citizens who are aged 17 or over and who have at least one grandparent born in the UK. Applicants must intend to take or seek work and must be able to maintain and accommodate themselves without recourse to public funds. After four years in the UK the individual should be granted indefinite leave to remain provided that he has found a job and his employer wishes to continue to employ him.

Dependent spouses who wish to join a spouse who has been given permission to work in the UK will need to prove that:

1. They intend to live with their spouses as man and wife during their stay in the UK and their marriage has not broken down.
2. They intend to leave the UK at the end of the period or periods of leave granted to their spouses.

Dependent spouses of persons granted permanent residence who wish to apply for permanent residence for themselves must show that:

1. They were admitted to the UK in the immigration category of a dependent.

2. They are still living with the person granted permanent residence and the marriage has not broken down.

These requirements are aimed to introduce some sort of scrutiny where marriages are concerned. But, at present, this scrutiny is fairly superficial and, generally, the immigration authorities are satisfied by a spouse who produces a letter from the person he/she is married to and dependent upon. In appropriate cases, however, the immigration authorities might interview a couple and require other documentary evidence to show that there is an intention of living together. It is worth noting that, although spouses of those working in the UK are required to prove that they will live with their spouse, they are not required to prove that they did not enter the marriage primarily to obtain admission to the UK.

Dependent children under the age of eighteen of workers who wish to join a sponsoring parent in the UK need to show that they are unmarried and that they have not formed any independent family unit. They must show also that they will not stay in the UK beyond the period of leave granted to the parent.

A dependent child of someone with indefinite leave to remain and work in the UK can join the parent in the UK. For the child to be able to do this, the child's parents must have been granted indefinite leave to remain in the UK at the same time or the one parent in the UK whom the child is to join must have sole responsibility for the child.

WRITER/ARTIST CATEGORY

This category does not include theatrical performers or musicians. who must obtain work permits but does include poets, composers, sculptors, painters and creative persons in unspecified categories, who can all be admitted for an initial period of 12 months.

An individual applying under this category must show that he is established as a writer, composer or artist engaged in producing original work which has been published (other than in magazines), performed or exhibited for its artistic merit. This category can lead to permanent residence after four years.

WORKERS WHO DO NOT NEED PERMITS

European Economic Area (i.e. the 15 members of the EU plus Norway, Liechtenstein and Iceland) have the right to seek and take up work without restriction in the UK. They need only show their passport or a valid EEA identity card. Gibraltarians and Commonwealth nationals who have one grandparent born in the UK are also unrestricted in this way. Commonwealth citizens between the ages of 17 and 27 inclusive can take an extended holiday in the UK which may involve incidental employment if the total length of their stay is not more than two years, they can pay for their return journey and will not have recourse to public funds.

Once employed, citizens of EEA countries are subject to all laws and regulations covering UK nationals and are entitled to the same treatment with regards to pay, conditions, access to housing, training, social security and trade union rights. They can be joined by their family and immediate dependents after these individuals have obtained an EEA family permit. Such a permit can be applied for at a British diplomatic mission overseas.

EEA employees in the UK can also set up in business or provide or receive services as specified in Union Law. If coming to work or seek work they will be admitted for six months without restriction and a residence permit for up to five years is required for a longer stay.

WORK PERMIT SCHEME

A business visitor can enter the UK for up to six months and must show that he has sufficient funds to maintain himself and any dependents. He must show that he has no intention of moving his business base to the UK. Those business visitors who do not require a visa might find it useful to carry a letter or other documentary evidence to show the immigration officer explaining the purpose of the visit. Those who visit the UK regularly for business reasons, whether normally in need of a visa or not, can apply for a one year multiple-entry visitor visa.

Amongst other activities, visitors can attend meetings and trade fairs, make purchases, and negotiate/conclude business contracts with UK businesses. They can also enter the UK to install/service a product manufactured elsewhere.

Generally speaking, anyone who is subject to immigration control, unless they come from an EEA country, will need a work permit to take up employment in the UK. Work permits should be applied for at least eight weeks before the worker wishes to travel to the UK. Possession of a work permit does not absolve a visa national (i.e. foreign national who requires a visa to enter the UK) from complying with visa requirements.

The potential employer has to apply for work permits on the employee's behalf from the UK government's Overseas Labor Service, which is now part of the Department of Trade and Industry (DTI). Permits are issued only for workers who fall within the following categories:

1. Those with managerial and professional positions.
2. Highly-qualified technicians with specialized experience.
3. Key workers with technical or specialized skills essential to the day-to-day operation of the company. These key workers must have extensive knowledge of languages and cultures, knowledge which is not readily available in the EEA and which the workers use for 60 per cent of their time. These permits are limited to 36 months.
4. Certain highly-skilled and experienced workers in the hotel or catering trade.

5. Established entertainers.
6. Sports persons who meet appropriate skills criteria. This does not apply to professional attending international competitions.

If a potential worker qualifies, further rules apply to the definition of the job. A genuine vacancy must exist, there has to be no suitable workers in the UK to fill the position, the employer has to have made adequate efforts to fill the vacancy from citizens and residents in the UK or the other countries of the EEA. It is also expected that the foreign worker's qualifications, skills and experience be acquired outside the UK and that the worker has an adequate knowledge of the English language.

The application for a work permit must be for a named worker and for a specific post. Application forms are available by telephoning +441937 840224 and, when submitted, must be accompanied by documentary evidence of qualifications and experience. The potential employer is expected to send copies of any advertising material relating to the vacancy and proof of efforts to recruit from the UK and other EEA residents. The completed forms should be returned to the Overseas Labor Service.

If a work permit is granted, it will be sent to the employer for onward dispatch to the worker abroad. When the worker arrives in the UK, he must show the immigration authorities the work permit, a valid passport and, if necessary a visa. Without these, entry to the UK may be refused. Leave to enter the country could be refused if fraud or misrepresentation in obtaining the permit is suspected. The worker can stay in the UK for as long as specified by the permit, which can be extended if the employer or employee applies to the Home Office Immigration and Nationality Department two to three months before the permit expires. The Overseas Labor Service must give approval if the employer wishes to move the foreign worker to another job, but no permission is needed if the employer or employee wish to terminate employment. However, the worker would need approval to take another job in the UK and the new job would be expected to be similar to that for which the original work permit was issued.

If a foreign national already in the UK who does not have a work permit and wishes to obtain one, he will have to leave the UK before the application is submitted. A person who has been on a full work permit for four years can be granted permanent residence.

Overseas students studying in the UK who want to take part-time or holiday work will need to give evidence that taking a job will not affect their studies. Permission will be given only if there is no other suitable resident worker available and if the wages and conditions are comparable with similar in the area. All applications for student vacation employment should be made by the employer to the local Job center.

A dependent's spouse or children under the age of eighteen may accompany the foreign worker at the time of entry or later but they will need prior entry clearance through the UK government office in their native country. Entry clearance will not be given to dependents until the overseas worker is in possession of a valid work permit. The worker

must be able and willing to maintain his dependents and provide a home for them in the UK without help from public funds.

All foreign nationals, except for those from Commonwealth and EEA countries, who are sixteen years old or more and given limited or temporary leave to enter the UK, must register with the police. This rule applies also to those in special categories such as au pairs and self-employed businesspeople.

Temporary Admission to the UK

GENERAL NOTES

Temporary admission to the UK is available in a number of categories but visitors are not able to gain permanent resident status unless a fresh application is made from abroad and the relevant criteria are satisfied

Ministers of religion and members of religious orders, if they are coming to work fulltime and can maintain and accommodate themselves and their dependents, do not require work permits but must comply with separate immigration criteria.

Representatives of overseas newspapers, news agencies and broadcasting organizations on long term assignment in the UK do not need work permits.

If they hold appropriate entry documents, the following groups of people can be admitted for up to 12 months: private servants working in diplomatic or consular missions; employees of an overseas government, the United Nations Organization or similar international organization; teachers and language assistants on official exchange schemes; seamen joining a ship in British waters; operational ground staff of overseas airlines and seasonal workers at agricultural camps under approved schemes.

WORKING HOLIDAYMAKERS FROM THE COMMONWEALTH

Commonwealth citizens aged 17-27 can come to the UK for an extended holiday before settling down in their own countries if they satisfy certain conditions. It should be noted, however, that these conditions have been tightened recently.

1. They must obtain entry clearance.
2. Employment must be incidental to a holiday and not a professional, career-type job.
3. They can work a maximum of two years part-time and one year full-time.
4. They are able to maintain and accommodate themselves and any dependents without recourse to public funds. Accompanying spouses must satisfy the immigration rules independently and only children under five can accompany their parents.

In a recent case, a New Zealand citizen applied to enter the UK as a working holiday maker. He was a securities dealer and had documents with him to show that he was looking for work with three distinguished financial firms. A tribunal decided that he was a genuine working holiday maker but it would seem that this type of activity would be precluded in future because such a working holiday maker would be seen to be pursuing a professional activity and/or his career.

The Home Office and the Overseas Labor Service are concerned with the numbers of working holiday makers who apply after their working holiday for full work permits, in some cases on the basis of the experience gained on the working holiday in the UK. The current guidance note from the Overseas Labor Service on the work permit scheme states that "experience gained in the UK where the overseas national has been granted leave to remain for a temporary period under the (sic) Home Office permit free category (for example the working holiday arrangements for young Commonwealth citizens), will not normally be taken into account". The Home Office and the Overseas Labor Service wish to discourage these applications and the change of rules would reduce the numbers who might be tempted to try to gain useful experience in the UK for the purpose of working permanently there.

FOREIGN WORKERS TRAINING AND WORK EXPERIENCE SCHEME

The Training and Work Experience Scheme (TWES) is a special arrangement within the work permit scheme. The main purpose of TWES is to assist businesses and organizations in their international development, and to help other countries by increasing the skills and experience of their citizens.

Training permits are given to those who wish to gain a professional qualification in the UK and work experience permits are given to those who wish to gain general business experience which cannot be gained in their own country. Work experience permits will not be granted for a proper job that can be filled by the resident UK labor force. The foreign worker must strictly be an extra staff member who is not being used to fill a vacancy which could be filled by a British resident. Foreign workers may be paid only pocket money or a maintenance allowance, far less than the ordinary wage.

As with standard work permit, the potential employer must apply at least eight weeks before the foreign worker is due to arrive in the UK. After it has been processed, the permit will be returned to the potential employer who will forward it to the trainee. When the trainee arrives in the UK he must have the permit, a passport and, if necessary, a visa.

Temporary Admission to the UK for Students

Students must be able to support and accommodate themselves and pay for their studies without working in the UK, although relatives or friends in the UK may provide support with costs and accommodation. The foreign national must be able to follow the intended course and must have a place at a university, college of further education, polytechnic,

independent school or other genuine private educational institution. The course of study should occupy at least 15 hours a week of organized day-time study of a single subject or related subjects. When the studies are completed, which will depend on the course undertaken, the student should intend to leave the UK. Foreign nationals requiring entry clearance must obtain a valid student visa which entails applying to the nearest British Mission (form IM2A) with documents including relevant diplomas or educational certificates, a letter from the educational establishment confirming acceptance on a course of study and evidence of government sponsorship (if any). Potential students also may be asked for proof of funds to pay for the stay and course in the UK or a letter from a host or sponsor in the UK. It is inadvisable to buy a travel ticket or pay for any part of course fees until entry clearance is confirmed. A student's wife or children can be admitted with him.

A doctor or dentist may enter the UK for postgraduate training if he is qualified under the regulations of the General Medical Council or General Dental Council. A postgraduate doctor or dentist cannot spend more than four years in aggregate in the UK as a postgraduate doctor or dentist, excluding any period spent in pre-registration House Officer employment.

Dependents may be admitted.

For overseas students of agriculture and horticulture, The International Farm Experience Programme, YFC Center, National Agricultural Center, Stoneleigh Park, Kenilworth, Warwickshire CV8 2LG organizes exchanges and is recognized as a key sponsoring organization under TWES. Technical students can take part in the international student exchange program organized by IAESTE, Seymour Mews House, Seymour Mews, London W1H 9PE, UK while students of commerce and economics are catered for through AIESEC, UKIN House, Phipp Street, London, EC2A 4NR, UK. More information is available from the Overseas Labor Service, W5 Moorfoot, Sheffield, S1 4PQ, UK.

Au pairs (unmarried girls aged 17 to 27 without dependents who wish to learn English while living with a family) can be admitted from any western European country, as well as Malta, Cyprus and Turkey, for up to two years in total but cannot take any other employment. A girl coming for full-time domestic employment cannot secure a work permit but there is a concession outside the immigration rules for employers who wish to bring their domestic servants to the UK.

FAMILIES AND FIANCES / FIANCEES

British citizens and people admitted to the UK to resume or take up settlement may bring their spouses and children under 18, if their dependents have entry clearance. They may also bring their fiancés/fiancées if they intend to marry within six months of the date of entry. There are many stringent requirements to be met including the following:

1. The primary purpose of the marriage is not to obtain admission to the UK.

2. The parties intend to live together permanently as man and wife.
3. The parties to the proposed marriage have met.
4. That adequate maintenance and accommodation are available before the marriage.
5. After the marriage the parties will be able to maintain and house themselves without using public funds. The fiancé/fiancée is not allowed to take a job and at the end of six months must apply to the Home Office for leave to remain in the UK.

A child cannot enter unless accompanied by (or intending to join) both parents. This requirement does not apply if the applicant's spouse is deceased or there are compelling reasons for the child to accompany the foreign national.

STATELESS PEOPLE, ASYLUM AND REFUGEES

Every potential case of asylum is referred to the government's Home Office for consideration, regardless of other immigration rules which may justify refusal of entry. Asylum will not be refused if the only country to which the person could be removed is one to which he is unwilling to go owing to a well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion.

BEING REFUSED ENTRY

Even if immigration requirements are satisfied, a foreign national still may be refused leave to enter the UK if he fails a medical examination, has a criminal record, is subject to a deportation order or if his exclusion would be for the public good.

APPEALS PROCEDURE

In 1993 the British Government reduced the rights of appeal. Where the right of appeal still exists the following information applies:

1. No appeal is available to someone who is refused admission to the UK on the grounds of exclusion for the public good, nor to someone claiming to have a right of abode who does not hold a British Citizen's passport, a CUKC passport with right of abode or a certificate issued by the British government certifying a right of abode.
2. A person who holds a current entry clearance or has a work permit can appeal before removal from the UK. He must be given access to friends, relatives, a legal adviser, the Refugee Legal Center or his High Commission or Consul. The immigration officer must provide the adjudicator and the appellant with a summary of the facts of the case and reasons for the decision.

In most other cases, rights of appeal only can be exercised outside the UK.

Foreign nationals may be deported if conditions attached to the leave to enter have not been met, if the person is the wife or child of a deportee, if the person is convicted of a criminal offense and the court recommends deportation or if the Home Secretary deems the deportation is for the public good. In all cases of deportation, the deportee can appeal to be sent to a country specified by himself. An immigration consultant's advice on rights of appeal should be sought if deportation is likely.

Citizenship

ENTITLEMENT TO BRITISH CITIZENSHIP AS A MATTER OF RIGHT

Britain no longer rules the waves. Gone are the days when Crown subjects could travel freely to almost any country in the world without visas. These days, not even birth in the UK carries automatic entitlement to British citizenship as it did for almost a millennium.

The 1981 British Nationality Act links British Citizenship with the 1971 Immigration Act's concept of a UK "right of abode" held by persons who were Citizens of the UK and Colonies (CUKC). Only persons having a right of abode can live and work in the UK without restriction. British citizenship provides a route to having such a right. All others entering the UK are theoretically subject to rigorous immigration controls both before and after entry.

There are now three main groups of British subjects: British citizens, British Dependent Territories citizens and British Overseas Citizens. Only British citizens are free to come and go from the UK without let or hindrance. The label Commonwealth citizen and residual classes of British subjects and British protected persons are today only of symbolic value when it comes to getting into the European Union.

Only British citizens are free to live and work in the UK (and the rest of the EEA) without restriction. They include those who as of 1 January 1973 were born, adopted, naturalized or registered in the United Kingdom. Formerly known as partials, these British citizens also include those who were descended from or adopted by partial parents or married to a partial spouse. Partials also include those who under the 1971 Act had been settled and ordinarily resident in the UK: for five years or more.

British Dependent Territory Citizens (BDTCs) include those who have a connection by birth, descent, naturalization or registration with a dependent territory, i.e. Gibraltar and Hong Kong. The connection can be traced through parents or grandparents who were themselves CUKCs by birth, naturalization or registration in a dependent territory. Although viewed by many in Hong Kong as a means of escaping Chinese rule on 1 July 1997, BDTCs now have no automatic right of abode in the UK. Further, under the Hong Kong (British Nationality) Order of 1986, a person who, but for his connection with Hong Kong, would not be a BDTC will lose such citizenship on 1 July 1997. The order, however, creates a new citizenship for persons connected with Hong Kong British Nationals (Overseas). Such citizenship, again, does not carry any automatic right of abode

in the UK. It is interesting to note also that although BDTCs from Gibraltar can live in the UK, the UK has a separate Nationality Act for Gibraltar.

British overseas citizens (BOCs) is a residual class of British citizenship which includes all CUKCs who are neither British citizens nor British Dependent Territory Citizens. In general, it covers those who, when their Colony became independent, did not acquire the new citizenship. As with BDTCs, there is no automatic right of abode in the UK. BOC status prevents former British subjects from being stateless. But the BOC passport is little better than a refugee passport for visa-free travel. The holder needs a special voucher, issued to him by a British government representative overseas, to present at immigration control for entry.

There are now only four ways to acquire British citizenship under the 1981 Act:

1. By birth/legal adoption.
2. By descent.
3. By registration.
4. By naturalization.

PASSPORTS FOR CHILDREN OF BRITISH SUBJECTS

A few years ago, British citizenship was easily secured by "those of British ancestry" Unfortunately, too much immigration has caused the laws to be drastically tightened up and birth in the UK is no longer the automatic route to citizenship it used to be. Today a person with a British parent may be entitled to citizenship and subsequently a passport. Because the law is complex and subject to many ifs, ends and buts, you can get a free brochure entitled *British Citizenship*. It is available free of charge from any UK consulate or from **The Home Office, Crowdon CR9 2BY, Surrey, UK.**

Only a child born in the UK to a parent who is a British citizen or who is settled (i.e. has permanent residence) in the UK is automatically a British citizen. Legal adoption by such a parent will also confer British citizenship on the adopted child. If a child is born or adopted by parents who are not British citizens or settled, the parents can settle in the UK and the child can be registered as British.

A child born outside the UK may be a British citizen if at the time of birth one parent had acquired British citizenship otherwise than by descent. One major disadvantage of British citizenship by descent is that citizenship is not automatically conferred on a child born abroad although he may obtain British citizenship by registration.

Registration is the acquisition of citizenship by administrative grant, in various circumstances as a right. The Secretary of State has discretion to register a minor as a British citizen. This is exercised in various situations and you should seek advice.

To all intents and purposes, then, it is not necessary to renounce any other citizenship, swear allegiance nor give up other passports if British nationality is acquired by birthright. Not all British subjects will have the right of abode in the British Isles, but the passport is still a useful document, giving the right to work or settle in many Commonwealth countries without further visas or permits.

According to the British Nationality Act of 1981, British citizens who acquire any other nationality can cease to be a British subject. However, to our knowledge this clause has never been enforced and in a conversation with a UK immigration officer we were informed that dual nationality for British subjects is perfectly acceptable.

CITIZENSHIP BY NATURALIZATION

Naturalization may be granted to persons who are aged 18 or over and who are not of unsound mind if they satisfy the following conditions:

1. They have a sufficient knowledge of the English language, Welsh, Scottish or Gaelic.
2. They intend to live in the UK or in the Crown service or they intend to be employed by an international organization of which the UK is a member or to be employed by a company or association established in the UK.
3. They meet the five years residence requirements or are employed overseas in Crown service under the UK government. Through the five years residence requirements, an applicant must have been in the UK at the beginning of the five years prior to application and is allowed to be outside the UK for no more than 450 days during that five year period. Furthermore, in the last 12 months of the five years, the applicant is allowed outside the UK for no more than 90 days. Needless to say, an applicant is not allowed to have breached any of the immigration laws in the five year period.
4. They must be of good character.

To become a naturalized citizen, the spouse of an existing British citizen gets a two year discount and need only be resident for three years. She is not allowed to be absent from the UK for longer than 270 days during this period and not absent from the UK for longer than 90 days during the last 12 months. It is worth noting that the spouse does not have to show an intention to live in the UK. This could hold the key to some important tax advantages because those residents and citizens who are domiciled abroad need pay taxes only on their foreign-source income remitted to the UK.

Officials acting for the Secretary of State can, on a case-by-case basis, waive or modify all or any of the conditions except those relating to linguistic ability, good character and intention to remain in the UK.

It should be remembered that naturalization is never a legal right. Citizenship may be refused at an administrative level without publicly giving a reason. It is unfortunate, in our opinion, that bureaucrats are given such arbitrary powers, but that's the way it is. The bottom line is that naturalization candidates, if they can afford it, should obtain the best possible representation because, once naturalization has been refused, it is difficult, expensive and almost impossible to appeal that decision in court and win.

If you plan on becoming British by "birthright", an American reader in Japan has the following good news for you. He writes:

"One week after I furnished the British Embassy, Consular Section, Tokyo, with an original of my parents' marriage certificate, I got my British passport. A photocopy was not acceptable. All that was needed was:

1. My birth certificate.
2. My father's birth certificate showing that he was born in the UK.
3. My parents' marriage certificate.
4. A simple form, duly filled in.

My passport was then obtained in two days. There was also:

1. No need to surrender previous passports.
2. No need to give up former citizenship as dual nationality is recognized.
3. No need to make any pledge of allegiance.
4. No report of new British citizenship obtained as a matter of right made to the US authorities."

Once a British passport is obtained, you can withdraw your capital, discontinue being a permanent resident of the UK and move your legal residence elsewhere. You never lose British subject status and Britain is one of the few countries which doesn't care how many other passports you hold

A reliable and experienced firm who can advise on every aspect of UK immigration and nationality except asylum is **Cameron Markby Hewitt, Sceptre Court, 40 Tower Hill, London, EC3N 4BB, tel. + 44 171 702 2345, fax +44 171 702 2303**. The firm's contact partner in these specialist areas is Julia Onslow-Cole and her department is recognized as one of the leading in this field in the country.

UK IMMIGRATION/WORK PERMIT/VISA SPECIALIST

Needless to say, applications often proceed more quickly and produce a more favorable outcome if handled by a competent professional. Once an applicant is rejected, all subsequent applications are subjected to severe scrutiny, ie if you don't get through on the first try, you may never. As these rules are complicated and change frequently, it makes sense to hire a professional to save yourself time, money and the many headaches that are often the result of too much contact with a government agency. Any good firm of immigration consultants for the UK should be able to offer, among other services, staff that can assist you with:

- Entry to the UK for work, marriage or study.
- UK Passports and Citizenship through naturalization or ancestral entitlement.
- Work Permits for businessmen, including treaty traders, investors and sole representatives.
- Intra-company transfers.
- Person of Independent Means entry.
- Full Work Permits for those with specialized skills. Trainee/Work Experience Permits.
- Student Visas.
- Leave to Enter and UK settlement through civil and common law marriage. - Political asylum and refugee status.
- Working Holiday Visas.
- Border Requirements.

USA - The Most Expensive Passport, But You Get it Free

The United States has been a large scale immigrant destination for over 200 years. Originally a British colony, it was founded in 1620 by those escaping religious oppression in England. The British colony gradually conquered, absorbed or purchased the Dutch colony at New York, the French of Louisiana and the Spanish of Florida, Texas and California. As a polyglot country of every race and language, the US continues to be a desired destination for the homeless, oppressed and persecuted, as well as for rich individuals who want to invest or live in the last bastion of capitalism.

Ambition, drive and creativity can make anyone in the US financially comfortable, or even wealthy in a short time. America is still the most economically free country in the world. Because there are fewer regulations and restrictions upon starting or owning an enterprise, it is the easiest place in which to become an entrepreneur. Aside from agriculture, most elements of the economic system are allowed to function without undue government control. Privatization and deregulation has been a conscious and deliberate government policy for several years.

Rents, wages and prices are generally not controlled. Local voters can and do occasionally implement residential rent controls, especially in places with many students or high densities of non-whites such as Los Angeles and New York. Other prices are set by supply and demand.

Leveraged or geared trading in property and going public with privately-held businesses (making them into public corporations) accounts for many new American personal fortunes.

US tax laws are complex. Legal tax shelters exist, but the normal person would need a lawyer or accountant to understand how they work. A wealthy individual subject to US tax laws can expect to pay, on average, 40 per cent in federal and state income taxes, ten per cent in state and local income taxes and up to 20 per cent in indirect taxation. The US is the only major country that taxes the worldwide income of non-resident citizens. This is the main drawback of holding a US passport.

Despite an overwhelmingly complicated and burdensome tax structure, social and public services are astonishingly poor. Medical costs are the highest in the world. Poor police coverage and poverty/drug induced crimes make many major city streets dangerous during the day and absolutely unsafe at night. The public education system has produced a nation of functional illiterates woefully lacking in elementary mathematical skills.

The US is diplomatically and militarily active worldwide. The US also maintains extensive foreign aid programs. Because many unpopular foreign despots benefit from such policies, it is quite common for persons traveling on US passports to encounter hostility and even violence in places where foreign aid is most lavishly dispensed.

TERRORISM DIRECTED AT AMERICANS IS ANOTHER REASON WHY MORE AND MORE YANKS PREFER NOT TO TRAVEL ON A US PASSPORT.

No other country has so many activities defined as criminal acts, whether committed abroad or within its borders. The US now has the highest per-capita incarceration rate, surpassing even South Africa and the former Soviet Union. This reality is in direct conflict with the concepts of personal freedom and liberty upon which the country was founded.

In all, however, the US standard of living is in the top ten and the possibility of making one's fortune is still possible. The US, therefore, is attractive as a part-time residence and a place of financial opportunity. Legal residents may apply for citizenship after five years. All taxes should have been paid for the entire residence. Investigations into applicants for citizenship vary in intensity. There are severe penalties for oral or written misrepresentations. Consequences usually include deportation and may involve incarceration prior to being deported.

The US Immigration and Naturalization Service (INS) is said to be notoriously arbitrary, offensive, high handed and rude. The prevailing attitude seems to be to find any way to say no.

One wrong response to INS questions at an entry point or during the naturalization process can result in exclusion as an undesirable alien. Undesirables have in the past included homosexuals, marijuana smokers, political activists, original thinkers and even artists. The process of immigration incorporates the application of regulations which are arbitrarily interpreted to suit the official involved. This, in turn, leads to frustrations and aggravations of unlimited proportion. While corruption in the immigration process is occasionally present, such is not the usual mode of operation. Bribery of US government officials, therefore, is not recommended as a fast path through the INS bramble. Bribing is so extraordinary that if you are solicited for a bribe, or think you are being invited to make an offer, the chances are a near certainty that you are being entrapped into a criminal offense, which will result in a long incarceration, not a visa. There are many recorded cases of such entrapment of aliens, particularly those from countries where bribery of officials is the norm.

It is definitely advisable to hire an American attorney who specializes in immigration matters. Cost of such services can run to US \$20,000 or more. Not having a lawyer could result in permanent prejudice to your case. Aliens do not have the same rights as US citizens and cannot get judicial review of a negative INS administrative decision in most cases.

The Immigration Laws

In 1990, the US dramatically changed its immigration law for the first time since 1952. The changes in the non-immigrant categories were relatively minor and primarily involved adding a few new types of visa. However, for resident visas, the so-called green card, everything is different now. If you were unable to gain residence before because of long waiting lists, you may find that you have priority under the new laws, but first let's take a look at the various categories for non-immigrant visas.

NON-IMMIGRANT VISAS

Some of the greatest opportunities exist within the non-immigrant visa categories, particularly for somebody who wants to work or do business in the US but not become a citizen. Time spent in the US on an immigrant visa, green card, counts towards the five year requirement for citizenship. Time spent in the US on a non-immigrant visa generally does not count towards the residence requirements for citizenship. So if citizenship is not your object, there are many more possibilities to get into the US within the non-immigrant visa categories. It is also far more likely that one of these categories can be made to fit your purpose.

Remember, a green card holder is always taxable on his worldwide income, as a non-immigrant holder you may be able to avoid this. You also need not worry if a military draft or other national service program should ever be activated.

In most categories of non-immigrant visa, the length of stay is at the discretion of the immigration officer at the port of entry, and the visitor must have no intention of abandoning his or her residence outside the US. Your passport should also have six months to run after the end of your stay, to ensure you will be allowed back into your own country. Certain types of visa are issued only on the basis of reciprocity, meaning only if your government issues similar visas to US citizens.

All applicants for visas must satisfy certain conditions such as freedom from mental or physical disability, illiteracy, alcoholism and drug addiction. They also must not be involved with an organization seeking to overthrow the government of the United States. The various categories that have been established are:

Type A1,2,3: For diplomats and certain accredited officials of foreign governments and their immediate families;

Type B1: Business visitors, usually for less than a three month stay, but can be issued for up to a year;

Type B2: Visitors for pleasure. Tourists automatically are given six months, but they cannot take employment and must leave the US at the end of their stay;

Type C1,2,3: Transit visas for immediate and continuous transit through the US, including to the United Nations headquarters.

Type D: For the crew of ships and aircraft who will leave on another ship or aircraft after a short stay.

Type E1,2: The treaty trader or treaty investor category is for business people seeking entry for a lengthy period to oversee or work in a business which has substantial trade between the US and a foreign country or where a major investment is made in the US. Spouses and unmarried children under 21 also are entitled to the visa and to work in the US.

Type F1,2: Students, plus spouses and unmarried children, can enter on this visa for the length of a recognized course of study. Under certain very limited circumstances, holders of this visa are allowed to take employment.

Type G1,2,3,4,5: Another form of diplomatic visa for a "designated principal resident representative" of a recognized foreign government or international organization, including staff.

Type H,A,1B,2A,2B,3,4: These are the principal visas available for foreigners who wish to work in the US and have certain desirable skills, including nurses, specialty occupations, temporary agricultural workers, non-agricultural temporary workers, trainees and their families.

Type I: For bona fide representatives of foreign newspapers and broadcasting organizations.

Type J1,2: For students or academics on short-term exchanges or training programs and their families.

Type K1, 2: For the fiancé or fiancée of a US citizen or national who wishes to enter the US solely to marry. The minor children of this couple may also qualify for entry under this category.

Type L: For managers or executives who are allowed to come to the US on a transfer basis within their company for up to five years, but their spouses or children cannot work without visas of their own.

Type M1,2: For aliens coming to the US to engage in a program of vocational study at an educational institution approved by the INS. Immediate family members may also qualify.

Type N: For former employees of international organizations who have resided in the US for long periods of time in the G-4 non-immigrant category. This is only granted in very special situations.

Type O1,2: For aliens of extraordinary ability in the sciences, arts, education, business or athletics and their families.

Type P1,2,3: For entertainers and athletes who cannot qualify under the extraordinary ability standard for the O category, meaning that they are part of a group or team.

Type Q: For aliens coming to the US for business training pursuant to an international cultural exchange program designated by the Attorney General.

Type R1,2: For aliens coming to the US temporarily as religious workers and their families.

WORKING WITH NON-IMMIGRANT VISAS

Students are restricted in a number of ways. The place of study has to be defined and approved in advance, and no change of school is allowed without INS approval. Employment is only permitted if it is considered necessary training in the chosen career field, such as a medical student completing a required hospital internship. F-1 visa holders are also allowed to work on campus without permission from the INS. A student's spouse or children may not have jobs.

Visas other than C, D or K categories may be extended if an application to stay is made before the visa expires. When you make a visa application you will be told of any additional documents needed, particularly evidence to show you intend to return to your home country, such as a business letter or proof of property ownership. Type B visas can be applied for by letter or at a US embassy or consulate. Visa types A, G, H-2, H-3, most I and L normally are applied for by the employer. With H-1 visas, applicants or their employers have to prove their case. If you go to the US on a L Visa and want to change jobs or are self-employed and not eligible for an E visa, an immigrant visa may be needed. Admission to the US for non-immigrants chiefly depends on the immigration officer at the port of entry, if you have a return ticket to your home country and plenty of money (though not necessarily an American bank account), you should be able to stay for three or six months. It is easier to be admitted through east coast ports or Canada than it is through California.

The US, unlike many other countries, does allow one to change visa status after entering the country. This means that entering the country on a non-immigrant visa and then establishing contacts to help you gain an immigrant visa is possible. For those interested in immigrating to the US who do not qualify for an immigrant visa, perhaps a brief stay in the US on a nonimmigrant visa, say as a student enrolled in a one year program, would enable you to get your foot in the door.

THE VISA WAIVER PROGRAM

Over ten million people have visited the US under the Visa Waiver Program. Visitors must be from one of the countries listed (these have been selected on the basis of reciprocity) and can be admitted to the US for up to 90 days as B-1 or B-2 visitors. No extensions of stay are permitted.

To enter, you must complete Form I-94W, which is provided by the airline, have a valid passport (which must be valid for at least six months beyond the end of the visit), have a round trip airline ticket and have proof of ability to support yourself while in the US.

The program currently is available to citizens of Andorra, Austria, Belgium, Denmark, Finland, France, Germany, Iceland, Italy, Japan, Liechtenstein, Luxembourg, Monaco, the Netherlands, New Zealand, Norway, San Marino, Spain, Sweden, Switzerland and the United Kingdom. Other countries are expected to be added to the program in the near future.

When you enter the US under the Visa Waiver Program, you will not be allowed to change your status to another non-immigrant classification without first leaving the country. Moreover, if you come to the US under this program and wish to apply for a green card, you will be limited to making your application at a US consulate abroad. Also, remember that if you are entering the US under either this program or on a non-immigrant visa, do not bring any indication that you intend to seek employment, such as resumes or

letters of recommendation, into the country with you. Mail them ahead. If they are discovered by the border officials, you will undoubtedly find yourself in a tight spot from which it is difficult to explain your way out.

Participation in the Visa Waiver Program is optional. Aliens from the qualifying countries can still get a standard visitor's visa and enter the US conventionally. We advise you not to make use of the program if you can avoid it. You will have more flexibility and rights if you enter the US on a non-immigrant visa. The Visa Waiver Program is most useful if you are making a short holiday visit or are coming as part of an organized sightseeing tour and do not intend to overstay the 90 day limitation. If you are coming on business or visiting family, you never know when extensions or changes might be necessary.

IMMIGRANT VISAS

The US had a worldwide annual quota of 700,000 persons for permanent residence visas, but since 1 October 1994, this limit has been reduced to 675,000 per year. In any given category applicants are considered on a first-come, first-served basis. There are two major exceptions to the numerical limits on resident visas. Refugees and asylees (those who are granted political asylum) have a separate limit set annually by Congress. This category can be 200,000 or more visas so it may have importance, depending on your country of origin.

The second group is termed generally as special immigrants. This is mainly composed of the spouses and minor unmarried children of US citizens, although the parents of a US citizen over the age of 21 also qualify. In general, however, marriage to a US citizen does not guarantee that a visa will be granted, and marriages are looked at with a great deal of suspicion by the INS. Marriage, at least for those successful in obtaining a visa, does reduce the required residence period necessary for nationality to three years instead of five.

Returning residents, as in those who lived in the US previously as lawful permanent residents and wish to return to the US after a temporary absence of more than one year abroad, also fall into this category of special immigrants and are not numerically limited.

FAMILY SPONSORED IMMIGRANTS

The US will allow a maximum of 226,000 people into the country each year through family sponsored immigration, meaning it still places a large emphasis on family reunification. The rules and categories within this sort of immigration have changed a great deal with the new legislation, meaning you should verify anything you learned before 1990 to make sure that things have not changed. For the most part, however, the changes in this area of legislation will mean a faster, or perhaps even an immediate visa, for those who qualify.

The US has broken down family sponsored immigration into four categories. For each category there is a limit to the number of aliens that will be granted visas each year, which is represented in parentheses. The categories in descending order of preference are:

1. Unmarried sons and daughters of US citizens and their children, if any, (23,400).
2. Spouses, children and unmarried sons and daughters of lawful permanent resident aliens. At least 70 per cent of the visas available for this category will go to spouses and children, the remainder will be allocated to unmarried sons and daughters, (114,200).
3. Married sons and daughters of US citizens and their spouses and children, (23,400).
4. Brothers and sisters of US citizens and their spouses and children, provided the US citizens are 21 years of age or over, (65,000).

If there are insufficient applicants in any class to use all of the numbers set aside for it, those numbers will become available to immigrants in other family-based classes. Visa availability in the family-sponsored visa preference categories varies widely depending on the prospective immigrant's country of origin. Natives of the Philippines, Mexico, India and the Dominican Republic typically face the longest delays. First preference visas for the Philippines are backlogged more than five years. Fourth preference visas for the Philippines are backlogged more than 14 years. The waiting list for Mexicans is more than 12 years. If you qualify for employment based immigration and are from one of these countries, you should most certainly pursue that route rather than the family option.

EMPLOYMENT-BASED IMMIGRATION

Although the public in the United States is becoming somewhat adverse to immigration primarily because the alleged loss of jobs is always easy political rhetoric in a period of recession, the business community is strongly in favor of liberal immigration. Businessmen typically find that they cannot readily hire the qualified people they need. The sad truth is that America has an increasing percentage of unqualified or under qualified workers and a failing state education system that is the subject of much talk but little reform. What this means to you as a prospective immigrant is that there are more opportunities than ever for qualified immigrants who have skills to offer. Employers will welcome you and a move to America may well be your key to a fortune. In fact, the 1990 changes in legislation tripled the number of employment-based visas available, which says a great deal about what the business community wants. A total of 140,000 immigrant visas are available yearly for this category which is divided into five preference groups. The percentage of the yearly total available to each group is given in parentheses. In descending order of preference, they are:

1. Priority Workers, meaning persons of extraordinary ability in the sciences, arts, education, business or athletics. Outstanding professors and researchers and certain multinational executives and managers are also included. (28.6 per cent).

2. Members of the Professions, meaning professionals holding advanced degrees and persons of exceptional ability in the sciences, arts and business. (28.6 per cent).
3. Professionals, Skilled and Unskilled Workers, meaning professionals holding baccalaureate degrees, skilled workers with at least two years experience and other workers whose skills are in short supply in the US. (28.6 per cent, but unskilled workers are subject to a sub-limit of 10,000).
4. Special Immigrants, meaning certain religious workers and ministers of religion, certain international organization employees and their immediate family members and specially qualified and recommended current and former employees of the US government. (7.1 per cent).
5. Investors, meaning persons who create employment for at least ten unrelated persons by investing capital in a new commercial enterprise in the US. The minimum amount of capital required is between US \$500,000 and \$1 million, depending on the unemployment rate in the geographic area. See section on "Investor Immigration" later in this entry. (7.1 per cent).

THE PROCESS FOR EMPLOYMENT-BASED VISAS

All of the employment preferences require that a petition to the INS be filed to classify the alien in the specific preference before a visa application is filed at a US consulate. For the second and third preference, before the petition can be filed there must be approval of an alien employment certification application, which is filed with the US Department of Labor by the prospective employer. This certification is not required for the first, fourth and fifth preferences.

This certification is basically to the effect that there is not a US worker who is both available and qualified for the position. It also demonstrates that the wages and working conditions offered to the alien are on a par with what would be offered a US worker. The employer also has to show that it has made a recruitment campaign, usually by placing advertisements for the position in newspapers and by posting the opening at its work site.

Obviously, one of the best ways to get through the system in this preference category is to have a job description that will be nearly impossible to fill with a US worker and which is unlikely to be applied for in the first place. Thus, some creative planning may be useful. At present, there are many unemployed US workers with experience who would qualify for a position simply titled, export manager. However, if the focus of the position is changed slightly so that it becomes export manager for the company's new expansion into the former Soviet Union, even though this may constitute only ten per cent of the actual position, the competition will suddenly all but disappear. This is especially true if you just happen to speak two or three relevant languages, perhaps Russian, Ukrainian and Estonian, in addition to English. You have created conditions in which the labor certification will almost certainly be granted, but of course, to do so you need the help of a sympathetic American employer.

The second step involves the filing of a petition. In most cases, the employer must do this, but in certain cases involving "extraordinary ability" priority workers, the alien can file his own petition. Either way, the preference petition is filed with the INS Center which has jurisdiction over the place of intended employment.

Acceptance of the preference petition constitutes a finding by the immigration authorities that the alien is qualified to apply for an immigrant visa. To proceed further, you must next file an application for an immigrant visa with a US consulate. However, you can make this application only if the Department of State determines that an immigrant visa is immediately available. Each month the Department of State publishes its Visa Office Bulletin which lists the latest priority date for which immigrant visas are available in each preference and the countries which are oversubscribed for allotted visas. In some cases a visa number will be immediately available on the date the petition is approved, but backlogs do develop frequently due to the high demand for available visas.

Under the former system, waits of up to five years were not uncommon. Since the 1990 change in legislation, major delays have been rare for employment-based visas.

If you are already in the US at the time an immigrant visa becomes available, you may apply to adjust status to permanent residence. This is useful if you entered on a business visa, found a job and want to accept it without the expense of leaving the country and then applying for a visa at a consulate. To do this, your status in the US must be legal and must have been legal at all times. It is not possible to adjust status from an expired visa or if there is a pending complaint that you have violated your visa, such as by working on a visitor's visa.

IMMIGRANT INVESTORS

The fifth employment-based preference for immigrant investors is the category that has drawn the most attention. Many immigration lawyers are in the process of establishing careers based solely on this single piece of legislation. In a nutshell, the US is willing to award the coveted green card to those willing to invest at least US \$1 million in what is designated as a "high unemployment area". An investment of at least US \$500,000 will also qualify if it is put into a business in what is known as a "targeted employment area". The investment must also benefit the US economy and create full-time employment for at least ten qualified employees. The investor, his family and nonimmigrant visa holders are not considered qualified employees. Up to 10,000 visas per year are available, but it is unlikely this number will ever be reached.

The commercial enterprise must be a profit-making business. Specifically excluded are projects such as setting up a corporation to own a personal residence which employs a staff of ten. The assets of the business may not be used to finance it, meaning an actual cash investment is required. You must also be prepared to document the legitimate sources of the money to be used. (Be prepared for a more thorough investigation than you

would expect if even your own country suspected you of a major crime). Multiple investors in the same enterprise are allowed, provided that each investment meets the minimum requirements and creates ten jobs, meaning ten people could open a US \$10 million factory employing 100 people. The purchase of an existing business is generally only permitted if it is part of a restructuring process which will increase the overall capital and employment of the existing business.

As might be expected, the specific details on the program are quite extensive and almost require a lawyer to interpret. Among the many drawbacks to the program is that approval in this category, unlike the other permanent residence visa categories, results in a conditional visa for the first two years. Continued involvement with the business and proof of its success are necessary to have this visa renewed. If the business fails during the first two years, regardless of the reason, the visa will be revoked. There are no exceptions. Proof of having made your best effort will only fall on deaf ears.

This program has been heavily marketed in Hong Kong. Developer Stuart Nacht is reportedly in the process of raising US \$30 million to finance what will be known as "Wild Bill's Lodge and Casino" in Las Vegas by enticing such investors from Asia with the lure of a green card. In our opinion, however, the Immigrant Investor Program is best avoided. There are far better ways to immigrate to the US, almost all of which do not require the same risk or scrutiny.

Basically, the scheme is a rotten deal for the investor. Owning a green card will make most entrepreneurs a prisoner and hostage of the dreaded Internal Revenue Service. It will make the typical international entrepreneur a criminal subject to huge jail sentences if he does not fully and accurately disclose and pay taxes on every cent of wealth he owns all over the globe and every penny of worldwide income generated by him or any corporation in which he has more than a five per cent interest.

Remember, the US tax collector likes to go after the big fish. And big fish are what the entrepreneurs who enter this scheme are going to be. These are the fish who will be skinned, gutted and deep fried. For an example of what happened to one typical entrepreneur, consider the story of Aldo Gucci. At the age of 80, when he immigrated to the US, he was sued, screwed and stewed. He lost his money and his freedom, spending his last years in prison for tax fraud. In retrospect, he soon realized that getting a green card was the biggest mistake of his life.

The only instances in which someone of significant wealth should even consider acquiring a green card are if he or she will soon be stateless, can make very good "special arrangements" to keep worldwide assets and earnings beyond the reach of the US tax collectors or is ready to spend one third of his life with lawyers and tax accountants, embroiled in squabbles with US bureaucrats. Otherwise, the whole kettle of fish is best avoided.

DIVERSITY MIGRATION

An entirely new category created by the change in legislation in 1990 is the Diversity Migration Program. There is both a permanent program which started on 1 October 1994 and a Hong Kong program. Both of these programs involve a lottery for qualified applicants and are heavily promoted. Your odds of being successful are about the same as with any lottery, not very good.

Our advice is to enter one of these programs if you are eligible and on a long waiting list. There is nothing to lose by trying, especially as it is possible to prepare your own application, and you need not spend money on legal fees. It is also sensible to look for other categories through which you can apply, particularly the non-immigrant visa categories.

Through the Diversity Migration Program you do not need to have relatives in the US, be labor certified or demonstrate a qualification or experience in a highly skilled profession. Under the transitional program, which will grant 40,000 visas per year, you must have a firm offer of employment at least one year from the date of admission to the US, although not at the time of application. Under the permanent program, which will grant 55,000 visas per year, a job offer is not necessary, but at least a high school education or its equivalent as well as at least two years of recent training or experience in a skilled occupation are needed.

The number of visas available to each country varies, meaning some countries fare better than others. Ireland tends to gain a large disproportionate number, as in up to 40 per cent of the total available. As the designated list of countries changes periodically, it is best to contact the nearest US consulate or embassy for the latest information.

SPECIAL IMMIGRANT VISAS FOR NATIVES OF HONG KONG

A special section of the 1990 immigration law provides a program that allows the issuance of 12,000 immigrant visas to Hong Kong natives working for US companies in Hong Kong. The 12,000 limit includes spouses and children. The program began in late 1990 and was due to run for three years.

In order to qualify, both the alien and employer must meet certain standards. The alien must:

1. Have been employed for at least one year by the company in Hong Kong.
2. Have been employed in Hong Kong in an executive, managerial or specialized knowledge capacity or be a supervisor or an officer.
3. Have a comparable offer of employment from the company in the US.

The company must:

1. Have at least 100 employees in the US and at least 50 outside the US.
2. Be owned or organized in the US.
3. Have a gross annual income of at least US \$50 million.
4. Offer the alien a position in the US that provides salary and benefits which are not different from those offered to other employees in similar positions in the US. Aliens who qualify can opt to immigrate to the US immediately or delay their immigration until 1 January 2002.

REFUGEES AND ASYLUM

There may be circumstances in which you can gain US residence as a refugee or asylee, but our general recommendation is that if you can possibly fit into any other visa category, you should do so. Refugee and asylee status is currently a source of great political controversy in the US. Applications of this type are subject to tremendous scrutiny as well as active opposition from immigration authorities. The exception is that occasionally a special status is created for refugees from a particular war zone. However, it often takes the US Congress far too long to react, meaning those who try to get asylum or refugee status when it is most needed, before such recognition is granted, are often taking a huge risk. If rejected, they face deportation to the very country they sought to avoid.

The important criteria to bear in mind is that economic refugees are generally unwelcome, almost 90 per cent of all applicants are rejected on these grounds. Most are shipped back to wherever they came from, usually after spending some time in an American prison or refugee camp awaiting the processing of their application.

To qualify as a refugee, you must be able to demonstrate that you are fleeing from your home country because you have experienced persecution in the past or have well-founded fear of persecution in the future. To apply for refugee status, you must be physically present outside the US. Even qualified refugees often wind up on waiting lists. You also must have a financial sponsor in the US and show that you have not been permanently resettled in another country before your application can be approved. Political asylees apply after arrival in the US, but must otherwise meet the same basic requirements.

In spite of the political rhetoric about refugees and political asylum, it is generally very difficult to arrange to be granted this status. Do not even consider this path to a green card unless you are truly in a desperate and dangerous situation or fit into a special status as enacted by the US Congress.

SPECIAL NOTE FOR PENSIONERS/RETIREES

One of the largest attractions to the US is its inexpensive property prices. If this incentive makes this fabled land of opportunity sound like an ideal retirement spot, there is much to consider. Although there have been rumors that the US may loosen its laws and allow

non-US retirees to stay year round, no new legislation has been introduced. However, it should not be difficult to receive a non-immigrant B-2 visa, allowing one to stay for up to six months. (Bear in mind that a stay in excess of 122 nights, approximately four months, makes one liable for US income taxes). If you are desperate to befriend the Internal Revenue Service and wish to retire permanently to the US, the most feasible current route is that of a non-immigrant E-2 visa which would involve opening a small business. Under this program, one will never qualify for a US passport, but can enjoy permanent residence in the US.

There are also many considerations completely separate from the world of passports and visas. Although property itself may be inexpensive, the operating and maintenance costs will not stop when you leave, and arrangements to take care of things like mowing the lawn will have to be made. (Americans are quite particular about their lawns). If you are planning on subsidizing the costs by letting your property while you're not using it, first make sure that there is no local legislation which will prevent you from doing so. (Such silly laws can be found in retirement spots such as Orange County, Florida). Also, remember that rental homes are a family market, and there is little demand for one-bedroomed flats. As with most things in life, careful research is essential before action.

ANOTHER US LOOPHOLE, BUT CLOSING FAST- ILLEGAL IMMIGRATION

Individuals of any race and nationality can blend into the background and acquire a new identity in the US with a legal name change or by simply using an American sounding name. It is estimated that as many as 10 per cent of the 220 million-plus population are illegal aliens. Due principally to militant agitation by residents with Mexican roots, US officials now cosmetically refer to those that came in without visas as undocumented aliens.

US land borders are unguarded and unfortified. The US prides itself on this fact and seems to go to great measures to avoid changing this image. Thus, illegal entry on foot or by vehicle over countless dirt trails is both possible and widely accomplished. The Rio Grande River, separating the US and Mexico, is little more than a muddy creek in many places. Wading across the river at night into Texas has given many Mexicans the appellation "wetback".

Coastal surveillance is more vigilant, but entry by small boat from Mexico, Cuba or even Central America is also a common occurrence. Reportedly, 50 per cent of the entire population of Belize is in the US illegally.

Recent increasing concern in the US about international terrorism and drug smuggling is causing far closer surveillance of the land border with Mexico and some coastal areas. But as yet, few walls or fences have been erected, so crossing in either direction remains relatively simple.

One of the glaring discontinuities in US law is that although illegal aliens are subject to capture and instant deportation, many welfare and social services agencies cannot withhold benefits from them while they are otherwise illegally in the country. Typically, one government agency fails or refuses to communicate with another, thereby creating this paradox.

As a result, many illegal aliens openly receive welfare benefits for months or years without the INS being informed. This, plus assistance from organized church groups makes the US a very attractive destination for Mexicans, Haitians and Central Americans who seek education, medical benefits and subsistence until they find a job or start a business.

AMNESTY LAW WAS TO HAND OUT AS MANY AS 20 MILLION PASSPORTS BUT IT DIDN'T!

Aliens who entered the US illegally prior to 1982 had one year in which to register under a new amnesty law. Immediate legal residence and work permits were granted. The amnesty registration period began 6 May 1987. The door remained open only one year from that point in time, till 5 May 1988.

INS offices were at first flooded with amnesty inquiries when the law was signed by President Reagan in October, 1986. To encourage trust, the INS adopted a policy of not immediately deporting those who registered for amnesty, even if they were found not entitled to it. But applications ran 99 per cent less than expected. At the end of 1987, under 100,000 residence permits were granted under the amnesty program. It appeared that most illegal in the US preferred to live with false identities rather than expose themselves and their families to possible deportation. The fact that it is the same agency, whose main purpose is to deport people, meant that it was not trusted by most illegal aliens. During the amnesty, INS and other US agencies were operating in an aggressive mode to capture and instantly deport anyone in an illegal status caught at or near the border. This activity caused a dilemma because some illegal aliens would otherwise have been eligible for amnesty. Why? They had briefly left the US to visit family back in Mexico or Central America and were caught returning to the US. US courts ruled that such persons otherwise eligible for amnesty could not be deported if apprehended under such circumstances.

Nobody really knows how many illegal aliens are currently in the US, although estimates still range up to 20 million. These are composed of three principal groups of people. Mexicans who have flowed across the border over the years, refugees from Central America who have crept in, and a huge mass of foreign students who entered the US legally on university sponsored visa programs, only to quietly submerge into the US work force after graduation.

INS, under US congressional probing, admits that they have not been able to keep track of thousands of student defectors. These students are principally from Hong Kong, Taiwan (Formosa), India, Africa, Iran, Pakistan and Turkey. In the 1991 Gulf war, thousands of

Iraqi students in the US and elsewhere overstayed their visas and went underground, unwilling to be cannon-fodder in Saddam Hussein's war machine.

INS bureaucrats who wanted to sabotage the program privately expressed opposition and outrage with the amnesty, claiming that it was all a big loophole. "Once inside the US," according to Michael D McMahan of the INS's Dallas, Texas office, "for about \$1000, an alien can buy a packet of documents including school certificates, bogus income tax forms, baptismal certificates and such. These (documents) allow the person to apply for legitimate documents like driver's licenses." McMahan added his personal fears that the INS lacked sufficient staff to investigate all of the bogus applications that the amnesty had caused to flood in.

Illegal aliens who did apply under the amnesty faced an uncertain future. On one hand, many of these people have for years carefully avoided all paperwork or official contact with the government, especially the police. They believed that any documentation of their existence could lead to deportation. Faced now with a complete lack of documentation, these individuals are subject to denial of amnesty and ultimately, deportation.

Hundreds of Mexicans, for example, have been captured and deported out of southern California well in excess of 20 or 30 times each. These individuals are known on a personal basis by INS officers and become routinely swept up in raids on their known residence in the US.

Many of these repeatedly captured individuals are briefly detained in the Federal government's Metropolitan Correction Center or MCC prison in San Diego, some 19 miles north of the Mexican border. These enterprising individuals have openly dubbed this facility as the "Mexican Country Club" in a play on its abbreviation. Some are in residence so frequently that they resume their bunks and senior prisoner privileges on arrival. Some appear before a US district judge and receive prison time before being deported. Others are simply loaded on to INS or US Marshal buses and dumped at the border.

Most illegal aliens in the United States decided to ignore the amnesty. They have opted to live under the protection of a false identity. There is virtually no way for the action involved in creating a false identity to be anything other than a felony. Prima facie, it is an intent to defraud the US and perhaps state and local governments as well. But with a low profile, detection is unlikely.

Our suggestion for our readers is to enter the US as a tourist with proper papers. Never stay there long enough at a stretch (four months) to be considered a resident for tax purposes. This is the Permanent Tourist solution we describe as the best way to live in *PT* and *The Personal Privacy Report*. Come and go as you please. Make deals. The only thing you can't get is a 9 to 5 job.

WHO IS QUALIFIED FOR AN IMMEDIATE US PASSPORT?

Only Americans or key alien employees of the US government can get instant American passports legally. The most important requirement is a certified copy of your birth certificate issued by the state or province where you were born. This birth certificate must show a file or reference number and the date of birth, as well as bear the official seal or other official certification of the issuing office. Only such copies, bearing the original seal are acceptable. Passport offices rarely check authenticity with birth certificate issuing offices. But they might check if a passport application looks suspicious. Hospital birth certificates will not suffice for a US passport application. Notification of Birth Registration forms filed with US consulates abroad may be accepted without birth certificates on a case by case basis. But the original birth certificate plus a translation certified by a US consulate abroad is usually required. If you were born as a US citizen abroad, with at least one parent who is a US citizen and who was a resident in the US in recent years, you will need a certified copy of a Consular Report of Birth or Certification of Birth. Naturalized US citizens also need either a Certificate of Naturalization or Certificate of Citizenship.

To prove your identity to the US authorities, you must show a valid current photo ID. Normally, only an American officially issued ID is acceptable. You can present an old expired passport, a driving license or any government photo ID card. Alternatively, a business or industrial card or school/college ID with your photograph and name on it can be accepted at the discretion of a passport issuing officer.

As for passport photographs, the US has some of the most detailed requirements in the world. Two pictures, either color or black and white, are needed. One for their files and one for the passport. These pictures must be absolutely identical and taken within the last six months. Overall size is 2" x 2" full front view. Plain white or off-white background. Image size between 1" and 1 3/8" measured from top of head (including hair) and bottom of chin. Dark glasses which hide eyes are not acceptable. Hats or other headgear are not to be worn. Photos from coin-operated booths are not acceptable.

Some people can get exceptions made. A client of ours, "Pete the Patriarch", was allowed to wear headgear. Pete said he was the head of a spiritual sect, a religious order requiring members at all times to cover their heads with a huge Orthodox-type hat. At the passport office, clerks looked up the rules on hats and headgear in their books and read: "Hats and other headgear not to be worn unless specifically part of religious attire." Pete got to wear his regalia for the passport photo.

When you apply for a passport, please note that if you are older than 13, you must appear in person and sign the application in the presence of a US passport agent or consular official. Persons under 13 will not have to appear in person but can have a parent appear and sign for them.

If you have had a (previous) US passport, you may at the discretion of authorities be allowed to use Form DSP-82 (mail-in application).

SUMMARY AND RECOMMENDATION

The bottom line is that for peace of mind and economic security, the best status in the US for our typical reader would be that of non-immigrant visitor or businessman. If you are seriously contemplating permanent residency leading to citizenship, you should retain skilled tax and immigration attorneys. If you have good lawyers to recommend, please let us know. We will add them to our list.

Until 1990, dual-citizenship was actively discouraged for new American citizens. Foreigners are still, as part of the naturalization process, required to renounce all former allegiances before obtaining US citizenship and a passport. As of 1991, after acquiring a US passport, one cannot lose it by acquiring another nationality, with or without an oath of allegiance.

Everyone agrees that having any dealings with the INS is like banging your head up against the wall. The whole situation reminds one of Kafka. Consider the middle-aged Italian born wife of a Tufts University professor. In Boston, she had her handbag stolen and with it her immigration papers. She arrived at the INS office with photocopies and sought an official replacement. After being shunted between bureaucrats and forced to stand and wait (without any progress) for most of the day, she finally lost her patience and shouted, "You treat us worse than the Nazi bureaucrats in Italy did during the war". Her fellow supplicants, all waiting in the same INS chamber of horrors, burst into applause.

For details of immigration lawyers specializing in the US, see advertisements in quality newspapers worldwide.

The topic of US immigration is so complicated that we could publish an entire book on the subject. In fact, we have. If you are seriously interested in immigrating to the US, before you proceed a step further or pay a penny in legal fees, consult *How to Immigrate to the Us*, by Adam Starchild. This report explains in great detail each of the various categories through which one can qualify for residence in the US. It also contains a copy of all of the forms needed for each category. This report is indispensable for those who want to live, work or retire in the so-called last bastion of capitalism and will tell you as much, if not more than any lawyer for only £20/US \$40. Adam Starchild also offers consultancies.

Uruguay - Passport Without Citizenship

Uruguay is often referred to as the Switzerland of South America. It is true that 50 years ago banks and currency dealers selling gold and foreign currency were overly abundant in Montevideo, the country's capital. However, until recent times the all too common occurrences of strikes, terrorism, uncontrolled inflation and the emigration of many professionals and skilled workers did much to change that status. Uruguay has recently managed to get many of these situations under control, save inflation, but the country has yet to truly reach its former stature.

Located on the east coast of South America, next to Paraguay, the country has regained somewhat of a reputation as a resort area for rich South Americans. It is not a place of high level cultural activity, but is a great place to rest, relax on beaches and watch the world go by. Uruguay, like Guatemala, can be your safe harbor in a stormy world.

The climate is mild with average temperatures ranging from 70 to 80 degrees Fahrenheit. As Uruguay is a former Spanish colony, the estimated population of 3 million inhabitants (1.3 million of which live in Montevideo) is mostly of European descent, and the official language is Spanish. With an economy that relies on cattle and agriculture, more than half of the national territory is devoted to pastures. Industrial activity is heavily related to these activities, manufacturing excellent by-products of beef, wool, leather, sugar cane and cotton. Uruguay is a Unitarians republic, with a president elected every five years, a bi-cameral legislative branch and complete separation between Church and State.

Once assimilated in the relatively large expatriate community of Punta del Este (Uruguay's answer to Newport, Rhode Island or Puerto Banus, Spain), life could be quite pleasant. Bridge nights and cocktail parties are part of the daily routine. The international yachting set does their thing and special interest groups are so varied and numerous you might even walk into the Montevideo or Punta del Este yacht club on Scottish Folk-dancing night. Incidentally, all you need to gain admission to any yacht club worldwide is either a big boat, an ID card from any other yacht club or a good gift of the gab to talk your way in.

Uruguay also has no personal income or estate taxes and one of the highest standards of living in Latin America. However, there is a high annual wealth tax, of up to three per cent, on capital in Uruguay owned by individuals domiciled there. Also, inflation is still far from within control.

Until recently, passports could be arranged fairly easily in the same manner as they currently can be arranged in Argentina and Paraguay. By this we mean that one could establish residence by buying a substantial piece of property, visiting the country periodically and then collecting a passport three years later. This route seems to no longer be available as evidence of actual bona fide residence now is a condition for the granting of nationality.

The country does boast one of the more successful official government passport programs in existence. This program provides an investor with a Uruguayan passport based on legal residency rather than citizenship. This passport is a good alternative travel document. but the lack of citizenship does not bode well for those intending to find a back door to Spanish citizenship. See the section "The European Union (EU): Via South or Central America" in Part VIII of this Report for more information.

The Uruguayan program was started in July 1990 with the help of local expatriate lawyers and has been running smoothly since. The principal requirement is that one invest a minimum of US \$70,000 in certain programs approved by the Uruguayan government. Currently these include:

1. Ten year Reforestation Bonds issued by the Central Bank of Uruguay.
2. Ten year Certificate of Deposit escrowed at Banco de la Republica (Bank of the Republic, Uruguay).

Both of these investments are US dollar denominated and the interest thereof is tax-free in Uruguay. Additional passports for the investor's spouse or children under 21 years of age are possible by investing an additional US \$10,000 per person.

Interested parties must demonstrate that they have no police record, provide health certificates and state their intention to invest in Uruguay and that they are free to leave and return to their country of residence.

Once this documentation has been submitted, it is studied by the Ministry of Interior of Uruguay which ultimately recommend or deny the granting of a passport. If the recommendation is favorable and proof of investment is submitted, the passport will be granted within 90 days.

One problem with Uruguay passports is that the UK requires a visa for passports required for investment.

The UK Immigration Rules state that visa will be required for documents issued under Decree 289/90. This is the decree which is noted in Spanish in the front of all Uruguay passports issued under this scheme.

If you are interested in this program, contact **Pacheco Coto Law Offices, PO Box 6610, 1000 San José, Costa Rica, tel (506) 233 5081, fax (506) 255 2783**. They claim a 100 per cent success rate to date but in the event that your application is not successful, they also promise a full refund of advanced fees with the exception of US \$750 - \$1000 to cover initial expenses.

Vanuatu - Easy Entry to a Tax Haven

This group of islands in the Pacific, formerly known as New Hebrides, was jointly administered by France and the UK until it achieved its independence in 1980. Port Vila went on to become the South Pacific's first tax haven and finance center. For both residents and nonresidents it offers extensive secrecy provisions as well as no personal or corporate income tax and no exchange controls. Forari on the island of Efate is laid out like a botanical garden and is more or less the social center for the islands although it should be noted that this is no swinging sex haven!

Individuals from almost every country, including many Black African countries, do not require a visa to enter Vanuatu. Residence visas also easy to arrange and can be stamped in just about any passport. Unfortunately, a Vanuatu passport is said to be difficult to obtain. Even long-term residents have found it hard to be naturalized. Nevertheless,

Vanuatu could well be worth a visit. There's a great climate there with Forari hovering between 60 and 85 degrees throughout the year. The islands are also in a safe, nuclear-free zone.

Venezuela - Simple Application

Venezuela is interested in improving its ability to compete in a world economy by luring highly skilled labor from Eastern Europe and the former Soviet Union. As a result, large incentives are being offered. Qualified technicians can earn more than US \$1000 a month, which in Venezuela is a lot of money and compares more than favorably with pay in the rouble zone.

On the plus side, Venezuela is one of those South American countries which has very simple application requirements for an instant passport. Naturalized citizens receive a passport, which is valid for five years and renewable thereafter for a small fee, an ID card (cedula) and a drivers license. Unfortunately, Venezuelan citizenship has its price. The crime in Caracas is far above average and what was once a democratic country is no longer so. In addition, Venezuela does not allow dual nationality.

But the Venezuelan passport is still popular with those from Eastern Europe. Why? Because it offers visa-free travel to Austria, Bahamas, Bermuda, Belgium, Cayman Islands, Canada, Costa Rica, Denmark, Germany, Hong Kong, Ireland, South Korea, Luxembourg, Netherlands, Norway, Singapore, Spain, Sweden, Switzerland, Thailand and United Kingdom. A standard Venezuelan passport can be obtained for between US \$30,000 and \$35,000.

If your interest is in banking and traveling more freely, then this might be the country for you. A reliable firm which can help you cut the red tape and the waiting period is World Placement Service, St George's House, 31A St. George's Street, Leyton, London E10 5RH, UK.

Another firm offering advice about Venezuelan naturalization matters is Boswell Active Promotions Establishment, Nenhofstrasse 12, Postfach 30, CH-6340 Baar, Zug, Switzerland, te1 +41 42 332 332, fax +41 42 332 342.

Zimbabwe - Cheap to Live But Not Much Else

In 1980, after a long and unpleasant conflict, the self-professed Marxist, Robert Mugabe, became president of this country formerly known as Rhodesia. Many whites had already left and many more moved on. Today, it is estimated that there are around 60,000 whites left there and the majority of these are older rather than younger. Mugabe preached socialism but has practiced capitalism. The whites who have remained aren't so keen about him but the country is peaceful.

Zimbabwe has good roads and an adequate infrastructure. The electricity hardly ever goes out and the phones all work. In fact, in some ways, Zimbabwe is better than its neighbor, South Africa. There are no squatter camps, few street children, good hotels, cold beer and tender, hot steaks. Much of the economy is still in white, colored and Indian hands and, apparently, the black population, who don't own very much, are quite bitter about this. The relations between the races seemed okay at the recent election. When the old, former white leader, Ian Smith, who is now an old man, found his name was not on the electoral roll Mugabe ordered it to be put on immediately. Ian Smith is still alive, still in Zimbabwe and still criticizes Mugabe.

Zimbabwe has recently had many free market reforms and the currency is now reasonably solid. Everything is cheap and prices of goods are often the same in Zimbabwe dollars as they are in South Africa rands, even though there are nearly three Zimbabwe dollars to the South Africa rand. However, it would probably not be to anyone's benefit to go and live in Zimbabwe. It is no coincidence that most of the whites in the country, especially the younger ones, have left.

Zimbabwe is anxious to take away citizenship from whites who have left the country. The country does not allow dual citizenship either and ten years' absence can also mean a forfeit of citizenship. Whites who have left but don't appear to have another citizenship are allowed to have their passports renewed. It takes about a year for a Zimbabwe citizen to obtain a passport travel has to be planned far in advance. British Commonwealth citizens can go to Zimbabwe on working holidays but at monthly wages of about Z \$1000, which is not much more than US \$30 a week.

There is not much reason for anyone to go to Zimbabwe, let alone contemplate trying to qualify for citizenship there.

Part 6: Tax Havens

With the exception of the British colonies which are tax havens, it is too difficult and expensive to get a passport in a tax haven. It is best not to be a citizen of the country in which you actually live, and therefore tax haven passports are of little value. The reason this section has been added is because of the many inquiries we receive. Much time will be saved by the information given here.

Tax Haven Passports and Permits

ANDORRA

Andorra is a mountaintop principality located in the Pyrenees between France and Spain. In 1992 absolute governing authority was withdrawn from the two princes, a Spanish Bishop and the French Head of State, and reassigned to a Council General. The two princes now act merely as figureheads with certain advisory powers and the Council General is elected by the 11,571 natural Andorrans who were born of Andorran parents. This voting population makes up under one sixth of the total population. There are more than 30,000 Spanish and sizable communities of Portuguese, French and English speakers.

Under Andorra's old constitution, residence permits were handed out by the personal representatives of the CoPrinces. The Andorrans had no control over how this was done and often these representatives would distribute permits arbitrarily and as gifts to friends and acquaintances. When the new constitution was being negotiated in 1992, the Andorrans found a way to block the admission of any more of these passive residents. Quite simply, they refused to pass residence applications on to the representatives of the CoPrinces until an immigration law had been established. After several false starts, the Law on Passive Residence Permits was finally agreed on 30 June 1995.

Residence, for the purposes of talking about Andorra, means permanent principal residence. A resident has the right to protection under the law and has the right to accede to certain privileges including benefits from the health and social security system and the rights to obtain a driving license and own and register resident-plate vehicles. Residence does not give the right to vote, either in local or in national elections, nor does it confer commercial rights such as that of owning a business. Residence does not alter the individual's domicile of origin for the purposes of inheritance taxes or estate duty.

If an individual is not a resident, he is a tourist. There is no current regulation concerning a maximum period of stay and the understood convention is that you can either rent a property or purchase a property for your personal use for as long as you like. So it's still easy to live in Andorra PT-style and although you might remain without an actual residence permit, you might still be able to benefit from tax advantages. This depends on your nationality and domicile and specific esquires can be directed to Servissim, whose details are given below.

Residence permits come in two main categories. Those where the holder has the right to work in Andorra and those where the holder is forbidden to work. These are not generally interchangeable and work permits are difficult to obtain. Residence permits are issued for periods of four years and are renewable. There is a quota for the issue of passive, non-work permits and, exceptionally, for the year ending December 31 1995 500 new permits will be issued. In subsequent years there will be a quota of 200 of new permits per annum.

Applications for residence can be made at any time by anyone. There are no evident restrictions as to nationality, age, race or creed. Logically, the earlier in any one year that one applies, the better the chance of being included in the quota. The applicant must be over the age of eighteen and able to prove that he has "sufficient economic means to permit him and the persons in his charge to reside in the Principality of Andorra without the necessity of exercising there any professional or work activity on the account of others or himself throughout the period of his passive residence". How much is "sufficient economic means"? A safe bet would be three times the average minimum wage, or around £20,000 / US \$35,000, for a single person and possibly more in the case of couples/families. Should an applicant have substantially larger assets than would be required to produce and an annual income at this level, declaration or proof of this would not, in principle, be required. Obviously, the more that's declared, the better the chance of obtaining the permit. Any declarations for the purpose of application for residence are strictly confidential and do not appear in any public record.

An applicant for passive residence must be able to prove that he has current and valid public or private insurance to cover "illness, incapacity, and old age for him and those in his charge for the duration of his passive residence". At present it is thought that only private insurance done through an Andorran insurer is likely to be acceptable. As mentioned earlier such an insurance can only be procured subsequent to gaining a residence permit. Do we have a catch-22 here? No, there will probably be some kind of mechanism for securing Andorran insurance within the residence application procedure.

The applicant must be able to provide documentary evidence that he is "the owner or tenant of a house or apartment or (that) he has initiated the process of acquiring or renting a dwelling within the Principality of Andorra, which process must be concluded within a period of one year from the date of application". He must be able to prove also that neither he nor those in his charge have any previous penal convictions in the country / countries of his (their) former residence. Some countries, including United Kingdom, do not issue formal certificates to this effect. In the past a reference from a professional person of standing has been sufficient.

Each applicant must supply a non-interest bearing deposit of 1,000,000 pesetas (£5000 / US \$8000) per family to the Institut National de Finances, the national financial control authority. This deposit will be returned in full when the residence is given up or revoked. In addition, a new resident must pay an annual fee of 1,000,000 pesetas to cover the benefits he (and his family) receives from his residence in the Principality. There are no

personal taxes of any kind in Andorra except for a very minor local rate charged in most parishes.

After 20 years of residence, whether passive or working, an individual can become a privileged resident. This allows the individual to act as in commercial matters on behalf of a maximum of one trading company but does not confer the right to vote.

Under the current law any person who has been resident for more than 30 years may acquire Andorran nationality if he renounces his previous nationality. This is expected to be reduced to 25 years in the autumn 1995 parliamentary session. Children born in Andorra of resident foreign parents may opt for Andorran nationality when they are eighteen years old as long as they and their parents are still officially resident in Andorra. The applicant must renounce any previous nationality.

The new laws concerning residence have created quite a stir amongst existing residents and representative organizations have complained that the new laws could push many residents into leaving the country. Apparently this is the first time that delegates from the different nationalities represented in Andorra have taken issue with the authorities on political developments and it seems to have had quite some effect. The delegates pointed out that the customary liveliness in Andorra's summer property market is lacking this year and they have blamed this on the new residence laws. Needless to say, many of the politicians are claiming innocence when it comes to talking about the changes but the truth of the matter is that the changes were voted in by a clear majority and someone had to do the voting!

So, what's going to happen? Well, it's not altogether certain but it can safely be said that the politicians have been quite unsettled by the residents' protests and there have been rumors that there will be revisions made to the amended laws towards the end of the year.

Readers would be advised to contact **Servissim, Roc Escolla 3, 1A+B, Avinguda Meritxell 20, Andorra la Vella, Principat d'Andorra, tel (376) 860414, fax (376) 863797**. This dependable relocation agent will provide, free of charge, a newsletter with information on the new legislation concerning residence.

Andorra is a great tax haven to live in. There are no income, capital gains or inheritance taxes. Nor are there any sales taxes or customs duties. To find out about all the opportunities available in this country, contact Expat World for a copy of an excellent Andorra report.

BAHAMAS

Special arrangements are said to be possible but the official residence period is set at five years, with residence permits difficult and expensive to get legally. Once a permanent residence permit is granted, the recipient is known quaintly as a "Belongee".

BELGIUM (See LUXEMBOURG)

BERMUDA

Although residence may be possible for the sunny island of Bermuda, a passport is not. The advantage of residence is that Bermuda is a traditional tax haven, meaning it has no income tax or capital gains tax and no gift or death taxes on foreign property.

There are two ways through which one may arrange residence in Bermuda. The first involves purchasing either a house or condominium with a specified minimal rental value. As of 1991, the entry level figure for this ball game was US \$1.5 million, meaning only big fish need apply. Alternatively, one can buy a condominium in one of several approved developments. Entry price for this category is approximately US \$500,000. The cheapest way to become resident involves opening a Bermuda exempted company which should come in at less than US \$5000, although a small tax will have to be paid if this route is taken.

BRITISH COLONIES

Administration and applications are handled by local people and the final decision on passport issuance is made by the Office of the Governor General. In prior years, British Subject Passports were equal in every way to those issued by the Home Office in the UK. However, as unwanted immigration of non-whites into the UK was perceived to be a problem, passports issued to inhabitants of colonies were changed to be good only for limited travel and not for domicile in the UK. These passports are generally titled: "British Overseas Subject". Normally visas are granted to prosperous-looking individuals without many questions. Visas can be multiple entry, good for the life of the passport. People in the colonies with British ancestors (i.e. white) can usually get full British passports. You may write to the **British Home Office, Lunar House, 40 Wellesley Road, Croydon, CR9 2BY, UK**, for full details on colonial passports.

Visas to reside in the colonies are granted by UK embassies or by the Governor General's Office serving that particular colony. After five years of legal residence one can become a citizen and obtain the passport.

One unique situation is the Channel Islands, legally not part of the UK and legally not a colony. The Channel Islands were a possession of the first English King, William the Conqueror, before he took England at the Battle of Hastings in 1066. Thus, Channel Islanders today, as personal vassals of the British Queen, get a CI passport that (many feel) is slightly better than the British passport. It permits visa-free, in fact passport free, ID card travel throughout the KU, UK and Ireland. As there are low taxes, or no taxes in the Channel Islands, one could, for instance, have a home in London and not have to pay taxes in the UK. The details are far too complex to go into here. Just be aware of the general rule that five years of legal residence generally gets one a passport in a British colony. With a few exceptions, these passports require visas for European/US travel.

There are the privileged few, such as Bermuda residents, who are generally prosperous folk and are welcome in most places without visas. Bermuda, like Canada, has an open border with the US. In fact, there is no US customs clearance for Bermuda-originated flights to the US. A US customs officer checks people in Bermuda! For those not aware of British colonies also considered tax havens, this is the list: Bermuda, British Virgin Islands, Cayman Islands, Gibraltar, Guernsey CI, Hong Kong, Isle of Man, Jersey CI, Sark CI.

CAMPIONE d'ITALIA

A very unusual situation in that Italian law applies to this enclave located totally within Switzerland. This means a ten year residence requirement for an Italian passport or immediate citizenship by marriage (six months processing time). Citizenship can be applied for three years after marriage if the couple does not live in Italy. We have published a special report on Campione. See back of this book for details.

DUTCH ANTILLES

Same as The Netherlands. Five to seven year residence. Residence permits easily obtained.

FRENCH POLYNESIA AND CARIBBEAN TERRITORIES OF MARTINIQUE etc

Not easy to get residence permit, but it is possible. Same rules as France. EU citizens can live and work there without any permission.

GIBRALTAR

As Gibraltar is a British Colony, the United Kingdom is generally responsible for its immigration policy, and a similar program has been implemented. Thus, a person could take up residence in Gibraltar under the work permit scheme, acquire permanent residence after four years and one year later acquire a Gibraltar passport which is in all respects similar to the passport issued by the UK. However, as Gibraltar does not offer much by way of tax considerations for the individual (the top rate is currently a staggering 50 per cent), we see little sense in going to all this trouble. Gibraltar does have a great deal to offer as a tax haven for corporations and for one who plays the PT, ie lives there but is not a citizen. For more information see *The Andorra and Gibraltar Report* which explains the situation in detail. See back pages for summary and outline.

LIECHTENSTEIN

A female can become a citizen by marrying a male citizen. A male who marries a Liechtenstein citizen can obtain a residence permit, but grants of citizenship would be extremely rare. For all practical purposes Liechtenstein citizenship is impossible to obtain for a male. It may be possible if you are a lifelong close personal friend of the prince. Work permit or residence permit rules are similar to Switzerland's.

LUXEMBOURG

Belgium and Luxembourg are anxious to attract investors or entrepreneurs. If you would consider an investment of about US \$250,000 in Luxembourg or Belgium, apparently it can be managed in about one year! Work and residence permits are neither difficult nor expensive to get.

MONACO

As difficult as Liechtenstein. Two Monégasque parents required. Without suitable parents, after twelve years residence one may apply, but few applications are granted, unless the individual has rendered meritorious service to the nation. Unlike Paraguay where meritorious services could be a thousand dollar donation, in Monaco, with its resident population of billionaires, it would probably involve something on the scale of a new twenty million dollar hospital. Why bother when all the advantages can be obtained with a free Monaco resident's card? See our separate *The Monaco Report* for full information on how to become a resident for free. See the end pages of this report for further details.

THE NETHERLAND ANTILLES (NA)

Traditionally, income tax in this group of islands comes in at up to a staggering 60 per cent. However, a recent program to attract pensioners has been established. Through this program, residents pay a flat income tax of five per cent with a maximum tax of about US \$36,000 per year. Other requirements are that one purchase a property for at least US \$135,000 and employ a local servant for about 30 hours per week. This program may be of special interest to Dutch passport holders, as the Netherlands has anti-avoidance provisions which continue to tax those who leave for a number of years. Apparently, these rules can be softened somewhat by immigrating to the NA.

SARK

This Channel Island is the only place in the world where one becomes a Member of Parliament by purchasing a home! There are no taxes, whatsoever. The passport is the best in the world with more visa-free travel than any other. The population of about 500 is by far the wealthiest per capita in the world. There are no local newspapers, cars, planes, servants or female dogs on the island. We have a separate special report on how to establish residence on this island for f600 a year. It is the perfect libertarian society, a Utopia that must be experienced to be believed. Banking is more private than in Switzerland. One of the few crimes punishable by a 24 hours stint in the local dungeon is being a tax collector. The Channel Islands passport is available and free after five years of physical residence. You can rent an accommodation address on this island for £600 a year. Why doesn't everybody live there? They would, but the door will close soon due to the unavailability of accommodation and rules prohibiting future building, which is why we do

not wish to give this gem of a tax haven too much publicity. However, you can read all about it in *The Channel Island Report*, see back pages for details.

TURKS AND CAICOS

This group of islands, which collectively form a British dependent territory is located at the southern tip of the Bahamas chain. With a population of only 12,000, they are aptly suited for those who want to get away from it all. Residence is available through several categories. An investor or entrepreneur must invest at least US \$500,000 in an approved enterprise. A retired person must purchase and live in a local property and must prove a net worth of at least US \$250,000. Retirees are not allowed to work on the islands.

Citizenship is not possible, although "belongership", a weird variation on the theme, is. However, the major advantage to residence in Turks and Caicos is that it is a traditional tax haven, meaning no income or capital gains taxes as well as no death taxes other than a probate fee of US \$500. Contact EXPAT WORLD for more information.

Oddball Passports

GOVERNMENTS IN EXILE

These used to include Poland, Estonia, Latvia, Lithuania, Ethiopia, Imperial Russia and a long list of others. Like the Republic of China (Taiwan) these were militarily defeated countries often without a population or control of the territory they claim. Their passports are not much good for travel without visas. The Byzantine Empire had its lights put out for good about 500 years ago by the Turks, but Byzantine passports and noble titles are still being issued.

The bottom line is that these documents are of little use for traveling. Even for banking, acceptance is rare. They can, however, now be exchanged for passports issued by the postcommunist governments now established in such countries.

THE ORDER OF MALTA

When during the Middle Ages, Crusaders went to liberate Jerusalem from the Infidels, a group of Samaritans known as the Knights of Malta set up an Ambulance Corps and a chain of hospitals where wounded Christians could be nursed back to health. A letter of free passage granted by the Grand Master of this Order was normally recognized by all the Roman Catholic monarchs of Europe as an early diplomatic passport. The kings themselves were usually members of and supported the good works of this meritorious Order. In the 19th century when passports began to be used, a Knights of Malta passport was evidence that the bearer was usually a distinguished Roman Catholic philanthropist on a mission of mercy. But there were also rival charitable orders with the same name formed by Protestants. They still exist today, operating hospitals and rescue services in England

and Scandinavia. The passports issued by these groups are generally recognized by Christian countries.

The passport issued by the original Roman Catholic order runs a close second to the Vatican passport in terms of elegance. It is in red leather, embossed in white with the Cross of Malta. It is issued in French, English or Italian and is stamped "Diplomatic Passport of the Sovereign Military Order of Malta". Inside: "The Grand Chancellor of the Sovereign Military Hospitaller Order of St. John of Jerusalem of Rhodes and of Malta, requests all those whom it may concern to allow the bearer to pass freely, etc." Thirty-two states recognize it for visa-free admittance. The US, Australia, Canada and Thailand require visas.

Even though the Knights of Malta do not have any sovereign territory, they carry a lot of weight because their members are, like officers of the International Red Cross, the (Moslem) White Crescent and (Jewish) Magen David, highly respected individuals (always Roman Catholic philanthropists) who financially support important charitable works. Members of all these organizations still today are issued passport-like documents whereby they can shed their national identity and work for the betterment of mankind. The real documents are not passed out casually. Except for medical doctors on assignment and hospital administrators actually working for these groups, these passports are not a realistic option.

The Roman Catholic Order is located in an impressive palace taking up a square block in downtown Rome. A polished brass plaque identifies it as **Sovrano Ordine Malta**. It is located at 4/6 **Cavalieri di Malta, Rome, Italy**.

THE ORDER OF MALTA (BOGUS?)

A number of entrepreneurs have placed ads and recruited members for their particular Orders. The most ambitious of these individuals manage to get official diplomatic recognition from at least one small country. Often they sign up an impressive board of "name" directors. People line up for membership in these Orders which spring up out of thin air. Each is willing to contribute up to \$50,000 for the right to call himself Sir something or other, or even Prince, Marquis or Duke. Each receives a diplomatic passport with his new title on it. These passports are accepted by some border officials whose instruction books show that Order of Malta passports are to be treated as legitimate. There is no effective method for a border official to distinguish quickly between a Rome Knight and members of the more recently organized Orders. To add to the confusion, Queen Elizabeth II heads an Order that Rome used to claim was bogus. This Order, while it does not issue passports, does operate a large number of the ambulances in the United Kingdom. Rome claims that they have identified more than 20 different bogus Orders, set up mainly to profit the founders by trading on the good name of the real Knights.

Some of these new Orders are headed by Prince Arnaldo Petrucci of New York City. In 1986, this Order had 400 diplomatic passports printed up by Garrods, a top London

printer. They took delivery, sold the passports at big prices, but never paid Garrods their £6000 printing bill. While selling the passports (or investing new Knights, as Count Alessandro Protti, Knight's Minister Plenipotentiary, would have put it), Count Protti stayed at the Ritz Hotel and ran up a bill of \$6000 before absconding to Panama.

Prince Umberto Stefanizzi was named a Prince and Knight some years ago by Petrucci (above). He later declared himself to be head of a new Order of the same name. He received diplomatic recognition from the Seychelles government where he has one of the largest mansions on the island as his embassy. Because he has been in the Seychelles for several years, Prince Stefanizzi is scheduled to become the Dean of the Diplomatic Corps, thereby acquiring greater status under protocol than representatives of the UK, France or Japan.

Prince John de Mariveles d'Anjou has proclaimed himself the Grand Master of still another Order. He issues diplomatic passports for US \$25,000 (negotiable) and for a time was partners with Count Nowina-Sockolnicki, President of the Republic of Poland in Exile. (Poland, Lithuania, Latvia, Estonia all had "governments in exile" and they too issued passports.) But Prince Mariveles claims some sovereign territory. He calls it Colonial It consists of 46,000 miles of underwater coral atolls in the South China Sea.

The *Wall Street Journal* did a humorous story in 1986 about many of the eccentrics who run the various Knighthood Orders of Malta. All give themselves magnificent titles, swords, medals and multi-colored plumed uniforms. They give many parties and enjoy being listed in local phonebooks as Princes, Grand Dukes and such. They are all fantasies and moneyspinners for their founders. They sometimes even do a token amount of charitable work. Most try to enlist some religious leader as their protector, and all give free membership and passports to genuine noblemen or holy men whose membership gives prestige and credibility to their organization.

Bottom Line: Would you want to travel on a bogus Knights of Malta Diplomatic Passport? The answer should be a resounding "No!" You want to cross borders with as low a profile as possible and a minimum of questioning. Because of greater publicity in recent years, diplomats are now less likely to give visas to Knights of Malta. Border officials will be more likely to detain travellers with oddball passports. For con-men with a fantastic ability to talk or bluff their way through anything, it might be OK to call yourself "Venerable Archbishop" or "Grand Viner", and to travel as a Knight of Malta or with a huge harem and suitable entourage. But fraudsters always seem to end up in prison eventually. That is not where we want you, dear reader, to be in a few years time.

ROYAL ORDER OF THE WHITE EAGLE - POLAND

Like the Order of Malta, there is more than one Order of the White Eagle. The official order claims that it has never offered passports for sale and that it gave decorations only when they were deserved and without a fee. They go on to say that the true Order of the

White Eagle has been given to very few people indeed, to men of the highest caliber, and to most of them posthumously.

A rival Order has been started by an individual who apparently was involved with the genuine Order at some point, but then decided to start up his own Order and appoint himself president when he was passed over by the real thing. Some time ago, he contacted us asking us to include his Order, which he led us to believe was the genuine Order. Amongst the points that he asked us to make were that his Order sought to return the legitimate constitutional monarchs in Poland and Eastern Europe to power by democratic process and to integrate Poland into the European Community with the greatest possible speed.

They were doing this by turning qualified candidates into Knights of their "ancient and internationally respected Royal Order of the White Eagle". For the price of US \$10,000 accepted candidates received an appropriate set of medals for formal and informal wear, an impressive certificate for framing and the right to use their own personal crest on their car, crockery, silverware, etc. As an added bonus candidates also got a passport like document containing their name preceded by their new title, which would appropriately be "Excellency". Higher donations could earn one the ranking of Baron, Earl or Count. We must admit, this all sounded rather spiffy.

Of course, the major benefit of such a document was the implied possibility of it becoming an EU passport and, hence, of the holder becoming a Knighted EU citizen at some indiscriminate point in the future. Now that Poland has gained its democratic independence, it appears half the battle is even over. The genuine Order, as would be expected, handed over the insignia of the Presidency of the Grand Master of the Order of the White Eagle and of the Order of Polonia Restituta, to President Walensa. One can assume that the only way to receive an official Knighthood now is through very official channels.

Apparently, Knighthoods in the bogus Order are still being granted, even though its former president and founder also handed over all insignia and whatnot to President Walensa. (It seems that old habits are hard to break). The way they are getting around this small technicality is by issuing documents that are backdated prior to the election of the new president. If you are not terribly concerned about such matters, it appears that it is still possible to arrange an award from the "pre-communist" president of the West. Albeit one that is not even remotely legitimate. In our opinion, US \$10,000 or even a fraction thereof is far too much to pay for a few bells and whistles and possibly a funny hat.

THE UNITED NATIONS

This organization issues a passport described on its baby blue cover as a "certificate" to employees. All member nations accept these documents for visa-free entry. However, UN passports are generally used only to attend international conferences or undertake specific short-term projects for international organizations.

UNIVERSAL LIFE CHURCH

In some instances, being able to describe yourself as an ordained minister of religion can help get visas, immigration permits and even travel discounts from airlines. The Universal Life Church will ordain anyone by mail and has been held by many court decisions in the US to be a legitimate church. For approximately US \$10 per certificate you can become a minister, bishop, archbishop or obtain any ecclesiastical title you can live up to. Write (with ten dollars donation please): **Bishop Kirby Hensly, ULC Inc. 601 3rd Street, Modesto, California 95351, USA.** Most European countries will give long-term visas to clergymen.

VATICAN CITY

Perhaps the most impressive and expensive passport in terms of its physical appearance, this brown leather bound document is embossed in gold with the crossed keys of St Peter, surmounted with the Papal Tiara. Unlike all other passports, there is no request to allow the bearer to pass or to render assistance or protection. God provides that to all holders. How to get one? Become a Cardinal or have some reason to travel on Roman Catholic official business that the Pope thinks is vital to the interests of the Church. The Vatican Passport is generally recognized as a diplomatic passport. It is generally not available to the likes of you or me.

The passport, by the way, is issued by Stato delta Citta del Vaticano and is no longer in Latin, but rather in modern Italian.

WHITE EAGLE

See Royal Order of the White Eagle of Poland.

WORLD SERVICE AUTHORITY

According to them, the story is as follows. Having renounced his US citizenship and declaring himself a citizen of the World, Garry Davis founded the International Registry of World Citizens in Paris in 1948. Between 1948 and 1952, the International Registry registered almost a million persons from all over the world as World Citizens. In 1953, Garry Davis and other World Citizens founded the World Government of World Citizens and, in 1954, Mr. Davis founded the World Service Authority. This latter body has continued to register World citizens as well as issuing World Service Authority passports and additional documents such as the World Identity Card, the World Birth Certificate, the World Political Asylum Card, the International Exit Visa and the International Residence Permit.

Mr. Davis claimed to be taking "concrete action to establish law and citizenship at a global level to replace the disorder perpetuated by nation-States". For this reason, he considers

himself a realist rather than an idealist. One thing which is certainly clear is that he believes that everyone is born a world citizen. According to Mr. Davis, everyone has the right to choose political allegiance and can recognize this right by registering to the World Service Authority as world citizens.

A bit of history. After World War I, in order to control their citizens and limit individual freedom, most States introduced compulsory passport laws. Before this time, many citizens did not have to carry travel documents. If they wanted to leave a country they just got on a horse and rode! With the introduction of passports, governments could effectively withhold the right of its citizens to travel. Today, in theory, Article 13 of the Universal Declaration of Human Rights still reaffirm the fundamental right of individuals to freedom of travel but, as we all know, this is of the contravened.

The World Service Authority passport is printed in seven languages (Arabic, Chinese, English Esperanto, French, Russian, Spanish) and are sold to all comers. The name appearing in the form can be real or an alias. Needless to say, the appearance of such documents caused quite a stir. M Davis was imprisoned several times by the governments who saw his passports as a threat to the control that they exercised over their citizens' travel. Mr. Davis was very proud to show photocopies of his WSA passports bearing border-crossing stamps from almost every country. Of course, no government likes to have its power restricted, so WSA passports are not generally recognized as being valid. If they do slip by a border official, it is likely to be because the official is not aware that such a passport is not valid. We are informed that photocopies of stamped passports are still being sent to WSA offices, so at least the passports are still effective!

Following is a list of countries which ON AT LEAST ONE OCCASION have recognized the WSA passport on a defacto basis by stamping a national visa and/or entry/exit stamp Countries in CAPITAL letters indicate de jure or official recognition of the WSA passport. WSA requests that passport holders send photocopies of visa/entry stamps to the Washington DC office for our records This list is current as of May 1995.

List of Nation-States

1. Afghanistan	52. Germany	103. Portugal
2. Albania	53. Ghana	104. Qatar
3. Algeria	54. Grenada	105. Romania
4. Angola	55. Guatemala	106. Russia
5. Anguilla ¹	56. Guinea	107. St Christopher & Nevis
6. Antigua & Barbuda	57. Guyana	108. St Maarten ²
7. Argentina	58. Haiti	109. St Vlacent & the Grenadines
8. Aruba ²	59. Honduras	110. San Marino
9. Australia	60. Hong Kong	111. Sao Tome & Principe
10. Austria	61. Hungary	112. Saudi Arabia
11. Bahamas	62. Iceland	113. Senegal
12. Bahrain	63. India	114. Singapore

13. Bangladesh	64. Indonesia	115. Somalia
14. Barbados	65. Iraq	116. South Africa
15. Belgium	66. Israel	117. Spain
16. Belize	67. Italy	118. Sri Lanka
17. Benin	68. Jamaica	119. Sudan
18. Bolivia	69. Japan	120. Suriname
19. Botswana	70. Jordan	121. Swaziland
20. Brazil	71. Kenya	122. Sweden
21. Bulgaria	72. Korea, South	123. Switzerland
22. Burkina Faso	73. Laos	124. Syria
23. Burundi	74. Latvia	125. Taiwan (ROC)
24. Cambodia	75. Lebanon	126. Tanzania
25. Cameroon	76. Liberia	127. Tenerife
26. Canada	77. Lithuania	128. Thailand
27. Cape Verde	78. Luxembourg	129. TOGO
28. Chad	79. Macau ³	130. Tunisia
29. China (PRC)	80. Malawi	131. Turkey
30. Colombia	81. Malaysia	132. Turks & Caicos Islands'
31. Congo	82. Mali	133. Uganda
32. Costa Rica	83. Malta	134. Union of Soviet
33. Cote d'Ivoire	84. Martinique ⁴	Socialist Republics
34. Cuba	85. MAURITANIA	135. United Kingdom
35. Curaçao ²	86. Mauritius	136. United States of America
36. Cyprus	87. Mexico	137. Vanuatu'
37. Czechoslovakia	88. Mozambique	138. Vatican City
38. Djibouti	89. Nepal	139. Venezuela
39. Dominican Republic	90. Netherlands	140. Vietnam
40. ECUADOR	91. New Caledonias	141. Virgin Islands (British)
41. Egypt	92. New Zealand	142. Yemen
42. El Salvador	93. Nicaragua	143. Yugoslavia
43. Equatorial Guinea	94. Niger	144. Zaire
44. Estonia	95. Nigeria	145. ZAMBIA
45. Ethiopia	96. Norway	146. Zimbabwe
46. Fiji	97. Pakistan	
47. France	98. Panama	
48. French Guiana	99. Paraguay	
49. French Polynesia	100. Peru	
50. Gabon	101. Philippines	
51. Gambia, The	102. Poland	

1 - Colony of the United Kingdom

2 - Part of the Netherlands

3 - Overseas Territory of Portugal

4 - Department of France

5 - Overseas Territory of France

Should you try to obtain a World Service Authority passport? If you realize its limitations as outlined above, then why not! Anyone may obtain a one-year subscription to their World Citizen News, their bi-monthly newsletter for US \$ 12 within the US and \$24 outside. As for the passports, an eight year document is still available for only \$60 and for that sum you'll get a World citizen ID card with it.

Since few countries actually recognize the WSA passport, it can seldom be used as a dependable way of entering countries without a visa. However, we have heard of cases where holders of the passport have managed to find freedom over imprisonment. One man, Mr Ahmed, an Iraqi opposed to the Saddam regime in 1990, entered the US with a stolen passport and subsequently went to jail in the US. Because he lacked any travel documents, the US Immigration and Naturalization Service (INS) would not let him out on bail. He feared persecution in Iraq if he returned there, so he chose to remain in detention throughout the adjudication of his asylum claim. His way out? While in jail, he applied to the World Service Authority for a leather-bound passport which was valid for 15 years. Accordingly, he submitted US \$300 and received the document. He then managed to secure a visa to the Dominican Republic because, even though the Dominican Republic does not recognize the WSA passport as a matter of law, most of its embassies have been known to grant visas to the holders of WSA documents.

Mr. Ahmed submitted the passport stamped with a Dominican Republic visa to the INS administrator handling his case. He was then allowed to leave the US on the first plane out, bound for the Caribbean! The US was glad to be rid of him and he was glad to have the chance to go anywhere other than jail. Once free in the Dominican Republic, Mr. Ahmed felt he could make other arrangements to acquire a legal passport there.

At present the WSA passport is recognized officially by Burkina Faso, Ecuador, Mauritania, Togo and Zambia. However, World Service Authority claims that its passport has been accepted by more than 140 countries.

If you think that this document is right for you, it is certainly the easiest and cheapest on the market, although it is definitely not recommended for people who would rather keep a low profile. Application forms are reproduced within the following pages and they can be contacted at 1012 **14th Street, NW, Suite 1106, Washington DC 20005, USA, tel. (202) 638 2662, fax (202) 638 0638.**

Oddball Approaches to Real Passports

Although we include this section more for its inherent entertainment value than as actual advice, it must be said that each of the techniques explained below will lead to a genuine passport. Those of you who are absolutely desperate or have far too much spare time than is either practical or prudent may benefit greatly by pursuing one or more of the following techniques.

AUSTRIA

Apparently commencement as "an ordinary or extraordinary professor" at an Austrian University leads to automatic Austrian citizenship. This may be convenient if you happen to be an already highly qualified professor in your home country and are interested in relocating, otherwise a more straightforward approach may be prudent.

FRANCE

In the old days, rebels ran off and joined the French foreign legion. Nowadays, it doesn't seem to have exactly the same ring to it, but can still be a path to French citizenship for the truly desperate. The key difference today is that you have to go to them rather than wait for them to come to you, club you over the head and drag you off. Once in France look out for the red and green posters with the seven flame grenade. If this fails, try the phone book under *Legion etrangere*.

If you are wanted by Interpol for something really nasty, don't bother making the initial trip to France, sad to say even the foreign legion doesn't want to hear it. On the other hand, matters concerning the general non-deportable stuff, tax matters, alimony payments, minor financial problems, are not that great of a concern and generally will be overlooked. Needless to say, don't expect a picnic while carrying out your sentence. This approach to a second passport is definitely not recommended for the faint of heart. If you do manage to stick it out, you will be rewarded with the coveted and much desired French passport. If you persevere for another ten years, you will even qualify for a French pension.

GREECE

Athos is an autonomous monastic republic located in Greece. Apparently Greek citizenship can be automatically gained by applying to and joining the monastic order. Whether this actually works in practice or not, we would love to find out. Let us know how you get on and we'll arrange some sort of swell gift for you.

ISRAEL

This one is actually more or less straightforward as the Israelis take religion very seriously. Israeli citizenship is available to any and all Jews, both those who are born into the religion and those who convert, the proselytes. For more information on how to go about converting, see the section on Israel in Part V of this report.

KUWAIT

For those of you who are not so eager about the idea of joining the French foreign legion, this little oil-rich and much fought over country may have a deal for you. Apparently, the interest in attracting and maintaining an army is so high, that even citizenship is being offered as an incentive. Incidentally, this is from a country that will not even grant

citizenship to foreign males who marry Kuwaiti women. If you cannot speak Arabic, not to worry, English is now the mother tongue of armed forces personnel due to the high infiltration of foreigners.

LEBANON

The Wall Street Journal reported in July 1986 that the Palestine Liberation Organization (PLO) had made a large financial contribution to Lebanon in return for the right to obtain Lebanese passports for all of its members. For Palestinians who don't know of the current state of affairs, your nearest PLO Legation should be able to assist in gaining a Lebanese passport. With the recent developments between the PLO and Israel all such arrangements may no longer be valid. Again an example in the passport world of the prudence in acting quickly before things have a chance to change.

Nonetheless, joining the PLO merely to gain a Lebanese passport would not have been the wisest of moves even at the best of times, as Lebanese are generally assumed to be terrorists and given a massive hassle at most international borders.

SEAMAN'S BOOK

This little document, also known varyingly as a *Z Card*, *Cartilla de Navigacion*, *Livret Professionnel de Marin* and *Seefahrtbuch*, is actually slightly out of place in this section as it is not officially a passport. However, it can be used for international travel and often circumvents visa requirements. It is recognized by most countries as a valid ID and travel document for members of the merchant marines in accordance with International Labor Organization (ILO) conventions.

This travel document was basically designed to prevent sailors from having to comply with various entry and travel restrictions every time they wanted to step ashore. It is better for business, never mind the girls of the local red light district, to forgo such complications. One need not even necessarily be at a port of call to use a Seaman's Book as it is common for sailors to travel overland to meet up with a departing ship or to travel inland on extended shore leave. Hence, this document is accepted at all border, port and airport checkpoints.

Sounds too good to be true? Well, the catch is that most countries are as fussy about issuing a Seaman's Book as they are about issuing a passport. Most require to see some form of official identification, such as a passport, as well as a formal contract stating that you are really a sailor with a genuine shipping line. In other words, if your country is unlikely to issue you a passport that is good for travel, it will be even less likely to issue you this form of travel document.

Countries which are more lax in issuing such documents may be a viable option. In the UK, it is the responsibility of the shipping company, not its employee, to secure such a document. Often the only form of identification that is required in such a situation is the

birth certificate, or something similar, of the "sailor". Our more adventurous readers who don't happen to be employed by a major shipping company, may be able to get around such complications by forming some sort of a shipping line of their own. We would be interested in hearing how such efforts turn out. In the meantime, perhaps it's best to stick with the more straightforward passport, as inconvenient as it may be.

SOLOMON ISLANDS

It was reported that those who are of African descent, using the newest politically correct way of referring to one of the black race, may be able to get a second foreign passport with relative ease from the Solomon Islands. According to this information, all one had to do was demonstrate that his or her ancestors were one of the many Melanesian Pacific islanders, mainly from the Solomon Islands and New Guinea, who Europeans hunted for slave duty on Australian coconut plantations in Fiji, Samoa and other places.

The story went on that the current prime minister, recognizing this past history of the Solomon Islanders, sought to welcome his kinsmen back to their ancestral home, meaning he was willing to give anyone who met such criteria instant citizenship. Hence, one could assume that citizenship would be more or less possible for anyone who happened to be black and good at fabricating stories, as it is highly unlikely that any records were ever kept which could prove or disprove whose ancestors actually did come from the Solomon Islands.

This sounded all rather interesting until we received an official response from the Honorary Consulate of the Solomon Islands in London. They say that there is no such "fast-track grant of citizenship to certain ethnic groups". Furthermore, dual citizenship is prohibited by the

Constitution, meaning that any former citizenship and passport would be required to be surrendered. Alas, it seems that such a possibility is no more, although one never knows what snooping about the country may turn up.

TAIWAN

If you happen to be from Hong Kong or of Chinese origin, citizenship of the Republic of China, Taiwan that is, may be easier than you think. However, this passport is of only limited value as it does not grant one the right of domicile in Taiwan, even an entry visa is required. If you are still interested, you can find all of the necessary details under Taiwan in Part V of this report.

THAILAND

The easiest and quickest way of acquiring Thai citizenship is by becoming a Buddhist monk. For details on how to do so as well as a rather moving account of your author's personal experiences on the subject, see the entry on Thailand in Part V of this report. It

just might be the most enlightening experience of your life, or at least something mildly amusing to occupy the better part of a good week.

Camouflage Passports - The Easiest Second Passport You Can Get is a Fake

Camouflage passports look exactly like real passports and can be used, amongst other things, to support the bearer's alternate identity. The passports have an authentic vinyl cover embossed with gold lettering and contain the bearer's photo along with entry/exit stamps, a registration number and an official seal. They even have their own security hologram for maximum authenticity! The only thing that differentiates these camouflage passports from real passports is that the countries which "issue" them no longer exist. Camouflage passports are available for countries like British Honduras and Dutch Guiana, countries which have gained their independence and changed their name.

This is not to say that camouflage passports are illegal to hold. Far from it. The US Justice Department, for example, has assured holders that they are not contravening any law by possessing such documents as long as they do not use them for fraud or for entering/exiting the US.

Any traveler could make use of a camouflage passport and we have heard of cases where such a document has saved the bearer's life! In a hijack situation, for example, it is often better to be seen to come from an uncontroversial country. Those who present their low-profile camouflage passport are more likely to be released quicker. And terrorists aren't going to ask too many questions. They're usually in a hurry and don't tend to have the resources to check whether a passport is real or not. This is exactly what happened during the Gulf War. Several oil field engineers were able to exit Kuwait because they had camouflage passports supporting their claim that they were from some innocuous country.

There are many reasons why you might want to protect your true identity, especially if you are wealthy and have a high profile. The wealthy are exploited and hassled in many ways by society, governments and all sorts of organizations. Personal privacy is everyone's fundamental right but, with the technology available these days, it is often too easy to fall into traps. Nobody likes to be hassled and an alternate identity might be just the ticket for staying out of sight.

A camouflage passport might be useful in the unlikeliest of places. Some third world hotels, for example, require that their guests leave some form of security with them. Most people would probably be reticent to leave their passport at an unattended registration desk but leaving a camouflage passport would definitely be a safer option!

Camouflage Passports may currently be obtained from 15 different "non-existent" countries. They are sold by an American firm. EXPAT WORLD is happy to arrange for any non-criminal to receive them by mail order. Simply photocopy and complete the order form which follows, to avoid disfiguring this Report, and post it to EXPAT WORLD along with your remittance and photographs. A Camouflage Passport costs US \$315 and

comes with two authentic ID cards and Camouflage Driver's License. Additional Camouflage packages (if ordered at the same time) are only \$275.

ADDITIONAL THOUGHTS

Know and develop your personal history, particularly if it's fictitious, including details about family etc. Remember names, dates, etc and go over the information as you begin your trips. The two ID cards and the drivers license will back up your alternate identity but bear in mind that they may contain information which you must learn to make your story rock solid.

Remember also that camouflage passports cannot be used for crossing borders or fraudulent purposes. They are sold with the understanding that they are to be used only by honest people for legal activities. Neither the author nor Scope International can take any responsibility for camouflage passports which are used for illegal purposes.

To order your own camouflage documents, simply fill out the form and send it to Expat World, Box 1341 Raffles City, Singapore 911745. Be sure to include the 3 photographs and the payment.

New Country Passports

Various individuals have attempted to start new countries and as part of their activities have issued passports. These passports have generally been considered much the same as World Service Authority Passports. At most international borders, manuals are consulted. If visas are required of any countries at all, entrance is refused.

There are very few off-the-beaten-path countries that will admit anyone regardless of what identification document he carries. You can find out about these through a publication known as the *Travel Information Manual or TIM* (explained in more detail in Part IV of this report). If you are a fugitive, you may want to know about these places, but believe me, in most cases jail would be better! In any event passports from "new countries" are almost worthless for travel but could be of some help as banking documents or for getting one out of a tight spot. For instance, in Kuwait, if you were a stranded potential captive/hostage with an American passport, your life would be in danger. But if you had a World Service Authority or other passport-like document, you might be better able to talk your way around a teenage semi-illiterate Iraqi border guard.

The power of the good old gift of the gab is not to be underestimated. Many people have been able to make their way across borders and by bemused or bewildered immigration officials simply by acting more certain of their position than the opposition. Varindra Vittachi, who served as the Deputy Executive General of UNICEF from 1980 through 1988, was reported to have regularly bamboozled immigration and customs officials around the world by traveling on a passport issued by the sovereign Republic of Amnesia. He is also reported to have supported this document with a phony rubber stamp from "Dr

Portly Rumbel of the Quarantine Department". Moral of story, understand that your basic human rights, as explicitly stated in the UN Universal Declaration of Human Rights, include the right to travel where you want, when you want. A little confidence can go a long way.

There have been dozens of new country set-ups in the past 50 years but none of them have proved to have any staying power. They have also, for the most part, never achieved any degree of sovereignty or international recognition.

Many sucker ads can be found in places such as the classified section of the International Herald Tribune. On offer is a myriad of passports, noble titles, ID cards, ambassadorial appointments and sets of stamps or coins. If you receive such an offer from any of the following, it is probably not worth the paper it is printed on:

ARAGON

Started by swindler Robert Vesco off Barbuda, who abandoned the project when he accepted an offer by Cuba to run his operations from headquarters there.

ARAUCANIA & PATACONIA

The oldest unrecognized country. It was founded in 1860 and currently has a population of one, the ruling monarch, Prince Philippe D'Araucanie who issues coins, stamps, medals and appoints ambassadors.

ARYANA

A military style neo-Nazi kingdom on a secret, perhaps non-existent, Pacific island, which offers ID cards and noble titles. The operation is said to be promoted by some loonies from Los Angeles who believe that everyone except blond blue-eyed individuals should be exterminated.

ARYAN NATION

Survivalist camps for well armed fugitives and others in North American wilderness areas more neo-Nazis.

ATLAND

An underwater plateau at Grand Banks, Newfoundland, Canada.

ATLANTIS [SILVER ISLAND, GRAND CAPRI REPUBLIC, TRIUMPH REEF]

Various projects of Charles Silver to build a gambling casino outside territorial waters off Florida.

ATLANTIS, NEW

Founded in 1965, by Leicester Hemingway, brother of novelist Ernest. It is said to offer passports, postage stamps, tax haven services, quick divorces, immigration assistance services and matrimonial services, ie finding obedient oriental wives for dirty old men. It is said to be located on a floating platform off Jamaica. Recent attempts to get in touch have produced only returned undeliverable mail. It appears that Leicester has moved on.

ATLANTIS OPERATION

Founded by wealthy industrialist, Werner K Stiefel. It is based upon the libertarian principles of writer Ayn Rand and was founded around 1969 with a fleet of Ferro-cement boats bearing colonists to an uninhabited island near the real country of Anguilla. The project is reportedly floundering, and the current capital is said to be the **Sawyerkill Motel, RD5, Box 22A, Suagerties, New York, 12477, USA.**

BALDONIA, OUTER

Founded 1948 by "Prince" Russell Arundel on Bald Tusket Island, off Nova Scotia, Canada.

BIFFECHE

Rebel kingdom inside Senegal, Africa which issues passports and noble titles.

BURKESHIRE

Founded around 1980. It is based in Australia and used to offer "promotional" passports for US \$10. No longer though.

CALIFORNIA FREE STATE

At one time offered to print up impressive 24 page "passports" for \$20 per dozen in wholesale batches. The model California passport looked normal, except that under the age category it said "not to be filled in till you grow up".

CORTERRA

As a destination for people wishing to emigrate, the Federal Union of Corterra sounded like a Utopia in the sun. A 1991 ad in the *South China Morning Post* said, "This group of 12 small islands in the Pacific, close to Tahiti and Hawaii, has a multiracial population of only 80,000". Ads seeking potential immigrants were placed in Hong Kong newspapers.

"The people love democracy and freedom, speak English and have a British-based constitution and legal system. There is no income tax and no residency requirement. Everything is duty-free."

Is Corterra an ideal haven in this troubled world? Sounds that way! There is only one snag, Corterra does not exist. While Corterran passports were sold for US \$15,000 upwards, there is no state on any map bearing that name.

Corterra passports were simply printed up by a Salt Lake City, Utah businessman calling himself Patrick Watters. As a result, this passport is not a very good one to travel on. Corterra is one of the more enterprising attempts to con desperate Hong Kong people out of their money.

Details on Corterra first appeared in a Hong Kong Chinese newspaper in September 1990. An advertisement by a Hong Kong company, Cartiman Lid offered passports and said interviews would be conducted in Hong Kong by the Corterran Honorary Consul. There was "no need" the ads said "to travel to Corterra itself".

Cartiman Lid has now stopped doing business with the Republic of Corterra, apparently because "it was not profitable". It seems more likely, however, that the company was discouraged after police told it that the republic was entirely fictitious and they'd be carted off to prison if they continued to sell passports obtained from their source in Salt Lake City, Utah, USA.

CLIPPER TON

An uninhabited island a thousand miles off the coast of Mexico and claimed by the French who evacuated some Mexican claimants to the island around 1922. Claimed by several pretenders who seem to have never visited the island, like Pitcairn, it is a fertile imagination stimulator for would be new country founders. Jacques Cousteau the author and explorer from Monaco did a documentary film about the island. The French say their permission is needed to visit the island, but no one is there to enforce this rule.

CREATIVE ANACHRONISM

Its population of 6000 members stage medieval combats and claim the world as their empire, staging regular battles to settle border disputes between various kings, dukes, earls and barons. Write to **Box 594, Conord, California, 94522, USA.**

HUTT RIVER PROVINCE

Some 350 miles from Perth, Australia. In 1970, Leonard Casley had a difference of opinion with the state government of Western Australia over wheat quotas. He formally seceded from the state and declared his property (18,000 acres) an independent province, Hutt River Province, under the British Crown. In 1971 Casley and his wife

adopted the titles of Prince Leonard and Princess Shirley. His Royal Highness Prince Leonard issues gold and silver coins, stamps, passports, knighthood's, shipping and driving licenses and currency pegged to the Australian dollar. Hutt River Province's economy is based upon tourism and the primary sector and its citizens play an active role in charitable ventures and fund raising. This is a refreshing and truly eccentric organization but it is unlikely that its passports would have much value for travel purposes. That said, in the words of one observer, "if the Hutt River Province is a joke, then it is so elaborately constructed that it has every chance of ultimately fooling us all".

IROQUOIS INDIAN NATIONS

This tribe was never conquered by the US Troopers really! Located in the Florida swamps they take their sovereignty very seriously. They send representatives to international conferences with their passports. Of course any document, or even a blank sheet of paper with a visa can be used to get into a country that invites you. But other countries, unless they want to annoy the US, do not take them seriously. Besides, only Iroquois can get these passports.

MACHAIS SEAL ISLAND

These have a status of "Sovereignty undetermined" which makes this uninhabited island off the coast of Maine, USA and New Brunswick, Canada a possible new country site, claimed by many but actually uninhabited.

MALUTI

Libertarians advertising in Reason Magazine solicited US \$5000 each from would-be settlers of this island in an unknown location. Any readers who have further information about this project are invited to write to the author.

OCEANUS

Founded in 1970 by "Admiral" Ted Welles and a nucleus of believers. It claims all territory below mean high tide everywhere. Everyone on planet earth is considered to be a citizen unless they specifically denounce citizenship in writing. (So far only one gentleman from Senegal has felt strongly enough to do so). In 1976, Oceans adopted a constitution based on an American model, with three branches including one headed by a chief executive. Ted Welles himself filled this post until 1984 when according to the constitution he could no longer succeed himself.

One of the considerations for this presumed citizenship is the qualification for a passport. This document is issued for US \$100 (US \$50 of which apparently is used to cover delivery costs) and comes complete with ID card, birth certificate, medical certificate and driver's license. These documents have apparently been used to establish bank accounts and even for border crossings. The government of Oceans is currently conducting a

competition offering a US \$500 award to the Oceans citizen who collects the most stamps from different countries in his Oceans passport. It appears that the only authority that this document even attempts to claim is via similar, though more successful, examples such as the World Service Authority passports.

The government of Oceans has also informed us that it has embarked on a major advertising campaign, including classified ads in *The International Herald Tribune* under the heading, "Birthright: Common Heritage Oceans Passport". This travel document just may help you get out of a tight spot, or at least provide some amusement. For more information write to **Oceans Government via Post Office, 777 Learning Place, Manset-Seawall, Maine 04656, USA.**

PALMYRA

An Hawaiian island, uninhabited and under the control of the US Department of the Interior, although privately owned by an American. Morris C Davis, a former partner of Mike Oliver has a scheme to move settlers there and then hold a referendum to achieve self governing Commonwealth status. We predict nothing much will come of the project but if you want to participate, write to **Box 201, Orange, California, USA 92666.**

PITCAIRN ISLAND

Settled by the survivors of the mutiny on the *Bounty* and then discovered 100 years later by the British who resettled the descendants of British sailors and Polynesian beauties to another island near Australia. About 200 of these relocated islanders decided they wanted to return to Pitcairn shortly after World War II, which they did. But after a taste of civilization, the younger people all left lonely Pitcairn for other places throughout the Commonwealth where they were received as celebrities. As of today, the permanent population of the island is only 24 souls, and there are no youngsters. There is one radiotelephone, and the island is supplied by about four ships a year from Great Britain. There are about 4000 descendants of Pitcairn settlers worldwide who are potential citizens of an independent Pitcairn, but no one on the island is motivated enough to declare independence. Why? Because this would cut off the welfare dole shipments of necessities that come in. There is no port facility as the beaches are essentially cliffs. Longboats are launched and recovered from metal rails leading down to the sea. About one or two cruise boats a year visit Pitcairn. A small amount of income is raised by selling souvenirs and postage stamps printed in England to these tourists. The locals raise tropical fruits and vegetables and do some fishing. National Geographic did an interesting article on the place around 1983. These days, theoretically a visa is needed from the UK to visit Pitcairn. But arrive in a yacht and no one really cares. The people on Pitcairn currently are a bit simple-minded and physically weird as they are the products of inbreeding of families (known as incest in the West). With considerable enthusiasm they practice a kind of primitive fundamentalist Christianity. Their language is a peculiar English dialect.

QUAY, PEOPLE'S DEMOCRATIC REPUBLIC

Two Americans have claimed some uninhabited coral reefs about 1000 miles east of New Zealand. If they made any serious development attempts, they would probably go the way of Minerva as New Zealand claims the territory. Their address is **Box 30335 Hialeah, Florida 33013.**

REDONDA

An uninhabited island, otherwise claimed by Antigua, ruled by "King" Felipe (otherwise known as writer Matthew Phillips Shell) and six other competing self-appointed pretenders to the throne, most of whom live in England and sell noble titles. The country was described in a novel *Kingdom of Plaiice* by the famous author, Laurence Durrell. No address.

ROSES, ISLE OF

A privately built sea-platform of 4000 square feet, 8 miles from Rimini, Italy, over water less than 20 feet deep. During the late 1960s it was a popular tourist attraction with a restaurant, bar, bank and tax-free store. The Italian owner, Georgia Rosa, declared in 1969 that it was an independent republic the language of which was Esperanto, an artificial language once spoken by several hundred thousand idealistic one world minded individuals worldwide. After his declaration, suspecting that he would install a pirate radio or TV station to compete with the state monopoly, the Italian Navy evacuated and dynamited the structure. This shows us that existing nations will swiftly put an end to new country projects that they feel have the potential to cause them any trouble.

SAN MARINO

The Italians limited the sovereignty of this genuine quasi-dependent long-existing independent enclave, by threatening to invade if the inhabitants put up a proposed casino, radio station or even served as the site of a newspaper publishing plant. Likewise, the enclave countries of Monaco, Andorra and islands such as Jersey, Guernsey and S. ark are constrained by their protectors in how far they can stray. The Isle of Roses was outside the three mile limit then claimed by Italy, but the government did not hire a lawyer to dispute the matter. They just blew up the new country!

SAO-TOME-E-PRINCPE

A former Portuguese colony off West Africa. The providers claim you are able to obtain an immediate work permit and residency in Portugal, followed by citizenship after five years. The passport can be issued in any name of your choice. Cost from middlemen is \$25,000 for one or \$45,000 for a couple. We would be interested to hear readers experiences if they have obtained one of these documents. In August 1995, the government was overthrown by a coup d'état.

Business can't be too good for we have recently heard that these are being touted at US \$7,500 for a single applicant.

SEALAND

A similar platform off the British coast where Paddy Bates was a successful pirate radio station operator for years. He sold coins, stamps and passports and called himself " Prince Roy ". Paddy actually lived on this abandoned World War II British artillery platform with his wife, Joan. Prince Roy spent hundreds of thousands of pounds in legal fees to establish and preserve his right to the island and resorted to firearms to ward off invaders more than once. His last known address is **Sealand, Box 3, Felixstowe, Suffolk, UK.**

SHASHILAND, KINGDOM OF

Claims the Limpopo Islands which are also claimed by South Africa, Zimbabwe and Botswana. The current potentate is **Mr. WB Coetzer, Box 5958, Johannesburg, South Africa.**

SPRATLY ISLANDS

Uninhabited and located in the South China Sea, are also claimed by China, Vietnam and the Philippines. The islands are thought to have valuable oil deposits and are claimed by many new country organizers, among them King John de Mariveles whom we have seen in these pages under the Knights of Malta heading. This is undoubtedly a complex and confused sovereignty question in which it is more likely that a major power will turn out to be the winner rather than a new country promoter.

One could write a very long volume on this subject since it is the realm of romantics, thinking individualists and various weird folk who have in fact, often been able to talk their way past amused border guards with some very strange documents. Let's make our summary short and sweet. There are approximately 230 countries or political entities in the world that are generally accepted and recognized as more or less legitimate. Membership in the United Nations, a definite piece of land with borders, diplomatic relations with other countries and a population are a few of the most common requirements of nationhood. A country that issues passports without any or all of the foregoing is likely to be issuing a document of very limited value .

For those interested in the subject of new countries, a more comprehensive list and discussion is available in the interesting 167 page paperback *How to Start Your Own Country* from Loompanics Unlimited. We are grateful to them for having provided much of the information in this section.

CONTROVERSIALAND UNUSUAL BOOKS

For anarchists, survivalists, iconoclasts, libertarians, mercenaries, investigators, drop-outs, law enforcers, law-breakers, researchers and those interested in the strange, useful oddball, and diabolical see the Book Catalogs section in the Resource List at the back of this report.

A selected range of useful books and reports is also available from Expat World. Please ask for their list book and report list.

*Comments, questions, additions and constructive criticism should be sent to:
Expat World, Box 1341, Raffles City, Singapore 911745
email: expatworld@pobox.com*

Part 7: Special Report for Hong Kong

Most Hong Kong and South African citizens, at least the prosperous ones, would prefer to spend most of their time where they grew up and where their business is located. Moving is very unsettling, and most people have no particular wish to leave their homes. But in Hong Kong, where most of the population has already fled once from the mental and economic slavery of communism, people are anxious to have somewhere else to go if life under the communists becomes untenable. While some South African and Chinese are PTs (Perpetual Tourists) and can be comfortable anywhere, the majority desire roots, a home, nearby friends, family and culture. They prefer to live in places where their community is already established with some degree of security. The plan of intelligent and far-sighted Chinese and South African leading families was to send a relative or two abroad to secure residence rights and perhaps a second passport while the rest of the family devoted considerable attention to a family business back home.

The favored destinations were, and still are, the US, then Canada, with Australia or Europe a third choice. Many free countries have accepted thousands of Chinese and South Africans, giving them second passports. Wealthier Chinese and South Africans have already discovered that every country has its loopholes. Even if direct immigration is officially discouraged or prohibited, there are many ways of obtaining second passports. Among the favorites are that virtually every country allows trainees and students to enter on a temporary basis. Once a student enters, it is relatively easy to arrange for a job or marriage that carries the right to citizenship and residence. Once any individual has such legal rights, parents, children, brothers and sisters can usually be squeezed in for "family reunification".

Besides marriage, a new company or corporation can be set up in most countries (usually by a talented immigration lawyer). This company then creates a job that only the would-be immigrant can fill. Or in some cases, certain categories of skills in short supply can qualify one for automatic admission. Thus, the Hong Kong person (or any would-be immigrant) receives a visa and work permit by filling a spot on a country's "want list". One common way is to set up a company which provides local employment or trains locals in a particular skill. In due course, the company founder applies for citizenship and brings in his extended family group.

Still another ploy is to get a job in the target country with a local company. That company goes to bat with the bureaucracy. It is well known that a given country, the US for instance, may have too many lawyers or medical doctors, but a good lawyer will know how to prepare an application so that a conservative doctor becomes an eminent practitioner and teacher of some obscure discipline currently in fashion. Thus a medical doctor in general practice becomes (on paper anyway) an authority on AIDS or acupuncture. He gets his admission ticket due to the talents of a skilled immigration paperwork preparer. In the US or Canada, a foreign medical doctor who is well informed enough to say he is going to settle in some remote rural area having no doctors receives an immediate entry permit. One who says he wants to move to New York, Vancouver or San

Francisco finds only a "Do Not Enter" sign. But once inside any country, any immigrant can usually settle wherever he pleases. It is all form and little substance when one deals with governments!

Although we do not recommend this approach, it is well known that in most countries it is not difficult to arrange for a local birth certificate. Official records may have been burned in a fire. If so, false information cannot be proven to be false, except perhaps by the individual who procures or prepares it. Clever individuals use documents in a way that will never be challenged. For instance, it is not necessary to obtain a birth certificate proving you are an automatic citizen by virtue of birth in a country. Often, a birth certificate of a parent or grandparent can be arranged in such a way that the would-be immigrant can remain exactly who he is, born where he was. For example: A person born in Turkey would normally have an uphill battle to get German immigration papers. He would have to wait at least a dozen years until he received a passport. But if proof of a German grandparent born in communist East Germany can be arranged in the vital statistics department, the uphill path is transformed into a downhill slalom. A black African does not get much of a welcome from US immigration, but if his father or mother was an American citizen, that is another story. It is not difficult to find the name of some American citizen (probably dead) who is adopted posthumously as a parent and replaces the real parent on the records in Africa.

It is a shame that talented and self-supporting people cannot simply just go to live wherever they want, without paying lawyers, telling lies, inventing ancestors, arranging marriages, setting up corporations or arranging for fraudulent papers to be filed. The United Nations collects billions to deal with refugee problems. Much of this money goes to keep millions of innocent people worldwide in what amounts to concentration camps. The Vietnamese Boat People, for instance, are now behind bars in Hong Kong and Thailand (among other places) on subsistence rations. These refugees are confined in camps often with inadequate water, sanitation and food, and surrounded by barbed wire fences. Cubans and Haitians in the US are in a similar position.

Vast amounts of hard earned taxpayers' money is spent (flushed down a sewer, we would say) to classify people as either: A) True refugees from political persecution or B) Undeserving persons who are just seeking a better life. As if it mattered! Of course, neither Hong Kong nor South African citizens would be considered true refugees as they are simply trying to escape an oppressive government or even a government which does not suit their personal interests.

Few Hong Kong citizens could prove that they would be facing death sentences for purely political activities. And thus they would not be eligible for resettlement as bona fide refugees. If Red China took over Hong Kong and started to squeeze, most Hong Kong residents would become unwanted human garbage, like the Vietnamese boat people. Certainly no countries are willing to take in millions of refugees.

According to the United Nations High Commission on Refugees, "Legitimate Refugees should be resettled, but those merely in search of better economic opportunities should be returned [forcibly if necessary] to their country of origin." For our typical Hong Kong or South African reader, to be classified by the United Nations as a true refugee is harder than getting a triple PhD from Oxford, Harvard and the Ecole Polytechnique in Paris.

Accordingly, we are going to suggest other alternatives:

In the decade preceding the summer of 1989, the general consensus was that when Hong Kong reverted to mainland Chinese rule, they would be left alone to pursue their economic interests. It was felt that the communists needed Hong Kong as a thriving citadel of economic freedom and outlet for their goods. Hong Kong served China well as a source of investment capital and new technology. But this theory came unglued when the democratic movement in China's Tiananmen Square was suppressed by turning a bunch of non-violent, starry-eyed idealists into hamburgers. Fire hoses could have dispersed the students, but machine guns were used instead. Thousands were needlessly murdered. China's political leadership ignored world opinion, as leaders in unfree countries always do. The people of Hong Kong who wanted to believe otherwise were given a preview of the reality of the kind of brute force that might soon be unleashed in Hong Kong.

The truth is that politicians in general and all dictators (communist leaders in particular) never need anyone nor anything, except power. Again and again, once relatively prosperous countries like Czechoslovakia, Argentina, Syria, The Ukraine, Burma and the Marxist states of Africa have been propelled into an economic tailspin by a Marxist ruling class. Productive people were murdered in genocidal campaigns. It is only now that free market economies have begun to emerge in these countries that the possibility for improvement exists. It is also only now that the world can see how unbalanced the economic activities of these countries actually were. Leaders and bureaucrats can always squeeze enough out of any population to live comfortably themselves. The good of the country never weighs much against the need of those in power to keep themselves in power. Any analysis that assumes rational economic behaviour on the part of politicians to benefit the masses is incorrect. Accordingly, people who love freedom and happen to live in Hong Kong desperately need a second passport! If people have the option to leave, they can restrain those who hold the power.

The ordinary Chinese individual quickly saw in the events of summer 1989 what he always suspected. The British government doesn't want more Chinese in England because there are, in its eyes, simply too many of them there already. Besides, it would be a politically unpopular move to allow Hong Kongese to over-run the small British Isles. The communist Chinese leaders would just as soon see their undisciplined brothers in Hong Kong made into sausages. The international community offers no help. Individual Chinese and South Africans who could pay a stiff price for a second passport will be able to obtain freedom. As to the rest . . . well who knows!

The bottom line is, was and always will be that in an unfair world, we are all on our own.

Many governments have said in effect "any individual or family who has money can buy their way in". Canada took in the largest wads of cash with their investor programs. But Canada imposed a lot of uncomfortable restrictions (see section on Canada). Some of the richest, smartest and most mobile people took the indirect route of buying property and establishing themselves as PTs in other countries. Then, once living in any new country, they looked around until they found the right opening elsewhere. Normally, the ownership of property and/or a business, even in a crowded country like Italy, Germany or France puts one in the position to make the right contacts and gain sponsorship by local people of influence. Eventually the citizenship paperwork falls into place, if you have a goal and some spare cash.

What is our suggestion for the typical middle-class family? If cash resources exist there are several programs where you can obtain a fairly decent passport for travel without the need to live in the country, to pay any taxes there or to have a country that feels it owns you.

There are many plans for citizens desiring second passports. These exist in a number of countries of Central and South America. These programs are described elsewhere in this book. These deals all cost less than the rather sizable investments required by the major respectable countries. Most of the consulates in Hong Kong have at one time sold legitimate passports. Brazil, Paraguay, Portugal, Venezuela and even Tonga were selling provisional non-citizen travel documents in Hong Kong from \$15,000 to \$80,000. Their fountains gushed with these expensive little booklets. The supply and prices went up and sometimes even down with arbitrary fluctuations. The flow of documents was sometimes cut off abruptly and now the activities of these consulates have, for the most part, become more closely supervised.

As to investment programs, besides Canada, Singapore has had a deal for many years which gives residence and citizenship only to those Hong Kong Chinese or Asians who invest US \$500,000 or more in a new Singapore business. See our section on Singapore for current information.

Yes, we agree it is a shame money talks and poor folks walk. In World War II, Hitler for a time allowed any Jewish individual who had bribe money to emigrate. Poorer Jews could and did often smuggle themselves out of Germany or get out on nerve and wits. But 90 per cent of the Jews could not or would not leave. They were simply not accepted by other countries or were forcibly repatriated to certain death, as when Switzerland forced many of them out of their country at gunpoint. Hitler solved the "Jewish Problem" with death camps and genocide. The Chinese communists have a track record for doing the same thing in Tibet. Black people, Asians as well as Europeans are all pretty good at murdering each other. How to escape?

The conventional approach is to have a second home abroad and money offshore. We all need somewhere definite to go in the event of trouble. There is nothing wrong with this approach except perhaps that with only one passage or one plan, it is inflexible. If that one

door is stuck, you may be stuck when the poison gas or bombs roll in. The PT plan we have perfected is to have several escape routes and several sets of travel documents.

Our reports *PT* and *The Personal Privacy Report* take a long hard look at the problem of how to stay out from under the thumbs of those leftist bureaucrats of the United Nations (and their constituents) and political lunatics in general. The PT - *Permanent Tourist* - answer is mainly having several passports, some assets strategically placed abroad and being comfortable with no fixed place of residence or stationary business.

The PT arrangement (given in outline form at the back of this book) works fine for anyone who has a portable occupation or enough capital to be able to trade and live on the profits. What is a portable occupation? Any job that does not require regular hours spent at a fixed location. For instance: promoter, builder, sportsman, private teacher, writer, actor, musician, boat owner, metals trader, currency broker, importer, exporter, computer programmer, consultant, stockbroker - all of these and people with about 6000 other job classifications could survive anywhere. Because they are not "permanently resident" people with stationary jobs or assets.

PTs are considered tourists by the country where they live. As a result, certain unpleasant obligations like military service and paying taxes can be reduced or avoided. Obviously, if one owns only one local restaurant, it is difficult to be a complete PT. Although with several restaurants in different countries, many PT-style advantages can be obtained. Transfer pricing can shift your company's profits to a no tax or low tax country from a high tax jurisdiction. There are always travel and freedom advantages in having several nationalities and multinational businesses.

If I were a resident of Hong Kong or South Africa with a prosperous business or professional practice that I wanted to hold on to as long as possible, my personal program would be to start out by obtaining a legal instant passport at once. If next month there was a major unexpected event in my personal life, or in politics, I would immediately be able to get out and have somewhere to go without being at the mercy of some bureaucrat who could delay or withhold my visa.

I'd start a second small business abroad and possibly rent or purchase a modest home in a different country that appealed to me. The home and the new business would be in two different places. In each case, I'd have the legal right to go and live at either. I'd keep expanding my options by trying to get a respectable passport, perhaps from Canada or New Zealand or some EU country, knowing that the project could take several years.

As mentioned elsewhere in this book, I'd plan to have access to several target countries on the assumption that one or more of them might not work out. With five sets of travel documents, I'd begin to feel secure!

I would start immediately on the paperwork for immigration, applying from a country of residence rather than my home country. Why? Because consulates in Hong Kong or South

Africa have such a heavy backlog of applications that the odds of getting what is needed are much decreased when one starts at home with only one passport. The favored method of emigrating to a desirable country, as previously mentioned, is usually best accomplished by setting up a business abroad in that country and then petitioning the Immigration and Labor Department of the target country with documents to prove that your presence is essential to the business. Naturally, the business itself must be one that is considered desirable, or better yet, essential for the country involved.

A skilled professional, usually an immigration lawyer, can normally help you bypass most frustrations. He can circumvent or expedite the lengthy delays that hold up ordinary immigration applications. In corrupt countries where such things are necessary, he can also disburse gratuities effectively. In uncorrupt countries, like Canada, he can advise you against offering bribes and thus save you from having your application queried.

In other sections, I have spelled out how to make the right contacts. Normally, a countryman abroad who is a senior bank officer, or contacts you'll make at a commercial club (like Rotary or Lions) or people you'll encounter at your place of religion (in the target country) can steer you to someone. The best channels are those already used by one or more friends. This author always trusts only those lawyers or agents who will work on a mainly contingent fee. No delivery, no pay. Too many crooks will just take your money without providing genuine services.

We know many people in many countries and can sometimes make referrals to passport experts. We are not involved in the business ourselves, but will refer you to specialists that have, at least, not proved unreliable in such matters. If you have been helped by a particularly effective lawyer or otherwise, please let us know. We will then refer other clients to him based upon your good reports. It is our hope to help honest and deserving people get out from under the thumb of oppression and far away from those governments whose policies are life-threatening.

The Hong Kong situation, may work itself out in a peaceful way. But as we note in *PT*, the odds are in any country, at least three times in your life you will face a crisis where it would help (and possibly save your life or your money) if you had a place to hide your ass and your assets for a time. You may want to go off and distance yourself from any conflict while riots or violent revolutions are in progress. There may come a time when you'd like to disappear for a while until your spouse is no longer mad enough to sue you for divorce. It could be that the government or some personal acquaintance is out to destroy you for some good reason or just because of some mistake. There are many reasons to set up a *PT* style, alternate life support system for yourself and your family. There are just more obvious and immediate reasons if you live in Hong Kong or are a successful white person in South Africa. Survival is the name of the game. You are free to make more moves with several sets of travel documents, well placed assets abroad, diversified business interests and the ability to earn a living and fit in anywhere.

Read *PT* for further valuable information available from Expat World.

Warning to Hong Kong Chinese

It is "buyer beware" in the passport business. Few vendors offer legitimate products, but this does not stop gullible people from shelling out tens of thousands of dollars in application fees for worthless paper.

These days, Hong Kong is the happiest hunting ground for passport peddlers. The pre-1997 rush to leave the colony has triggered dozens of cases of emigration fraud, among them the invention of a brand new republic (see "Corterra" in our chapter on Oddball and Tax Haven Passports).

The Panamanian consul-general in Hong Kong, a nephew of General Manuel Noriega, the deposed Panamanian dictator was removed from office amid accusations that he was involved in a multi million dollar passport-for-sale business. It turned out that he had sold over 60,000 legitimate Panamanian passports at US \$8000 each. He collected some 500 million dollars in fees!

In another case, the Venezuelan consul-general was arrested during late 1990 in connection with an investigation into stolen or fake travel documents.

The Irish consul-general had to leave his London office in a 1989 sex-for-passport scandal involving several hundred nubile Asian beauties giving their "all" for a passport to the West.

Several Third World countries have become what amounts to participants in the rip off of Hong Kong citizens. Belize, Fiji, Tonga and even communist China itself have been selling passports. These are often non-resident passports, carrying numerous restrictions. These limitations become clear only after the money has changed hands. Passports on offer from Tonga, for instance, do not entitle their bearers to travel outside this tiny Pacific group of islands!

Another currently advertised scheme claims that a change in legislation on American Indian self determination is imminent in the United States. Red Indian chiefs, the Chinese are told, will soon have the power to grant American citizenship to investors in their reservations. Several Red Indians, approach "investors" and collect application fees. These con-men visit Hong Kong on a regular basis and are today collecting substantial sums for "pie in the sky".

*Comments, questions, additions and constructive criticism should be sent to:
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email: expatworld@pobox.com*

Part 8: Back Doors

Indirect Routes

In many instances you may not be successful in landing the first choice of passport you seek. This could occur for many reasons. To avoid being confronted with this situation you should actively explore alternatives. In some cases, an indirect approach may produce better results than the direct would.

Canada Has All the Benefits of the US Without the Hassles

As the US is regarded as the land of unprecedented economic opportunity for the entrepreneur, United States immigration normally requires representation by an expensive immigration lawyer. For nationals from most Third World countries, obtaining a US residence permit is next to impossible without an arranged marriage to a US citizen.

The US quota system allows greater numbers of people to come in from Europe than from Africa or Asia. The wait for Filipinos or Hong Kong Chinese lacking appropriate occupational or family preferences can last 20 years.

For the entrepreneur or the self-employed person who earns a living by making deals or running his own investments, it is inadvisable to become a US resident or citizen. High US taxes can be avoided by the simple expedient of becoming a Canadian. Remember, the US taxes its citizens on their worldwide income regardless of whether they are actually resident in or spend any time in the US itself.

A Canadian resident or citizen needs no visa for a stay of up to six months a year in the US, and it is considerably easier to get Canadian than US residence and citizenship. Some Canadians work by day in the US and sleep in Canada. In fact, 90 per cent of all Canadians live within commuting distance (ie 55 miles) of the US border!

Investment income from the US and capital gains are not totally tax-free for Canadians. However, Canadians can avoid some of their own country's taxes by spending less than six months a year in Canada, thereby becoming non-residents. A 15 per cent Canadian non-resident tax is automatically withheld at source from all income (even the smallest sum) earned by a nonresident. With a Canadian passport one can come and go anywhere in North or South America, visa-free and have all the benefits of US citizenship without the burdens of taxation or military service. Although universal military service is not currently required, the US has imposed military conscription on and off during its history. High taxes, the main drawback to US citizenship or residence, are avoided with a Canadian passport.

CASE HISTORY- THE 3 DAY PER WEEK BANKER

A well known Canadian millionaire investment banker generally worked in New York from Monday through Thursday. He spent the rest of his time on business travel or entertaining at his condo in Acapulco. He was careful to count the nights and never slept more than a total of 122 nights per annum in the US. (Note that as of 1987, the permissible nights per year has been reduced to 122). He entered and left the US at least once a week. Wary of nuclear war, he kept a substantial home and sheep ranch in New Zealand and left his New Zealand passport in a Swiss Bank custodial account. It could be sent to him by courier anywhere in the world within 24 hours. This combination of passports permitted him to get in and out of almost any country without a visa.

On an income of several million dollars a year, this banker pays no income taxes whatsoever! Yet he is a welcome non-resident foreign investor in the US and in Switzerland, where he keeps most of his personal money invested through nominee or agency accounts. He is a welcome vacationer and non-resident in Acapulco. He seldom visits his home in New Zealand, but is welcome to move there anytime.

Our non-hero has no wish to join any army or send his children into war on behalf of Mexico, the US or New Zealand. Is he a human multi-national we should emulate? If you think so, read *PT* (parts I and II) and *The Tax Exile Report* for further details on this sort of lifestyle.

The US via a Pacific Island Back Door

In past editions of this report we informed readers of the unique relationship between the US and Micronesia, the Marshall Islands and Palau. These are each small islands or groups of islands located in the Pacific. What made these islands of interest to the PT was that, unlike most other US possessions such as Guam, American Samoa and the Mariana Islands, these islands are not under US sovereignty. They are merely under US supervision, an arrangement which was originally established by the United Nations.

Hence, it seemed that with Micronesia, the Marshall Islands and Palau, one could find the best of both worlds. All of the rights to reside in, work and travel to and from the US on a passport that may as well have been a US passport, but none of the requirements and restrictions that generally come with US citizenship or residence. The most important of which was, of course, taxation on worldwide income. It seemed that with a passport from one of these semi-independent island nations, one would only have to pay tax on US source income, but yet could still enjoy the benefits offered by a US passport.

However, further investigation has shown that this loophole has been shut. Although citizenship in one of these Pacific Island nations will not render one liable for US taxes on worldwide income, it also will not allow one to gain entry to the US. Furthermore, passport programs in each of these countries are now dead, which is not surprising as even if passports were readily available, they would be only of limited value. Moral of story, save your money!

OTHER BACK DOORS TO THE US

Although not officially a loophole, those interested in obtaining US citizenship but not in spending the required five years of residence in the US proper may want to consider moving to a US colony, such as Puerto Rico. This Spanish speaking colony of the US issues a US passport to its citizens. Individuals who speak Spanish or come from a Spanish background may find it easier to fit into life here than in the continental US.

Switzerland via the Italian Back Door

Assume you want to live in Switzerland, enjoy the fresh mountain air, take advantage of efficient, confidential communication/banking and perhaps avail yourself of the fine recreational activities.

But you don't like the idea of paying large sums to a lawyer for a residence permit. Perhaps you can't pass Switzerland's stringent financial and background requirements. Maybe 12 years is too long for you to wait for a Swiss passport. There are also the matters of an annual two month military service for life and high Swiss income taxes. Can these be avoided?

The back door lies with a tiny enclave in the southern Swiss province of Ticino. Campione, as it is called, is just inside the Swiss border near Como, Italy. It doesn't even appear on major touring maps of the area. Legally, Campione is part of Italy.

Obtaining residence there is no more complicated than leasing or purchasing an apartment. With your lease or deed in hand you register in person at Como and get a Campione residence permit. The process is automatic and takes one to three days. In Italian, Campione has a double meaning: "champion" or "sample".

As a non-Italian Campione resident, you are not subject to most Italian taxes. Tax avoidance is a national pastime in Italy, meaning that the Italian officials are busy enough chasing their own citizens. They have yet to bother with resident foreigners, never mind those resident in a tiny enclave located entirely within Switzerland. Likewise, Switzerland does not tax non-Swiss residents of Campione, as it is not Swiss territory.

The beautiful part of this arrangement is that as this enclave is surrounded by Switzerland, you are now eligible for Swiss auto registration license plates (Canton of Ticino) and a Swiss driving license. You may enter and depart Switzerland at will and may also make full use of Swiss banks, postal services and telephones serving Campione. Your postal address is Swiss, and you are listed in the Ticino (Swiss) phone books.

Ten years residence in Campione will get you an Italian passport, although reduced periods are possible. See the entry on Italy in Part V of this report. Because the Italians are very loose about such things, no one really checks or cares how much or little time you actually spend in Campione. About once a year there is supposed to be a mandatory police

check to see that the apartment or house you are registered at is in fact properly furnished and not regularly occupied by somebody else.

This annual residential verification was imposed recently after a Swiss newspaper expose showed that two dozen German multi-millionaires were allegedly residing full-time in one tiny damp unfurnished Campione basement. The reality was that the German industrialists who never saw their "home" were operating major Swiss headquartered businesses from a Campione post office box on a tax-free basis while actually living in their usual homes in Germany.

Switzerland, which usually calls the shots on such things, made it clear that only legitimate residences occupied by no more than one resident and his family would be allowed in the future.

With about 1200 homes or apartments in Campione, the back door to Switzerland is still open. But the cheapest apartment now costs close to US \$650 per month to rent. For purchase, the cheapest Campione condo apartment is about US \$135,000. Mail forwarding and telephone answering is still about US \$100 per month, but you can no longer get a Campione resident's card on that basis alone. You must now have proof of a real home or apartment.

For the benefits of Swiss residence without the burdens of taxes or military service, consider Campione. Your Italian passport is a free bonus. We have an extensive special report, *The Campione Report*. If you are interested in obtaining it, please write to EXPAT WORLD, Box 1341, Raffles City, Singapore 911745.

The European Union via South or Central America

Suppose you want to obtain the valuable right to live, work or run a business in the European Union. You could go there directly and apply for residence in one of the various countries, meaning that unless you qualify for either immediate citizenship or a reduced period of residence due to marriage or your ancestry, you would not become an EU citizen for anywhere from five to ten years.

Another option, which can greatly reduce this waiting period, is to approach the EU via a back door. Two countries offer such an option, Spain and Portugal.

Spain will give citizenship in two years to those of Spanish blood or people who are descended from Sephardic Jews. Spanish blood is normally taken for granted whenever an applicant is a citizen of a former Spanish colony, meaning most of Central and South America, or has a Spanish surname and speaks Spanish. There is also a special treaty with Honduras and Guatemala which further reduces this residency period to just one year. Normally, one must endure ten full years on a Costa beach before becoming Spanish.

The obvious fast back door to Spain and the EU is the acquisition of instant citizenship available for a price from many Central and South American countries. A little snooping goes a long way in this part of the world. This is followed by the acquisition of a house or apartment in Spain and a Spanish residence permit. After a reduced period of residence, you can apply for a Spanish passport. Obviously, learning Spanish somewhere along the line is desirable. This is a valid back door for the time being, however, in the passport world things change quickly, so act now while you still can.

The other option is of the religious sort. To become a Sephardic Jew is not difficult, but will take a little time and requires that you join a Sephardic congregation. This works much like the standard path to Israeli citizenship, which requires that you spend approximately one year in Israel. See the section on Israel in Part V of this report. To later obtain Spanish nationality, you must also prove a Spanish connection. Sephardic Jews speak a language known as Ladino, a sort of Spanish written with Hebrew letters.

Portugal also offers special considerations to members of its former colonies. Brazilian citizens qualify for Portuguese nationality after only three years of official residence, furthermore no visa is required to enter or take up residence in Portugal. Citizens of former Indian colonies (Goa, Daman and Diu), Timor (a former Indonesian colony) and former African colonies (Cape Verde, Guinea-Bissau, Angola, Mozambique and Sao Tome and Principe) may also qualify for Portuguese citizenship. See "Other Ways of Becoming Portuguese" in the entry on Portugal in Part V of this report for more detailed information.

All European Union countries, including Spain and Portugal, issue the new maroon colored EU passport. Qualify for one and you can live and work in any EU country.

Back Doors to Australia or New Zealand

If you felt that Australia was your land of opportunity, but were turned down for immigration, you need not give up. Use the back door. Just as there is a great open border between the US and Canada, there is a similar open border between Australia and New Zealand. An Australian or New Zealander citizen can go back and forth between these countries. They can work or get welfare benefits without visas, impediments or delay.

Once issued, passports of Australia and New Zealand are for all practical purposes interchangeable.

In April 1995 the Australian business migration program was extended to attract more investors to the country. Individuals with business or investment experience can now find their way into the country when they commit funds of between A \$750,000 and \$2 million in designated government securities for a minimum of three years. Meanwhile, New Zealand is revising its immigration points system towards the end of 1995. Until then, an investment of NZ \$500,000 (US \$270,000) in a commercial venture in the country could

be enough for an applicant to obtain residence. See the Australia and New Zealand sections in Part V of this Report for further details.

The Commonwealth

When the British Empire disintegrated after World War II, most former colonies became members of a group of nations called The Commonwealth. For English-speaking passport seekers the Commonwealth has a special significance since any Commonwealth passport usually creates a preference on behalf of its holder and thus constitutes a back door for other Commonwealth passports or residence permits.

1. All English-speaking nations are members with the exception of Ireland, the US and former US colonies, ie the Philippines, US Pacific Trust territories and the US Virgin Islands.
2. The Common Law (British) is dominant. This means that usually citizenship is obtained by either birth in the country, by descent from parents or after a one to five year residence period. The residence period is usually shorter for Commonwealth citizens than for others. The UK itself, in a racially discriminatory new rule, limits birthright under a "grandfather clause" designed to deny citizenship to some blacks, Asians and non Europeans.
3. Immigration and trade barriers between Commonwealth countries are generally eliminated or reduced in a common market arrangement. No visa is usually needed for touristic or short business visits within the Commonwealth.
4. One quarter of the world's population lives in the Commonwealth. Virtually all races, religions and languages are substantially represented. One would have no trouble fitting in.

The return of South Africa to the Commonwealth on June 1, 1994, 33 years after its membership had lapsed, brought the total number of Commonwealth members to 51, with populations ranging in size from a few thousand people to several hundred million and a total confined population of around 1 5 trillion

Thirty members are republics and sixteen are monarchies under the British Queen Elizabeth II who is represented in each by a Governor General. In addition, five members (Brunei Darussalam,

Lesotho, Malaysia, Swaziland and Tonga) have national monarchs.

The following is a complete list of Commonwealth members and the years they joined.

Antigua and Barbuda	1981	New Zealand	1931
Australia	1931	Nigeria	1960
Bahamas	1973	Pakistan	1947 (Left 1972

Bangladesh	1972		Rejoined 1989)
Barbados	1966	Papua New Guinea	1975
Belize	1981	St Kitts and Nevis	1983
Botswana	1966	St Lucia	1979
Britain	N/A	St Vincent & the	1979
Brunei Darussalam	1984	Grenadines	
Canada	1931	Seychelles	1976
Cyprus	1961	Sierra Leone	1961
Dominica	1978	Singapore	1965
The Gambia	1965	Solomon Islands	1978
Ghana	1957	South Africa	1931 (Left 1961
Grenada	1974		Rejoined 1994)
Guyana	1966	Sri Lanka	1948
India	1947	Swaziland	1968
Jamaica	1962	Tanzania	1961
Kenya	1963	Tonga	1970
Kiribati	1979	Trinidad &	1962
Lesotho	1966	Tobago	
Malawi	1964	Tuvalu	1978
Malaysia	1957	Uganda	1962
Maldives	1982	Vanuatu	1980
Malta	1964	Western Samoa	1970
Mauritius	1968	Zambia	1964
Namibia	1990	Zimbabwe	1980
Nauru	1968		

The Commonwealth has no formal charter but prospective members are expected to accept and commit themselves to the Commonwealth's core values and principles as set out in the Harare Commonwealth Declaration of 1991.

Back Door to Brazil

Brazil reportedly grants passports to those who make the effort to find a politically well connected lawyer and pay him about US \$35,000. The prices we have heard quoted range from \$3000 to \$100,000. Because a special relationship exists between Brazil and Portugal, the passports of either country are good for travel or residence permits in the other. After a short period, "equality status" can be granted. Thus one citizenship is a back door to the other.

The Commonwealth is made up of 49 member countries, ranging in population from India's several hundred million to the few thousand of Nauru and Tuvalu.

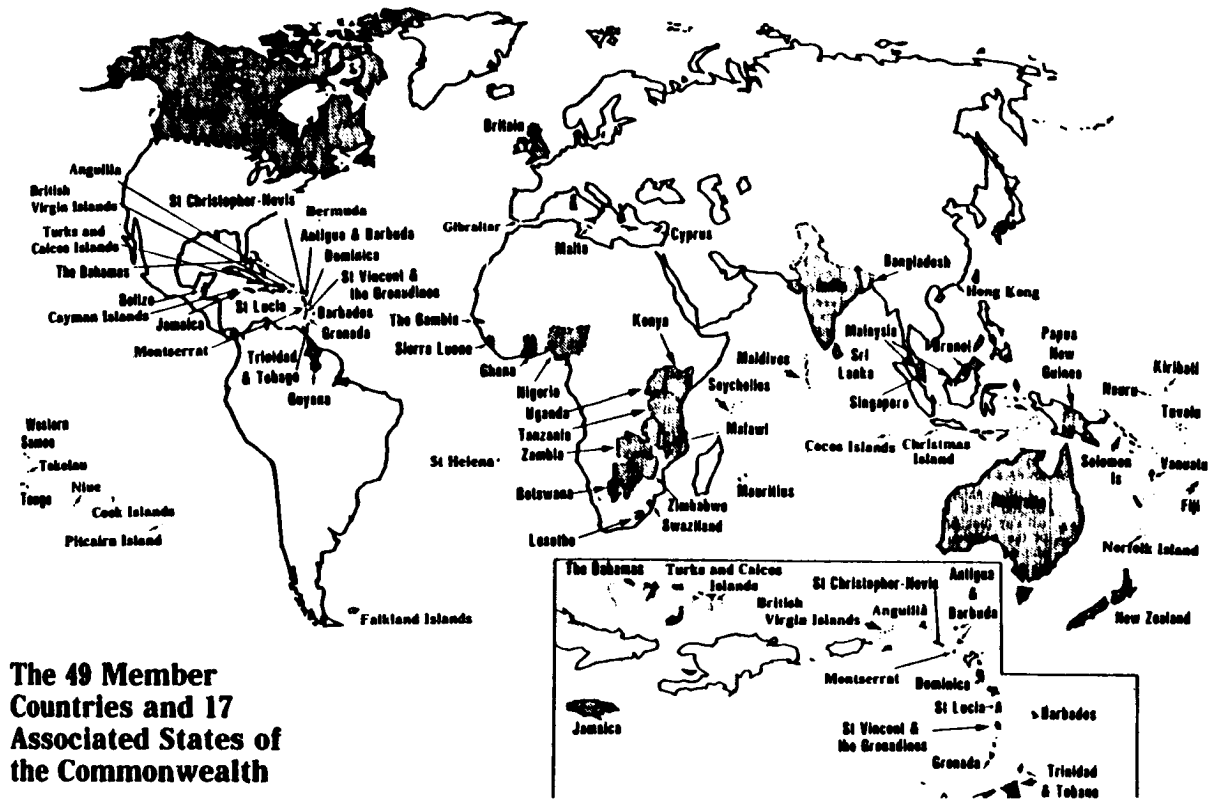
They include people of many different cultures, languages and religions all over the world.

The newest member of Brunei Darussalam, which joined the association three years ago. Fiji dropped out in 1987.

Of the present 49 members, 26 are republics and 18, including New Zealand, are monarchies with Queen Elizabeth as their Head of State. Five members have their own monarch. However, Queen Elizabeth is recognized as the Head of the Commonwealth.

The Commonwealth also includes several associated states, such as the Cook Islands.

THE 49 MEMBER COUNTRIES AND 17 ASSOCIATED STATES OF THE COMMONWEALTH



A special Brazilian rule is that the father of a Brazilian child may never be extradited at the request of another country. Even accused murderers will not be deported. Instead, they will be granted a Brazilian passport after the normal five year residence period if they demonstrate good local behaviour.

It is not necessary to be married to your young Brazilian's mother. There are many nubile young ladies in Brazil who eagerly seek to have a child sired and supported by a wealthy

foreigner. If you desire a family and wish to obtain a Brazilian/Portuguese passport, fathering a Brazilian baby offers one interesting possibility for those who fear extradition. For all others, just go there. Hire a lawyer and you should be able to become a citizen in a year or two for very small change.

No need for divorce either, just an understanding wife who doesn't mind you having a Brazilian girlfriend or perhaps a wife who'd like to have her next child in Brazil. Anyone born in Brazil becomes a Brazilian at birth. Your own citizenship problems are solved. You don't receive citizenship because of your baby, you only get the right to stay in Brazil and support your child. If you behave yourself for five years you will receive a passport.

If having a child doesn't appeal to you, we have heard from a Brazilian lawyer who says that special arrangements and other creative approaches are possible. If you go there and snoop, we'd estimate that within six months you'd have a dynamite girlfriend (or boyfriend) and a passport without much expense.

De Facto Netherlands

A unique back door to this EU country is having a "serious relationship" with a Dutch citizen. This relationship should involve living together and it does not matter if it is heterosexual, homosexual, lesbian or even between an informally adopted child and parent. The Netherlands is also quite liberal about giving asylum to anyone claiming religious or other persecution and is one of the less difficult places to get a work permit in Europe, assuming that you have a job offer or are self-employed. Five years of legal residence qualifies one for citizenship and passport.

Other countries willing to grant residence to homosexual partners are Australia, Denmark and New Zealand. See the entries on them in Part V of this Report.

Reduced Periods of Residence

Most countries are willing to reduce the amount of time they expect one to spend within its borders before granting citizenship. What exactly constitutes an exceptional case which would justify doing so varies depending on where you are. In Africa and South America, it generally means a payment (ie bribe) that reaches the right person. In more developed countries, it means either a huge investment in the country's economy or your presence and support as an internationally renowned Nobel prize winning author or something of the sort. Marriage to a citizen of the target country is also often the basis of a reduced period of residence, not to mention far more accessible to us mere mortals.

GRENADA

This island in the Caribbean has specifically included a clause for exceptional circumstances which would reduce the required residence to just one year. Such a situation must be brought to the attention of and decided by the responsible minister. It is

widely assumed that an exceptional circumstance can be created for something along the lines of US \$10,000.

MEXICO

A little more than just marriage to a native is expected to reduce the five year requirement to just two years. You are also required to produce little Mexicans.

NEW ZEALAND

The three year normal requirement can be reduced to just one according to Section 8-4 of the Citizenship Act. To qualify, the applicant must prove that the three year waiting period would cause particular hardship. What exactly constitutes particular hardship, one can only imagine.

Another way of obtaining preferential privileges when visiting a foreign country is to enrol beforehand as a part-time student. Studying the native language of the country is often the best place to start. A visit to either the consulate of the country or perhaps even a local library should provide a long list of such language schools. As an official student, you can usually stay longer, more easily qualify for residence and can also often obtain plates for your car and the like.

Find Your Personal Loophole and Tell Us!

While marriage appears to be the most common way to change nationality, we found that each country has many particular quirks. Some countries allow immediate nationality through marriage, others require that one remains married for a certain number of years and still others require a certain period of actual residence. As we continue our research and inquiries, this report will continually be updated to reflect our latest findings.

As a rule, traveling to the target country and talking to local lawyers will be your best source of information. Contacting a consular official or people from the target country in your own area is second best. But be warned that many consular officials are actually citizens of the country where they are working. It is a known fact that these employees often serve two masters by passing along information gained in the service of their employer to the authorities of their own country.

Some consuls are helpful (British usually), others will always say "no" (Americans usually).

If you learn something useful, or make an interesting contact for getting a fast passport, by all means send it along to the editor. If we publish or use your idea, we will be happy to send you one of our publications or the next edition of this report, gratis. Don't worry, we won't publish your name! Tell us what report you would like and we will send it to you.

A reader desperate to change citizenship got his new European Union passport and work permit because of a personal loophole. Let's say he was South African. He wasn't, but he did have a passport that was burdensome. His ancestry was of no help. His present wife and children all had the same passport that he did. At a personal conference we discussed his language abilities only because a working knowledge of Hebrew, Portuguese or Turkish could lead to a fast passport.

Even a knowledge of German could shorten the residence waiting period. But he had none of these, no children born abroad and no languages other than English. I asked for his life story, looking for any connections that might help. It turned out that one of his four ex-wives had been a citizen of a country in Europe, that (like many these days) recently changed its laws to permit husbands to get instant passports of the wife's home country. The problem was: 1) He had never lived in the country and 2) More significantly, he had been divorced for 15 years! As every good lawyer would suggest, I urged him to write this letter (saying nothing untrue) to the consulate of (let's say) Italy.

"Dear Consul General,

I am enclosing a certified photocopy of my South African passport, my birth certificate and my marriage certificate to 'Maria Montessori'. You will note from the marriage certificate, that at the time of our marriage 20 years ago, she was a citizen of your country. If on the basis of this marriage I am able to acquire citizenship, please send me the appropriate application forms and further instructions.

Yours hopefully, A. Citizen"

The Consul General wrote back:

"Our law, like that of other EU countries, now allows spouses of either sex to acquire dual nationality as a result of their marriage. If the parties live together in our country, the non-citizen spouse can get citizenship immediately, although the processing can take up to six months. If the non citizen spouse lives abroad, we (currently) require the marriage to last three years before issuing a passport. The enclosed application forms plus required photographs and the nominal fees and stamp duties should be submitted to the Consulate closest to your present residence. Sincerely:

A Very Nice Consul General"

Our client sent in his photographs etc and received his passport three weeks later! Just to satisfy our curiosity, your author went to a different consulate pretending to be in the same situation, but this time mentioned that after five years of marriage we were divorced. Though I didn't get a definitive answer, the consular officer said that the law didn't say anything about divorces and if I had been married for over three years, I could probably get a passport. In view of the unusual circumstance, however, he would have to go to higher-ups for a second opinion. Based upon past experience, I might wait ten years for an

answer. He suggested I go to another consulate and not mention the divorce since he felt duty bound to get the higher ruling. What's the moral of this story? If I have to spell it out for you, you'd better get some expert advice before proceeding on any quasi-legal matter. Saying too much could thwart your objectives. Explore possibilities on the phone anonymously before you commit yourself on paper! Once you have been denied citizenship or a passport there is a record on the computer that will haunt any later application. Get it right the first time! Hiring an expert to assist you is a lot cheaper than a denial followed by a lengthy appeal process.

Part 9: The Nuts & Bolts

Passport Price Guide

STRATOSPHERIC - US \$1,000,000 and up: Ireland, Liechtenstein, Monaco, Switzerland.

HIGH - US \$100,000 and up: Austria, Australia, Belgium, Canada, Italy, Jamaica, Mauritius, New Zealand, St. Kitts & Nevis, Singapore.

MODERATE - US \$20,000 to \$100,000: Argentina, Bolivia, Brazil, Cape Verde, Costa Rica, Ecuador, El Salvador, Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, Portugal, Uruguay. Most Central American and South American countries are in this price range.

LOWEST - US \$500 to \$15,000: Most Black African countries and the poorest Asian countries. FREE With qualifying ethnic background or religion: Brazil, China, Germany, Ireland Israel, Italy, Lebanon, Portugal, Spain, Taiwan, Thailand, Turkey, UK, US.

NOTE: This list has been prepared from reliable information and is intended only as a guide for those considering new citizenship. We do not offer any passports for sale, but have published names and details of firms, lawyers, attorneys and government representatives authorized to issue passports in this Report.

This list refers to legally issued passports only.

The author and publisher strongly recommend against using stolen, forged or fraudulently obtained documents.

Should You Hire a Lawyer or Agent?

Do you need a lawyer or other representative to obtain a passport? It depends. It is preferable to deal directly with consular officials or government representatives. From an economic point of view you eliminate the middleman. With one less person to pay, your costs will generally be less.

Another reason to deal directly with your source ie the government representative is to avoid being defrauded. Unfortunately the passport business is loaded with swindlers, some of them claiming to be lawyers. They will gladly take your money and if you manage to find them again, they will profusely offer excuses and then promptly disappear again. That is why we recommend using escrow agents (see the following section) and only competent reliable agencies. You may obtain our recommendations of those who can assist you in acquiring a second passport upon request to EXPAT WORLD. Do beware the crooks who habitually run sucker ads in certain international newspapers or magazines. Please tell

us good or bad experiences you have had with them. Send us your own tearful story or happy ending, and we will give you some useful information in return.

Escrow Agents

What is an escrow agent? Losses may be avoided by making a fee deposit with a trusted third party such as a bank, law firm, solicitor or other escrow agent. This third party holds your money, usually in the form of a certified check payable to them. The escrow agent will receive your passport (or whatever) from the source and will then permit you to inspect it.

Upon your full satisfaction that a genuine passport or other document desired has been delivered, the escrow agent pays your cash to the procurer and simultaneously delivers the passport to you.

The escrow agent also retains a small fee for his services. Escrow fees are one to ten per cent of the transaction value.

Beware of Advance Fees

Cut-rate lawyers who advertise and other unqualified agents often ask for a fee up front for expenses such as a background check on you. Chances are you will neither see your money again nor receive the benefit of any services you paid to obtain.

Sometimes an advance fee is warranted and necessary to pay for an investigation of you, the client. Most agents prefer not to represent unrecommended strangers. Should you turn out to be an infamous fugitive, terrorist, murderer or major dope dealer, most government officials (even corrupt ones) will not knowingly issue a passport - except perhaps, we must cynically observe, at a much higher price. Our experience has been that legitimate operators who can help you get a second nationality and passport are well backed financially. Whenever large sums are involved, and you are willing to place them in escrow, expense advances are seldom required. Middlemen who stay in the field want clean business, and only fly-by-night operators will cater to lunatic fringe or underworld figures.

Caveat emptor (Let the buyer beware) is a fundamental expression in Anglo-Saxon law. This principle applies without exception in dealing with passports. Don't pay any fees (except into an escrow account) until you have the genuine documents in hand, or unless you are extremely satisfied with the bona-fides of the firm you are dealing with.

How to Deal With Agents or Lawyers

When applying for immigration as an Entrepreneur or Investor, you will probably deal with the government through an agent or attorney who specializes in such matters. You

should use those recommended by reliable sources who have a clearly established practice. Retainers and advance fees are the *rule* rather than the exception in this situation.

When using a specialist you are paying for professional services on your behalf. There will be no guarantee of a favorable decision. Fees are due for time spent representing you, win or lose! Generally this is money well spent.

You may draft your own business proposals. If there are doubts or gray areas, your odds will be far better if you obtain professional help from a lawyer or consultant. These specialists will know what bureaucrats require and what peculiar emphasis may be in vogue at the moment. You are unlikely to have access to such information. This would be particularly true in Austria, Australia and the US.

Finally, it frequently happens that lawyers or agencies have special relationships with passport authorities and diplomats. Some agents have legitimate and often exclusive authority to handle passport transactions on behalf of their clients. If you can assure yourself that everything is legitimate and that you won't risk your money, you may choose to pay a reasonable advance or make a deposit with such an agent.

Because of the confidential nature of the passport business, satisfied customer references are rarely available. Bank and professional references for agents can be supplied. They should be checked very carefully.

Perhaps the agent you are considering will be willing to have a satisfied client make contact with you. This could be a scamming confederate, however. Thus, prudent business practices are advised before you part with any money. An escrow arrangement or contingent fee is the least risky course to take - when acceptable to both you and the passport agent. As mentioned, we are familiar with the few reliable people in the business, as well as most of the crooks. We don't supply lists of crooks any more as they seem to be the litigation prone type and, as all good PTs, we have no desire to spend any unnecessary time in a court defending ourselves.

There are certain rules in getting citizenship. The governments of most countries try to keep these rules a secret. Why? So that applicants will not invariably be able to give all the "right" answers on the government questionnaires. Thus, in our opinion, it is best to hire an expert - perhaps a former or retired immigration officer to help you with your application. You must get your application right the first time. Normally, once an application for citizenship has been refused, it is almost impossible to get such an adverse administrative decision reversed.

Do make an effort to seek out a reliable immigration specialist who knows the ropes in the country of your choice. There may be ways to circumvent tough immigration rules. Many countries have reciprocity deals with other countries, which offer a back door. For example, persons who are citizens of some former colonies or overseas possessions of European countries often have the "right of abode" or similar rights in Europe. The rules

are complex, but play your cards right and you will usually win the prized passport that you seek!

Please drop us a line and let us know of good or bad experiences you have with lawyers and immigration specialists.

Bureaucrats Always Seek Political Self Protection

The subject of passports is a delicate matter that can embarrass politicians. During the administration of US President Richard Nixon, there was an allegation that his financial supporters received diplomatic passports, presidential pardons and other favors. Such benefits and political spoils are distributed to patrons in all countries, but if notorious felons are discovered to be on the receiving end of passports authorized from high places, problems arise. Princes, palaces, presidents and politicians can tumble.

Neither governments nor bureaucratic public officials like the heat which can be generated by journalists and others who disclose illicit passport arrangements. This subject is especially sensitive when passport corruption transforms a few highly publicized undesirables into the country's newest citizens.

Once the word is out that underworld characters are traveling on a certain nation's passport, the credibility of that document is hurt for all, including the innocent, who come later.

For these reasons, you may be required to show any lawyer you hire a certification of your own good conduct or to pay for a background check. This may not fully protect agents and countries against your possible passport fraud, but a police certification of your good character does protect the passport officials from accusations of knowingly giving passports to criminals.

Get your "Good Conduct Certificate" today. You may need it. If you run into trouble next month or next year, you might not get this document so easily. Just go to your local police and ask for a letter stating that you have no criminal record. Normally you get it instantly and free of charge, with the notable exception of the UK where such documents are never issued.

How to Get the Documents Needed to Support a Passport Application

If your source for a passport is unofficial and informal, the only things you will need are photographs and a bag of cash. Your passport may be ordered with any name, date of birth or any other particulars you choose. No other documentation is sought or desired. It is best if your suppliers never know your true identity. We do not encourage this, but cannot pretend that it does not go on. On the other hand working through normal, formal channels you may encounter demands for some document you have never heard of. The documents to be discussed in this section are the only ones normally sought by official

passport inspectors. If you are asked to produce your kindergarten academic transcript, you are probably being solicited for a gratuity. Your proper response would be along the lines, "It would be quite difficult for me to get that document. I wonder if \$100 would cover the cost of your handling it for me?" You are likely to receive one of three responses:

1. *Acceptance* - The official will waive the requirement or claim to be able to settle it with his superiors.
2. *Indignation* - Apologize ! Explain that you thought the official could obtain the document or a waiver from another government source at your expense. "I didn't intend any offense, good sir."
3. *Hesitation* - Probably because the official expected a much higher gratuity. Ask if more money is required. If the higher price is acceptable, pay it. Is this illegal? The plain truth is that in most countries, underpaid public officials expect gratuities. Your personal objections to this way of life won't improve things one iota and may well cause you serious harm in the long run. On the positive side, a moderate surcharge is a small price to pay for expedited service or other special considerations.

Your Present Passport

In many cases you will be asked to surrender your present passport for cancellation. The official policy of most countries is to allow citizens to hold and travel on only one passport, even if dual citizenship is permitted. The common way to keep your old passport is to "lose" it before applying for your new one. Then you turn in the lost passport for cancellation. We can't recommend this procedure because it is fraudulent.

If your new country does not report that you have obtained new citizenship and a new passport, you may also replace a surrendered passport from your "old" country at a future time. Check with the consulates concerned.

Most countries do not report. All will tell you their policy, if you ask.

Birth Certificate

Legitimate birth certificates are easy to obtain. They are issued by the Bureau of Vital Statistics, Registrar of Public Records or equivalent upon request. A nominal fee is charged. In order to obtain a copy, it is usually necessary to provide only your name, birthplace, birthdate the names of your parents.

Delayed birth certificates may be issued in cases where a child who was born at home was never officially registered. Affidavits from relatives or friends may be required. This method also prevails if the place where original records were maintained was destroyed for some reason. Church or religious records are often used, particularly in Roman Catholic areas such as France, Quebec (Canada), Louisiana (US), Spain and Ireland.

In general, the use of false or forged birth certificates to get a passport is a bad idea. Passport offices often verify public records. This takes them but a few minutes via phone or telex.

Clean Police Record

To obtain this document, simply request it from the police of your present country (of citizenship) or from the country of your last or present residence. Nations who are members of Interpol will check your name and birthdate through that organization, thus opening the possibility that foreign crimes will be discovered. They have only the information you supply to go on.

The mechanism used to initiate the investigation is your personal history statement. Sometimes a fingerprint card is requested. If you have a problem, or don't want your fingerprints on file, there are some alternatives. One is to apply by mail for your "Good Conduct Certificate". More often than not, you will get one back as a routine reply.

If a criminal record is involved in your past, indirect inquiry should be made with the new country to ascertain if your particular crime would be a bar to obtaining a passport. In many cases, political crimes against unpopular and toppled regimes would not be a problem. Tax and currency violations are almost universally ignored outside the country of offense.

Drug offenses are ignored by some countries like the Netherlands (Holland) and considered grievous felonies by others. Likewise for sexual matters. Homosexuals and communists may not become citizens in the US. Most free countries do not inquire about sexual preferences or past political affiliations.

If there is a problem, it is best to initiate your passport quest by moving initially to a country that is not concerned about your past or does not consider your past offenses to be a fatal flaw. There, a police certificate can be obtained and used in your next move. It should also be noted that any person with access to a sheet of any police department stationery can produce a letter saying he or she is a good citizen. Like letters of recommendation, they are in reality, quite meaningless since even the worst criminals can get them.

Medical Certificates

Most immigrants are required to produce medical certificates at some point in the process. Properly endorsed United Nations World Health Organization (WHO) certificates almost always suffice. WHO certificates include your blood type and immunization records along with notations of allergies and chronic conditions. These days an AIDS blood test is starting to be commonly required of potential immigrants.

Perfunctory medical examinations and WHO certificates are available almost anywhere in the world. After getting the medical forms from your target country you make an appointment with any doctor for the required examination. Most doctors charge a minimum fee and pay minimal attention to you, as you are whisked through the process. So long as you do not reveal any medical condition when making your medical history statement, problems without strong external symptoms may go undetected. No blood tests, urine samples or X-rays are usually taken. If you don't appear to be ready to expire, you'll pass. Don't worry about the medical examination requirement unless you really do have a serious communicable disease.

Financial Statements

If you seek admission under an entrepreneurial or investor category, you will be required to produce some evidence of having the specified amount of unencumbered capital. If you have the money, there is no problem. Your banker will be more than willing to provide required documentation.

In almost all cases, requisite capital will have to be transferred to your new country at some point in the process. A country that requires an investment for citizenship will not accept mere good intentions.

The principal problem is that whenever you provide financial statements to any government, you have no way of controlling access to this sensitive information about you. There may be tax implications in your new or old country, to cite but one obvious ramification.

The preferred method in such cases is to isolate the minimum necessary funds in a totally separate account. The best choice would be to deposit the investment required in a bank with branches in your new country. When inquiries or disclosures are made, they are limited to revealing that you have no more money than you will eventually have to produce in any case. Having asset verification made or a letter of credit worthiness issued through a local bank usually sits better with the officials of your new country as well. It is always better to understate your assets than to brag.

Character Reference

This is a trivial requirement unless the government imposes restrictions on whom you may cite as a reference. In any event, if you cannot get glowing praise from several apparently prominent, qualified people, you need more drinking buddies than you now have.

Oath of Allegiance

Your new country will often require such an oath to be taken. It is up to you as to whether your conscience will permit this, but I presume that someone seeking a second passport will not become unduly patriotic before taking this final step in the passport process.

The principal problem with such oaths is that former countries often interpret your new allegiance as a renunciation of *their* citizenship. Some countries, such as South Africa, go so far as to regard this as an act of treason! One should ascertain whether the country in which you seek citizenship reports this fact to your previous country and whether your previous country cares what oaths you take.

One little known fact involving the reporting routine is that some countries, notably the US, maintain extensive intelligence networks in foreign countries. It is reasonable to assume that the activities of citizens having business with foreign immigration authorities might come under their surveillance. Whether formal government-to-government reporting exists, informal leaks to officials of your old country might occur, particularly if you are a citizen of the US.

Religious Certificate

Many countries require citizenship applicants to make statements of belief in a particular religion. Some require documentation in addition to your assertions on the subject. It is prudent to make specific inquiries regarding such requirements and the identity of religions which are both acceptable and unacceptable to your new country. If survival is a compelling need, you may have to join an "acceptable" church or temple or mosque in order to obtain the necessary religious certificate.

Permission of Spouse

This is a relatively common requirement whenever it appears that one parent may be absenting himself from a family group or is seeking to take a minor child with him. Other countries demand documentation and permission from non-emigrating spouses on the subjects of court-ordered custody and child support.

Solutions are straightforward. Be as honest as possible. If you are making a solo trip, an assertion that you were never married usually precludes demands for documentation proving spousal permission, divorce or widowhood. If you are taking your minor child with you, there are many interesting twists far beyond the scope of this report. For example, in most of the world, fathers get custody of male children in the event of divorce or separation. What may be regarded as illegal, such as a criminal kidnapping, under the laws of England would be a perfectly proper act in Jordan, Morocco or Brazil. Also see our reports *PT* and *The Personal Privacy Report* for extensive coverage of this subject.

Why You Should Use Couriers & Special Handling Services

Timing your passport applications to coincide with peak periods is important. Bureaucratic work expands to fill time available, so applications during slow periods can be subjected to extensive checking and verification. When applications pile up, the

approval process becomes automatic and the chances of sliding an otherwise questionable package through improve dramatically.

To improve your odds further, consider using the services of the largest travel agency in town. They will leniently perform the screening checks, allowing you to present information in a form that omits details which could otherwise spoil your chances if you were at the passport office yourself.

The answer as to why travel agents are so accommodating is obvious. If you purchase expensive travel and lodging accommodations through them, the agency stands to lose its commission if you subsequently cancel out. Not having a passport is a common reason for cancellation. Agencies will work hard to help you get a passport or visa. One important word of caution. Do not ever use a known mail drop or forwarding service as your address on a passport application. Countries which are concerned about the legitimacy of applications usually take the time to check your application address against lists of known mail drops. Even fully legitimate applications may be delayed or disapproved and law enforcement officers may seek you out if a known mail drop is used.

It may be best to establish a legitimate address, even if only a boarding house, for the few weeks covering the time of application to that of receipt. Leave a stamped, addressed envelope for the landlady to use in forwarding mail to you at your "field working site".

Should You Hire an Agency to get Your Visas?

In our opinion, the world should have no guarded borders, no passports and definitely no visa requirements. Getting entry and exit visas is an unnecessary impediment to travel.

For weary travelers, there is hope. Travel agencies and specialized visa services can often get you required passports and visa stamps, sometimes in a matter of hours. No need for you to stand in line at various embassies and consulates, wasting your precious time.

EXPAT WORLD can put you in touch with a reliable firm who can secure the visas you need. For most countries it is "same day processing". Seven working days are needed for embassies and consulates not represented in the United Kingdom. This firm provides a one-stop mail service to cover a comprehensive range of visas. Simply give them your itinerary and your passport and they will obtain all the visas you require. No charge for waiting time at embassies. There is the added convenience of having them check applications before submission to the embassy or passport office. For those in a rush, airport delivery (at extra cost) is available.

Is Anyone Looking For You?

Just in case you wondered about it, every country has a list of political activists, fugitives, parole violators, narcotics dealers, pending bankruptcy subjects etc that they look out for. Persons ordered not to leave the country and many other categories are on it. Normally

this list is computerized and contains the full name, known aliases, last known address, birthdate and a "rap" sheet of arrests and convictions. If there is a warrant out for your arrest, even for traffic tickets (or alimony non-payment), a passport application in the country where you are wanted is very likely to trigger a late night visit from the gendarmes. Outside of your home country, Interpol international files are certainly not concerned with traffic violators, tax offenders or non dangerous types. So if you didn't pay all your taxes, alimony or parking tickets, don't worry, nobody is looking for you on the international level.

World's greatest Passport Photographer

This splendiferous award goes to a little hole in the wall in London that provides the world's best service, fast delivery and cheap prices. They offer detailed knowledge of all the different color, background, size, shade and paper requirements for just about every single nation's passport and visa photos.

Passport Photo Service 449 Oxford Street

London W1

England

(Opposite Selfridge's main department store)

Your photographs will take only ten minutes to be developed but you can sneak across the road and enjoy a wonderful buffet at Selfridge's restaurant. At Passport Photo Service you'll see a full wall covered with photos of just about every celebrity in the English speaking world. They've all been to this dinky, second floor walk-up studio to get "shot". No appointment necessary!

For trivia fans, note that Sean Connery, Clark Gable, Patrice Lumumba and yours truly are all wearing the same tie! Passport Photo Service still has this 30 year old (now somewhat moth-eaten) tie as its standard prop for those who show up tieless! What a thrill to have your neck in the same noose that once adorned all these world famous celebrities.

Do you want to know what your author looks like? Just go to Passport Photo Service. Look for the picture of the handsome fat guy with the blue "prop" tie with gray checkerboard squares.

And if you, dear reader, stumble across another contender for the title of world's best - or even a runner up (in your home city) - please let us know. We shall list them in future editions of the *The Passport Report*.

A reader recommends **Studio Vista, 51 Grafton Street, Dublin, Ireland, tel (01) 677 8577**, and says they have photographic details for just about every passport, citizenship card and driving license in the world and are recommended by the various embassies in Dublin. They can usually have anything you need ready in under an hour and allow you to

keep the negatives for no extra charge. Useful for anonymity and getting reprints from anywhere you want. Their service is used by people from all of the counties in Northern and Southern Ireland. They reportedly take great pride in meeting the exact specifications required for the US visa programs. This company is also recommended to the Canadian population in Ireland by the Canadian embassy there.

Part 10: When You Need A Second Passport

Illegal and Quasi-Legal Methods

Who uses illegal passports? Government agents probably constitute the largest group. They are spies, terrorists or other secret agents who move about, shielded by fake passports, often from countries other than their own. Known criminals in the US get false passports in connection with the "Witness Protection Program" that shields informants.

Stolen, Forged and Ghost Passports

Now we will take a look at various false and illegal passports. Let's see how they are used and how they are obtained. We do not condone, suggest or encourage illegal activities. We present this information as a public service so that readers will not be cheated by operators who pawn off illegitimate passports as the real item.

Stolen Passports or passports Sold by Their Legitimate Owners

This is the most common source of illegal passports. Pickpockets, government employees, burglars and purse snatchers all have contacts who will purchase and resell almost any passport. Rates are well established throughout the underworld.

A buyer places his order with a source and then waits a few days until one in stock is prepared or one is stolen and prepared. Existing photographs are carefully removed and replaced with photos of the buyer.

Even the new tamper-proof passports, where embossed plastic covers the photo page can be altered to look like the genuine article. These passports can be used until expiration and can often be of officially or unofficially extended or renewed while abroad. Not every obscure consular official has time to verify passport status. As an alternative, bogus rubber stamps are commonly affixed to renew or extend an expired passport.

Estimates place the number of stolen passports in use at the ten million mark on a worldwide basis. Since border officials rarely perform more than a cursory look at the document and the bearer, there is no way (except in the country of origin) to detect stolen, altered or well-forged passports.

Travelers have been known to sell their passports for US \$500 to US \$3000, depending on how current the passport is and if the general description of the owner is common. They, in turn, report the loss or theft and obtain replacement documents from their consular offices.

Altered and stolen passports are seldom used to enter or exit the country of origin. The reason is obvious. Immigration officials are likely to spot the imperfections and strange variations in their own passports. With the advent of the computer age, they can also

punch in the passport number and obtain an instant readout of any reported loss. Greater use of special inks is also making life difficult for those traveling with fake documents. Ultra-violet light scans of passports will throw up forged or tampered visas and passports.

Counterfeit Passports

The passports of many countries are printed on specially manufactured security paper. Security features include watermarks, embedded silk threads, holograms, secret marks, coded entries intricately engraved designs, color blends and other sophistications. It is often beyond the capability of even a skilled artist to successfully counterfeit intricate types of passports and often easier to counterfeit a country's currency. Remember, experts can always tell a genuine document from a bogus one. We advise you to steer clear of forgeries.

If cloak and dagger is your game, join the CIA. Otherwise there are proven methods fictionalized in *The Day of the Jackal* or detailed in Barry Reid's *The Paper Trip*. These bestsellers have made the world aware of "ghosting" and the details of illegal passports.

Creative Genealogy and Rebirths

Almost ten years ago, when I began research for the first edition of *The Passport Report*, a gentleman in the business of supplying passports explained to me that there were two basic ways, in which to get legally issued passports:

1. **The Naturalization Method** differs in each country, but the common element is that a foreigner meets certain requirements, usually including a period of residence, and often a language and history test. After a period of one to twelve years, the applicant can become naturalized. This is the process by which a non-citizen or foreigner usually becomes a loyal citizen of the country involved. Normally it involves taking an oath of allegiance to the new country and renouncing all loyalty to the old country. In some South American countries and Canada, the ownership of property and/or the making of an investment can lead to residence and citizenship or in some cases, immediate citizenship. Various governments institute legal citizenship programs for non-residents from time to time. They vary in their requirements but these commonly involve giving employment to locals or making a substantial investment. Even the US has a program through which it sells green cards (residence permits) and eventual citizenship to foreigners who set up businesses and employ locals in the US.

Since the other method, known most commonly as the "rebirth" method, involves the use of fraud to obtain a legally issued passport, I was initially horrified that it was apparently regarded by some immigration lawyers as an equally desirable means of getting a passport. Yet as time passed and I saw the perfidy and thefts committed by governments against their naturalized citizens, for investors, I gradually came to believe that rebirth was, in some cases, actually better than the 100% per cent legal route, for reasons I will now explain at length.

2. **The Rebirth or Creative Genealogical Method** of obtaining citizenship involves fraud, no doubt about it. Making false oaths and procuring false documents is usually a (minor) criminal offense in the country where it is done. In the US it is a felony, but the US makes almost everything a felony these days. Simply put, the passport applicant for whatever country obtains "delayed birth certificate" or an equivalent document ie baptismal or religious record. This is done with the help of a lawyer, or as a do-it-yourself project in the country where one desires a passport As that great philosopher and author of *The Paper Trip* Barry Reid once said, "Give them the papers they want, and they will give you the papers you want." A passport will be granted to applicant due to the fact that he was born, possibly out of wedlock to a female citizen, in or out of the country. The cover story is that because of the illegitimacy, or perhaps the poverty and ignorance of the family, or just plain bureaucratic bungling, the birth was not properly registered at the time.

One variation is to have the applicant born when and where he actually was born, but to arrange for "proof" that one or both parents were citizens of the desired country. Under the citizenship laws of most countries a birth outside the borders to parent(s) who are citizens usually gives their child either citizenship or the option to apply for it.

Still another variation for an unmarried adult who wants a foreign passport is the arranged marriage. In France, for instance, there are advertisements in the daily papers by persons wanting or willing to make a marriage blanche that confers residence rights and eventual citizenship. We do not arrange such things, but you will see advertisements in newspapers and magazines across the world for people seeking partners for arranged marriages to enable them to obtain citizenship or the right to live in another country.

The New Computers

However, with the advent of more sophisticated computers, rebirth and creative genealogy has become more difficult to achieve successfully. In Britain, for example, national health and insurance numbers were introduced shortly after the Second World War and the system has since been computerized with more and more sophisticated systems such that any social security office is now able to access a central database in a matter of seconds.

Births and deaths are not formally recorded on any database as far as we know and there are no plans to computerize past infant deaths, but there are other databases which provide similar information. For example, there is a child benefit in the UK of around £10 per week per child. All families are eligible irrespective of their financial circumstances and all families claim it. However, claiming the benefit means that the child is registered on a central database called the 237 Which. If a child dies, the parents can no longer claim the benefit and the child is memorialized on the database. Quite simply, this means that anyone who accesses this database can see that the child has died.

Taking on someone else's identity worked very well for the Jackal (see the relevant section below), but maneuvers of this kind are dangerous these days. Individuals who do not know the passport office's newest checking procedures are likely to end up in court.

In theory, there are still ways that individuals might secure a passport under dubious presences. A child might have been born in one country and moved to a country where no proper records are kept. If a child dies in a country other than his birthplace, there might be no records of the fact anywhere in the world. An individual might conceivably try to take on the identity of the child. However, it should be noted that that consulates are usually notified when one of their citizens dies in a foreign country, and this information, if reported, is always forwarded to the national archives as "Births and Deaths of Citizens Recorded Abroad". Once reported, this information is added to the vital statistics computer database. In addition, most countries do not allow individuals to apply for passports by post and if there is a personal interview involved, a foreigner who tries "ghosting" is likely to be found out. Interviewers are trained to spot foreign accents and look extra closely at those whose physical features differ from the country's norm

We can not and will not recommend to our readers illegal methods of obtaining passports. Nevertheless, we have a duty to report what is illegal, what is permitted and what is actually being done.

Born Again Passports

This so-called paper trip is illegal in many countries, including the US. Thus it is emphatically not recommended. It consists of the following steps:

1. Search gravestones, newspaper obituaries or public records for a person born at approximately the same time as you, but who died in infancy. Be alert to matching your race and ethnic background if birth documentation includes this data.
2. Obtain a certified birth certificate from the appropriate office. Don't use a birth certificate that has been marked "subject deceased".
3. Become this deceased person's "ghost" by obtaining secondary documents such as driving licenses, governmental registration and identity cards, leases and credit cards in the name of the deceased infant.
4. Apply for a passport, preferably by mail. In-person encounters should be at peak business hours at some post office, not a passport or immigration center if at all possible. The major risk in ghosting is that someone else may have already used the dead person's identity.

Countless books have been written on the subject of ghosting, apparently to capitalize on the success of *The Paper Trip* by Barry Reid. Like most things, the imitations fall short of the original, and if you are interested in reading more on this subject it is probably best to stick with what Barry Reid has to offer. You can order *The Paper Trip*, featured in the PT

Book List, directly from EXPAT WORLD. *The Reborn* series by Trent Sands, has broken the subject down by country or area, although much of the information is the same and repeated in each book. They are available in Canada and the US and can be ordered through EXPAT WORLD. Just ask for the PT Booklist. If you're still not satisfied and want yet another perspective on this technique, write to the companies listed in the Book Catalogs section of the Resource List in the back of this report. They are sure to have more to offer. Remember, though, if the Jackal didn't get away with it in the end, you probably won't either.

The Dangers of **The Day of The Jackal**

One of the dangers of simply assuming the identity of someone who has died is apparent from this story which appeared in the press in the summer of 1992.

Two IRA terrorists who had escaped from prison in Belfast in 1983 had assumed the identities of US twins Kevin and Patrick Keohane who died aged 11 and 13 of congenital heart disease. The two terrorists obtained details from San Francisco death records, carefully choosing two people of Irish descent and applied for passports in their own names.

The stories in the papers led everyone to believe that these fugitives were caught because a fingerprint check was made for fugitives following the extradition from the US of two other Irish terrorists. The story goes on to explain that the fingerprints of one of the terrorists who had assumed the name of Kevin Keohane, who had died in September of 1970, matched those of a known terrorist, Kevin Artt. Other checks revealed that Keohane's twin brother, who died in 1968, applied for a passport in 1986. This search led to the IRA terrorist, James Smythe.

However, this is far from the case. It is not commonly known that California began cross-indexing births and deaths on computer in about 1975. Today, the indexing job is complete. Thus, an infant who was born in California and who also died in California is a poor choice for a rebirth. On any application for a US passport, California driving license or public assistance, some of the things automatically verified by computer are:

1. Birth certificate validity
2. Social security status
3. Income tax records of the applicant
4. Use of known mail drops

The Irish terrorists set off at least two sets of alarm bells by applying for a US passport. The social security and tax files showed that no social insurance nor income taxes had ever been paid. The birth certificate check with California Vital Statistics showed that the applicant had died in his youth. This rung bells and blew whistles even before the

fingerprints were checked. In fact, fingerprint checks are not automatic as it is necessary to have a data-base of suspect prints to check against. Before one can do anything with a fingerprint there must be a target print or group of prints.

It was not really the fingerprints that got them in trouble, but rather the fraudulent passport application. Many fugitives don't know that any California source applications for US passports are automatically subject to a computer check with state archives and social security to verify that the birth certificate is genuine and that the applicant is a taxpayer.

FBI agents staked out the houses of the brothers in San Francisco and San Diego respectively for nine weeks. The brothers were arrested and extradition proceedings for the return of the two fugitives to Ireland are currently in hand.

The fact alone that California requires fingerprints to issue a driving license should be enough to scare off any PTs. Be careful, Big Brother is getting stronger. We do not condone the practice of IRA terrorists living incognito and assuming the identities of dead people but do hope that readers will be dissuaded from following such a course by this salutary tale.

Delayed Birth Certificates

Delayed birth certificates (any name, any date) can sometimes be arranged. Usually the person needing such a document is the child of an unwed mother. Sometimes the mother hasn't registered the birth. These documents can also be obtained through fraud. While it is a victimless crime it is not as legal as using one's own birth date and birth place and being naturalized. If anyone knows the birth was falsified or the passport holder tells anyone, he cooks his own goose. We are not advocating falsification of documents, but just commenting upon our observations.

Backdated Adoptions

Most countries grant citizenship to the children of their nationals, regardless of whether these children are biological or adopted. Hence, it seems that a new passport could be arranged by finding oneself a new adoptive parent. This system does work in most countries, although the immigration official will certainly make your life and the processing of your application as difficult as possible. Furthermore, the US, and undoubtedly many more countries to follow, have got around this possible loophole by no longer recognizing the adoption of anyone who has reached adulthood. Not to be deterred, the new approach in this area now involves arranging for an adoption to take place several decades in the past and then claiming citizenship based on adoption as a child. Again, this involves fraud and is not a recommended approach.

Birth Date Changes

Obviously, one's place and date of birth are a fact. We do not advise people to change their birth dates on official documents. One can have false documents, but that doesn't change facts. If the holder of false documents tells anyone the facts, he will always be open to blackmail and problems. If he keeps his mouth shut, anyone can pretend to be anyone he pleases. If you must change your birthday, don't let vanity get in the way. If you are really 65, it is hard to pass for 39! Be born-again only within one to five years of your real birth-date if you are going to go this route successfully.

Legal Name Changes

Name change is another story entirely. Anyone can legally call themselves any name they please in English-speaking, common law countries. However, in Roman Catholic countries, for instance, it is usually a major crime to use a different name than the one you were born with. In Italy it takes a presidential decree. It is almost impossible to change one's name from John Smith to John Smythe for under US \$100,000. In the US and the UK, you just do it and that's legally your new name.

Two Ways to Get Legally Issued Passports

When citizenship is acquired by right of birth or marriage, usually no oath of allegiance is required. The new citizen gets his new passport and can also usually keep his old citizenship and passport. Normally, upon naturalization one must surrender old passports. Keeping one's old citizenship and passport can be a great advantage in many cases. The more travel documents a person has, the more he is able to rise above political systems that do not appeal to him and maintain the freedom of travel, being able to "vote with his feet".

The High Risks of Gaining Citizenship Legally

One would think that the risks and negative aspects under totally legal naturalization would be nil. This is not true. A country always treats all its citizens as a natural resource to be milked, squeezed, drafted, exploited and lied to. But at least native born citizenship cannot be taken away too easily. A naturalized citizen has all the disadvantages (responsibilities?) of citizenship, but at the option of the country, he can usually be arbitrarily deprived of any rights that go with citizenship.

In the US, for instance, if a newly naturalized alien, for business, romantic or any other reason decides within three years after naturalization he must leave the US, it is possible that he will not be able to renew his US passport on the grounds that he misrepresented his intention to reside permanently in the US. This can be avoided by leaving and entering the US without passport stamps and, after ten years, applying for a passport renewal from within the States on the basis of a "lost" document. The point is, the average man has not read *The Passport Report* and is blissfully unaware of the many pitfalls and several different ways he could lose his new citizenship and become stateless. We do not mean to use the US as an example of a particularly bad or unreasonable government, many others

are far worse. In another scenario that has happened all too frequently, the new citizen gets involved in a dispute with any government agency or politician. His original citizenship application is exhumed and gone over by investigators with a fine toothed comb. The slightest misrepresentation about academic credentials, dates of attendance at schools, marriages, children, lawsuits or political affiliations serves as grounds for revocation of citizenship and deportation. Undisclosed brief membership in political organizations has resulted in thousands of such deportations from the US. As mentioned in *PT* and *The Passport Report*, the US, more than any other country in the world, makes many activities considered normal and legal in other countries very serious criminal offenses. There are thousands of victimless crimes in the US. These include - conspiracy, stock parking, overpaying or underpaying taxes and failure to file thousands of informational documents, such as environmental impact reports. Many forms of sex or birth control between consenting adults are also a crime in many states. So is selling some vitamin pills or sexy videos, even if the same items are common as dirt in other countries. Once convicted, civil rights including the right to a passport can be taken away. Accordingly, obtaining a US citizenship by paper trip methods, for some people may be infinitely faster, less aggravating and far less risky than the naturalization route. If citizenship obtained by a rebirth is taken away, one can simply go underground and repeat the process. Yes, that makes the person a "criminal", but in many countries there are so many laws and restrictions that one must be a criminal three dozen times a day merely to do business and/or survive.

What About getting a Passport in the Third World?

In Central and South American countries, there is a tendency for one political administration to set up a legal immigration and citizenship program and then for the next administration to take back the program retro-actively. For instance, Costa Rica had a *pensionado* program about ten years ago. A foreigner who did not need a job and had a proven income could make a substantial deposit (around US \$50,000) in a Costa Rican bank. The Costa Rican deposit was unconditionally guaranteed by the government! The *pensionado* was then allowed to buy a retirement home and bring in one tax free car which was given a special license starting with the letters PEN. He received a "Provisional Passport" good for worldwide travel for five years and after that was promised the right to renew the passport or become a full dual-citizen with the right to work locally, vote, etc. About 75,000 individuals, mainly Americans, bought into the program, bringing nearly a billion dollars into Costa Rica. Then the next administration pulled the rug out from under them! To make a long story short, the US president began his war on drugs. Many US fugitives from the law became Costa Rican *pensionados* because Costa Rica had no extradition treaties with the US. But now the new Costa Rican regime made a deal with the US and extradition treaties were soon in place. There was a certain amount of hostility toward the foreign *pensionados* anyway because they were rich in Costa Rica and drove expensive cars. These extradition treaties now focused the Costa Rican's attention on the (relatively small) criminal fugitive element in the *pensionado* scheme so they voted against the continuation of such a scheme.

As a result of all these criticisms, a new administration came in, dedicated to the proposition that Costa Rica needed to be cleansed of foreign influence. Thus the dollar bank accounts of foreigners were confiscated. The passport/citizenship deal was cancelled. Once the new administration took power, foreigners were beset by hostility and buzzing, biting bureaucrats. *Pensionados*, whether naturalized or not, who had been originally granted tax freedom on foreign source income were hit on every side by horrendous tax claims. They took huge losses and were forced in most cases to abandon their beautiful Costa Rican properties and leave the country.

Once the new party took power and, in effect, declared war on the *pensionados*, the Costa Rican economy went into an even more rapid tailspin. The United States rewarded the new leftist regime by giving Costa Rica some big handouts. But the free money didn't do the country any good. It only went into the politicians' foreign bank accounts. Four years later, in 1988, a new government said it wanted to restore the *pensionado* program and install a new variety of passport program. Similar stories can be found throughout this report and highlight the changeability of some third world programs. See the entry for Costa Rica in Part V for details of their new program.

How about Uncle Sam? Even the US is implementing a program whereby millionaire foreign investors can get residence and citizenship. Should you trust the US with your money or your life? Look at the way they treated Ferdinand and Imelda Marcos - invited foreign guests of recent vintage. Or Aldo Gucci, sent to jail for tax evasion in California at the age of 80. Trust any government? You'd have to be crazy to believe that any venal politicians will ever look out for your best interests! Only you can do that.

We advise the person who is thinking of settling or investing anywhere to beware. Consider Spain, where millions of Europeans that were attracted by low or non-existent taxes, invested in winter homes on the south (Costa del Sol) shores. Once the area was fully developed with foreign money, property taxes were raised by 6000 per cent. In a single jump! But the locals weren't satisfied with just that. The worldwide income of retirees spending more than six months per year in Spain was taxed at 60 per cent! Hacienda (Spanish) agents were sent abroad to study IRS Gestapo techniques. After training their bureaucrats in Denmark, Germany and the US, Spain is now implementing a fiendishly efficient tax system combining all the worst features of the most oppressive regimes on earth. (See the entry for Spain in Section V for details).

The moral of all of this is that perhaps one should not be anxious to jump into a legal or government authorized program involving investments and/or naturalization. Why? Governments have a way of backing out of their contracts and breaking their promises. Sometimes this is done only with new taxes. If a private person breaks his word one can usually sue and perhaps get some justice in a court or by arbitration. Governments cannot be sued! They have the unquestionable right to confiscate all assets within their jurisdiction and to deal in any way they want with the human beings (citizens or otherwise) who find themselves within their borders. Thus, the equation "A + A = PT" still means that in today's world one must be able to move one's ass and one's assets out of any jurisdiction

within minutes of perceiving danger. Achieving this objective and being ready, willing and able to move at the first whiff of trouble means having several sets of travel documents. It mandates that assets be registered under several names and that you be able to choose from a bouquet of nationalities. It also means keeping aware of current trends and politics - staying informed so that you can be gone long before "Clancy lowers the Boom". It also means that if you own a factory or property, or other fixed assets, you should stay leveraged or geared to the hilt. If all that can be confiscated is a tiny or non-existent equity supported by locally borrowed (hopefully state guaranteed) money, your own capital is more likely to be untouched and safe.

Since no government on earth wants to lose its most productive and wealthy citizens, they all have laws to discourage (and make illegal) the avoidance of taxes and to limit the unfettered mobility of their own citizens. Paradoxically, almost every country wants to attract PTs from other countries. They put out the welcome mat (or set traps, depending upon your point of view). Thus the bottom line is that it may be possible to be "legal" where you are going, but you will generally be, by definition, "illegal" - a deserter, a defector, a currency-law violator or tax evader in the place where you are from. With a great deal of care, study, and possibly lawyers and consultant fees, one can reduce the risk of criminal prosecution. At least such risks will be considerably less than the risks faced by people who have no option but to stay behind in their native country. After all, the PT can always vote with his feet. Being nimble and quick is the best protection against the greatest danger to your health, the government. As we say in *PT*- the biggest cause of premature death in human beings is not AIDS, cancer or heart attack, it is and always has been government!

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Part 11: Other Travel Documents

Diplomatic Passports

Honorary consulates or diplomatic appointments lead to a special passport all their own. These special passports are most often awarded to friends of a country or to international businessmen who may be in a position to represent or assist a particular country. They are diplomatic passports in every sense of the word and are respected as such at every border crossing in the world.

The differences between an honorary consul and a diplomat are often not fully understood. Simply stated, diplomats are official representatives of the government and act as a liaison between their own government and the government of the country in which they are stationed. In other words, diplomats are another form of bureaucrat and spend most of their time dealing with others like them. Consuls, on the other hand, deal more with the general public of a foreign country. They are not involved in drafting legislation and the like, but instead are concerned with commercial and personal relations between members of the public of the two countries concerned.

Benefits of Diplomatic Status

Much is misunderstood about the various special privileges that are enjoyed by holders of this class of passport. Do not believe claims made by agencies offering to sell these little books with wild assurances of the powers they contain. Let's start with immunity. It seems to be widely believed that diplomatic status will make one immune to any and all forms of prosecution. Not true ! Immunity is generally only granted when one is acting in his or her official capacity. Also, immunity must be officially granted by the host nation and can be revoked at their discretion, at any time.

Extra-territoriality is another often misunderstood area of diplomacy. Simply put, it means that your residence or work place, now known as a consulate or embassy is considered to be foreign territory. The benefit of this is supposed to be that the host country, where you actually live, cannot enter either your home or office unless invited by you. Again don't be fooled, the host country must be informed of the location of such premises and give its permission before official recognition is granted.

Furthermore, diplomatic pouches, the contents of which are supposed to pass freely through customs are now often at least checked by dogs for drugs. It seems that some small countries were using diplomatic pouches as a means for smuggling such illicit substances.

Taxes, the most often touted benefit of diplomatic status, are still liable on any income generated within the host country that is not related to official duty. Many countries do waive this requirement, again though, there is no guarantee.

Travel is another reason that many people go to the trouble of gaining diplomatic credentials. As an official diplomat with full immunity you will pass easily through most international borders. However, don't be fooled into thinking that you will be allowed entry no matter what the circumstances. Traveling on a diplomatic passport may prove to be more difficult than traveling on a normal one. If your country has some sort of political problems with where you would like to go, don't expect the red carpet treatment. Also, diplomats often need to gain permission from their home government, the country which they represent, before traveling to certain sensitive destinations. Sometimes this permission is simply not granted.

There are, however, some clear cut advantages, such as the fact that diplomatic agents are immune from civil prosecution, unless they initiate a lawsuit as countersuits are allowed. They are also allowed to import household goods without paying a tariff.

Finally, the most definite advantages of diplomatic status have to do with one's ego. You will certainly find that a table opens up for you quickly even in the most crowded of restaurants. Also, the business potential of someone placed in such a key position is greatly enhanced. You may not make any money directly due to diplomatic status, but indirectly the possibilities abound.

The major problem with diplomatic credentials as we see things is that they strike against one of the basic goals of the PT. A diplomat or honorary consul is not low profile. Permission to become a diplomat must be granted not only from the country interested in appointing you, but also from your home country. If this is not done, your status is not officially recognized and all of the possible benefits become moot. If you have any skeletons in your closet that had best stay hidden, this is definitely not a route even worth considering. Generally, only those of immaculate social and financial background will make it through the mounds and mounds of red tape and bureaucratic jumble in the first place. If you don't fit this description and do make it through, every time you book a table in a restaurant you will be asking someone to look into your history. Eventually something will turn up when you least expect it. Moral of story, best to stay low profile.

For those of you with nothing to hide, however, here is a brief description of how to go about becoming a diplomat or honorary consul.

The Do-It-Yourself Approach

Most Central European countries, Iceland, Austria, Turkey, Malta, Burkina Faso, Upper Volta, Monaco and San Marino liberally issue this category of document. Diplomatic appointments are usually obtained by cultivating favor with a political leader. Those rewarded with diplomatic status are expected to reciprocate by hosting important visiting personages and sponsoring social events.

For example, if a Third World country was interested in financing and building an aluminum refinery and needed support abroad, the government might seek out and appoint

foreign industrialists in the aluminum field who as honorary consuls would then be expected to create and foster activities which would bring about the national goals. Thus, becoming an honorary consul normally carries with it some financial and social obligations. The passport is considered a fringe benefit.

Generally becoming an honorary consul through the do-it-yourself approach involves a lot of time, energy and frustration. Also, you are often expected to work without credentials, for free as well of course, before official status is granted as a means to show appreciation. Like most games invented by governments, this one works to their advantage and comes with absolutely no guarantees that in the end you'll get what you want, namely a diplomatic passport. Personally, I'd rather dedicate such energy towards a business or something else that would be likely to make money. My ego is fine and doesn't need any little bits of paper to make it feel special.

Of course, if you do have some sort of an established credential or useful contacts that would be of help to a country, why not make use of them. You may also want to go this route if you have a genuine interest in helping a country, perhaps one of the newly liberated east European countries. For our readers interested in learning more about how to go about becoming a diplomat, try reading *Part-Time Diplomacy* by James Basil-Hart. It's published by Loompanics Unlimited, see the Book Catalogs section in the Resource List at the back of the Report.

In the meantime, here are a few hints for some countries who may be receptive to your offers.

CYPRUS A former British colony that is now divided into two nations in practice, although not officially. Southern Cyprus, or the Republic of Cyprus, comprises the Greek part of the island and is officially recognized as the government of the entire island by every country except Turkey. Northern Cyprus, or the Turkish Republic of Northern Cyprus, is officially recognized by only Turkey which is also the only country that has diplomatic, postal and telephone links as well as trade agreements and direct air connections with the country. Turkey defends this claim through the use of 40,000 troops which were sent to the island on 20 July 1974, whether such an action qualifies as an invasion or a liberation depends entirely upon one's perspective.

However, for all intents and purposes, Cyprus is comprised of two separate countries, with separate money and a different language. In the present state of flux, either one might be open to suggestions of possible investment benefits in return for citizenship or the appointment of honorary consuls. As Northern Cyprus has received almost no diplomatic recognition, it is likely to be interested in appointing an attorney or respectable person willing to do a little PR as an honorary diplomat. This is, of course, assuming that one can stomach the various political ramifications involved. In any case, we have found that contacts made when a government needs all the help it can get are more fruitful than when you need the favor and they don't need you.

MALTA After several years of a repressive, communist-oriented regime, Malta reverted to its current western orientation. This country is well known for appointing many honorary consuls and issuing them with diplomatic passports. Worth an inquiry.

NAURU This Pacific island republic does not grant full citizenship to anyone but natives. However, it has been known to issue provisional non-citizen documents and also diplomatic passports to honorary consuls. It is, in fact, actively looking for respectable individuals who can serve to show the flag in places where Nauru is not already represented. Nauru, by the way, is one of the wealthiest countries in the world due to rich phosphate deposits used for fertilizer by Australia for which Nauru receives large royalties each year. Nauru is a tribal kingdom.

The Buy-It Approach

Many agencies offer to sell diplomatic passports from various countries. We have yet to hear of a legal program whereby a country sells diplomatic appointments directly. Undoubtedly, one could purchase a diplomatic passport in either South America or Africa by putting a smile on the right bureaucrat's face. Remember, though, if this document is not officially and legally issued its diplomatic status has only limited value. Prices for such documents vary tremendously, starting at around US \$25,000 and rising into the stratosphere at around US \$200,000. However, even at the low end of the scale, these documents are probably not worth the cost. If you do require a Diplomatic Passport however, EXPAT WORLD can refer you to an official program.

Other Miscellaneous Categories of Passports

There are several miscellaneous categories of passport-like documents which often suffice quite nicely in their stead.

Non-Citizen Passports

Passports are usually issued only to nationals (subjects or citizens). Many countries, however, also have special categories of non-citizens entitled to passports. For example, stateless persons in a United Nations refugee camp will be issued a passport-like document which, with a visa, permits travel. Adopted children from these camps also receive the same type of documents which permit one-way travel to their adoptive parents' country.

Provisional Passports

Some Latin American countries routinely grant citizenship to property owners after a short waiting period. During the waiting period, a cedula, or national identity card can be obtained. If the property owner needs to travel beyond the liberal scope of his cedilla, a provisional passport will then be issued. These documents appear to be identical with regular passports, but holders may not vote until permanent citizenship is granted. The

Dominican Republic, Costa Rica, Portugal and Tonga are well known for liberally granting provisional passports.

Service Passports

Many countries allow foreign nationals to be employed by the government in various critical programs. Service passports were issued by the US to many former Nazis who, in between 1944 and 1946, became involved with US rocket research or intelligence programs in Germany. This was known as "Operation Paperclip".

Refugee Passports

Whenever a stateless or persecuted person qualifies for residence in a particular country, but wants to travel through other countries in order to reach his destination, a refugee passport is normally issued. In order to enter or pass through any country visas must be obtained. While the document appears to be a national passport it is stamped with a legend to the effect, "Bearer is not a citizen - Refugee Passport". These documents are routinely issued in Berlin, Vienna, Stockholm, Paris and Mexico City to persons who make a claim for political asylum. They are better than nothing, but as a visa is required to go anywhere, being a refugee or stateless person is not a desirable situation.

Marriages of Convenience

Females often receive preferential treatment in these matters because most countries will grant immediate citizenship to women who marry their male citizens. Males marrying a female national, on the other hand, usually must undergo a residence period of anywhere from six months to twelve years. In some countries, such as Bahrain, Saudi Arabia and Kuwait, men who marry native women qualify for no special considerations whatsoever. However, for the most part, residence and eventual citizenship is permitted to either sex after marriage. Stateless residents usually receive a provisional passport until they become citizens. See our "Nationality Survey" in Part IV of this report for the rules regarding citizenship acquisition via marriage.

Citizenship by Birthright

Many countries will grant citizenship to anyone born within its borders, regardless of what nationality the parents are. Although this may be of no benefit to you, it may be worth considering the welfare of one of your children to be. You could thus arrange for your little one to come into the world ahead of the game as a dual national. The major catch is that at least three months must be spent in the target country, as most airlines will not carry a passenger who is more than six months pregnant. Adequate medical coverage should be established well before arrival.

Regulations vary from country to country, some grant immediate citizenship, some insist that the birth be registered and that an appropriate form be filed by the parents.

Bureaucrats love paperwork. And some require that the baby resides for a short while in the country. See the Nationality Survey in Part IV of this Report or contact the nearest consulate of your target country for specific details.

Documents Usable *in lieu* of Passports

Many identity documents that are much easier to obtain than passports are accepted *in lieu* of passports for travel across friendly neighboring borders. Most of these documents are printed on inexpensive cardboard and have the bearer's photograph attached with staples or glue.

Alternatively, every local health department or bureau of vital statistics throughout the English speaking world will issue a certified copy of a birth certificate to anyone who asks for it and pays a nominal fee. Often these birth certificates are printed on pocket sized ID cards. Such a card obtained in the US or Canada is good for travel in 20 countries.

The same is true in Spanish-speaking countries where the identity card is called a cedula. These are almost always included with a passport "package deal". In fact, they are necessary to get a passport or have one renewed and are usually all that is required to do so in a Spanish speaking country. A cedula is normally issued at the local police station. As requirements vary widely, it is best to have a local inquire for you as to what papers you will need in order to obtain a cedula. This ID is good for crossing the borders of most Central and South American countries.

In the EU, one can travel between countries, including non-EU countries within Europe, with only a European identity card. Normally the process of obtaining a card is far simpler than the one for obtaining a passport.

In the United Kingdom there is no national identity card for travel purposes. The UK used to issue a "British Visitor's Passport" to its citizens. These cardboard cards were issued on the spot at main Post Offices. It was necessary to show only a birth certificate plus the same documentation as needed to get a public library card ie bills addressed to you, a lease, medical or bank card or a copy of a tax return. The Visitor's Passport was good for one year as a passport throughout Europe and even Bermuda. Any Bermuda ID, like a driving license, gets you into the US sans passport.

Similarly, Americans can leave and enter the US via Canada or Mexico with only a birth certificate. Generally, such ID is only necessary to return to the US. One reader recently wrote to inform us that Bellingham, Washington, in particular is an easy entry point for the US where customs/immigration checks are minimal and tourists in cars are normally waved through. Other tourist spots, such as Niagara Falls, operate in a similar fashion.

An identity card is never stamped at borders. Thus, unless the country requires you to fill in an arrival or departure form, there is no record of your movements, if that is a matter of importance to you.

If you have a passport without any pocket ID (National Identity Document) something is possibly wrong. Although, generally outside of their area of issue, these documents are never used or needed. A passport alone is sufficient identification for all purposes.

Crossing Borders Without a Passport

In most countries, there is usually one or more routes into a neighboring country that have no border stations. These unmanned crossing points are usually small backwater roads. Sometimes they are no more than dirt roads used by local farmers.

It is not illegal to use these border crossing points. But of course, officials of the countries involved have the right to ask for proper travel documents in the event that you are unlucky enough to be apprehended or stopped in a spot check. The usual penalty for improper entry is simply deportation. In a typical motorist case the driver would be asked to return to the country he came from and possibly be given police escort in that direction.

This could lead to a "domino effect" where the prior country illegally entered is informed of your situation, and they in turn may send you back to your country of origin.

Driving Licenses by Mail

Driving licenses are available by mail from the Dominican Republic, Paraguay and Costa Rica through reciprocity. If you already have a driving license, you can get a new one without examination. These are for the usual term of about four years. But on the basis of one driving license it is easy to get another in almost every other country in the world, always on the basis of reciprocity. An international driving license, obtainable from any auto club in the country issuing the driving license, is only a translation of your driving license and not a license itself, though most police don't know that. Your driving license doesn't have to match your passport as to country. But name, birthdate and photo should match. Most countries recognize any foreign driving license if you have it translated into the local language. With only a passport as ID one can always take the driving test (written and practical) and get one in person. Only in Switzerland and the UK does one get a lifetime or very long term license.

Traditional Countries of Refuge

Many nations, by long tradition, will theoretically accept and give refuge to all persons in need (Switzerland, Thailand, the US, Sweden, Australia, Portugal, Finland and The Netherlands) or by direct constitutional provision (France, Mexico, Paraguay, Bolivia, Germany).

Although these countries may serve as a temporary port in a storm it does not mean, however, that they will give you a passport. Still, every country that grants refuge has provisions for the eventual granting of full citizenship rights to long-term residents.

Most of these generous refugee policies were established in a different era when masses of poor people were tied to their land as agricultural workers. Also, as might be expected, countries that considered themselves underpopulated were the only ones who then (and still do) welcome any large influx of foreigners. In today's world, the cold climate countries tend to be underpopulated and able to support a larger population than they have. Thus, the individual without too much money or a special occupational skill, who is looking for a place that would accept him is best advised to concentrate on underpopulated countries. With a few exceptions, they are short on sunshine. Spain, Greece and Italy have liberal admission policies for those who simply arrive as tourists. If you decide to stay, government inefficiency in those countries and totally devastating taxes have created large black markets in labor. This makes it possible for the illegal immigrant to find work or start a low profile business and earn a living without ever having any contact with the government. If a license or permit is needed or if tax returns were filed one could be discovered. Many individuals who operate normal businesses would never consider going underground. However, approximately 25 per cent of the population of Europe and 75 per cent of the population of South and Central America only know the underground or black economy. According to an article in *Fortune magazine*, even in China there are quite a few very prosperous people running major underground businesses and traveling back and forth to the West without proper papers.

Very few countries have a large or effective special force of police devoted to ferreting out illegal immigrants and shipping them home. Where such efforts are made, normally only highly visible individuals of minority races or those in strange foreign garb are targeted. Thus in France, police will ambush black Africans and hooded veiled Muslim women emerging from the metro in Paris to demand papers. Illegal immigrants and fugitives who look and speak like locals are caught only if they are involved in traffic accidents, bar brawls or arrested by accident.

In the US, the target of the Immigration and Naturalization or "Migra Policia" is typically the dark skinned non-English speaking Mexicans in California. People who look and sound like they do not belong. These include undocumented Haitians who've arrived by clandestine boats in Florida. The police may get a tip that a factory or restaurant is operating with a large number of undocumented aliens. Then a "Migra" raid is made. Aliens in the US are then placed in holding camps until they can be shipped back to their home countries. As long as one does not flock with a group of other illegals but blends in with the population, one can easily buy or otherwise obtain some local identification such as a driving license, voting registration and a few charge cards. If one learns the local language without an obvious accent, anyone can live almost anywhere all of his life. In English-speaking countries where identification cards are not mandatory, it is even easier. In countries where by law one must carry national identification, the problem is solved by obtaining a foreign driving license and having a good cover story to the effect that one is just a tourist and merely Passing Through the country. A policeman cannot generally prove otherwise and will let the "tourist" pass on his way within the country. The only problems come up when crossing borders. Most countries will not admit foreigners

without a passport and, in many cases, a visa issued by the consulate of that country. If someone without any papers can raise the money to buy passport(s) from third countries, then even the travel problem is solved. Unrestricted mobility and international movement at will, becomes possible, if one has money and a passport.

Before cheap airplane fares, usually only in the case of religious wars or famines were common people likely to move permanently. There was a mass migration of people to North and South America in the nineteenth and twentieth centuries. Some twenty million black slaves were imported by force. They got only a one-way ticket. Oriental and Indian laborers were recruited as cheap labor. Most such laborers eventually returned to their country of origin, but a large number stayed on. There were a number of unusual circumstances that led to quite a melange and blending of the population in Europe. For instance, when the huge Spanish Armada destined to invade England foundered and sank, vast numbers of Spanish sailors managed to swim ashore in Ireland! Because any enemy of Protestant England was a friend to most Roman Catholic Irish, these Roman Catholic sailors were hidden, protected and rapidly assimilated into the local population.

In the old days refugees were likely to be the elite lords, warriors, nobles or highly educated people in neighboring countries, who made enemies of those in power. Generous refugee policies were in part political - a local prince or king would give refuge to the enemies of his neighboring king. Those who were sheltered would usually be helpful if and when they ever resumed a position of influence. It was unthinkable in times past that millions of poor people of a different race, religion, language and culture would descend from the skies en masse upon a country and expect hospitality, employment and full social services. When cheap charter flights and a disparity in the wealth of nations caused such immigration, local politicians in richer countries passed exclusion laws. In Australia and the US there were, until recently, laws specifically prohibiting the immigration of "inferior races". In recent years racism has become internationally unpopular, but current policies of most First World nations (Europe, the US, Japan) do discriminate against people whose grandfathers were not of the "proper" race or religion. Grandfather clauses and such are a cute way of saying "We don't want you". No need for posting crude signs of the sort you see in Guatemala or South Africa saying simply, "No Blacks!". The message may be the same, but the delivery method is more subtle today. Canada, to its credit, seems to have become color blind in the last few years, and is one of the few white countries not discriminating against other races in matters of immigration. In our perfect imaginary world, anyone should be able to go anywhere. The reality is that only money and careful preparation will ensure mobility and freedom.

On the main street in Geneva, a huge stone bas-relief depicts a liberty type female figure welcoming refugees from neighboring war ravaged countries. The carving is several hundred years old. The Swiss still like to think of themselves as generous hosts to the oppressed but the reality is that Swiss law and practice will grant resident status only to Nobel prize winners, exkings and dictators who are still rich and multi-millionaires. Nowhere on Earth are people more xenophobic than in Switzerland. Thus reality contrasts with theory. In the United States, the famous Statue of Liberty beckons welcome to the

"miserable huddled masses of foreign shores" but the reality is far from the inscription on the statue. To enter the US one must be diabolically clever enough (or have a diabolic lawyer) who will fill out a mountain of forms to get a would be immigrant past a bureaucracy whose main job, it seems, is to say "No".

The Best Countries for People Without Papers

A few countries in the world have a vicious police force whose only purpose is ferreting out illegal aliens. In Europe, aside from Germany, there is much more of a live and let live attitude. Most countries have huge refugee and illegal immigrant populations. The undocumented aliens usually work for cash in the black economy often as child-mincers, domestics, nurses for old people, manual laborers and so on. If one is in the higher economic brackets and of the same race as the local people, the odds of ever needing or being asked for papers (except to cross borders) are nil.

When I set out in 1977 to become a PT, I felt it was absolutely essential to have the proper papers. This idea was shattered when I became friendly with a very high priced international lawyer who had been living in and running his business from Geneva, Switzerland quietly for 35 years without being registered. He showed me that being a Passing Tourist was the best status one could have. Though Switzerland's immigration laws allow only a three month stay, one can rent a house or apartment as a tourist and stay forever. Passports and identifying documents from "somewhere" are needed only for crossing international borders. The most important thing my lawyer friend explained, was simply, "Stay out of trouble and avoid having neighbours complain to the police about you."

I have met illegal aliens from all walks of life and economic brackets. Ten years ago I would never have thought it possible to live illegally in a computerized, bureaucratic country like France. Then I heard this story from a North African cleaning lady who had been in France for 30 years, without papers.

She told me: "Once I was picked up for jay-walking and the police discovered, by asking me, that I was an illegal immigrant. What did they do? They just asked me for an employer reference from any legal resident I ever worked for. They called one madam I cleaned for and she gave me a good reference. So the police let me go. That was it. I wasn't told to leave or get papers, or anything. They have this big amnesty program in every country in Europe every ten years or so where you can get legal residence papers, but who needs it? I don't want to be in their lousy social security and tax system. I go back to Morocco every year with my passport and crossing to Spain the French don't care that I over-stayed. They don't even look at it going out. Coming back, I have friends who get me in on a regular ferry boat that goes every day and is full of illegals. It lands in Italy where they don't check passports. I don't worry about papers or visas. Still, I have an old Moroccan passport. It doesn't have my real name or birthday in it because the government charges more than I want to pay. Mine is an expired, stolen one I bought for ten dollars."

The cleaning lady gave us the following list of places where, somebody without papers can get along just fine.

PORTUGAL Best in Europe. Police don't care about papers. If you want papers you can buy them inexpensively.

ITALY Almost as good as Portugal. Especially in the south, if you have a good employer they take care of everything by paying small sums to the police. You can even get a regular job!

FRANCE Although we feel confident that this cleaning lady is still able to bamboozle those who would rather see her out of the country, the situation may no longer be so promising for new hopefuls. In 1993, France formed a new special police unit whose task is to fight illegal immigration and resume deportations to discourage the world's poor from flocking to the country. Undoubtedly, this is a reaction to recent developments in eastern Europe. In our estimation not much is likely to come of all of the rah-rah. It is just politicians doing what they do best, blowing hot air. Once a few poor individuals have been dragged across the press as examples for the rest of us, things will return to normal.

Still, in the mean time, it may be best to avoid playing with the system in France. No reason to make an example of yourself. Although the inherent racism behind such policies means that if you are white and fit in with mainstream society, you would be a very unlikely choice for such an example.

We would observe that the person who doesn't need a regular registered job with income tax deductions can live almost anywhere in the world for as long as desired. Passports are not normally checked for overstaying. In Europe, passport checks and stamps in passports are given on a random and irregular basis even to visitors from outside the EU. For instance, Americans arriving in Nice, France or Shannon, Ireland or most places in Switzerland are seldom stamped. It is impossible thus for a country to know when you arrived and when you left. Passport stamps can be structured to give the image you want by asking for stamps to legally establish that you left on a certain date and returned on another, even though you may have made 20 border crossings that were not recorded! This sort of thing could be important in connection with avoiding tax residence. But with a low profile rented apartment and no locally registered car, the odds of a tax challenge are also almost nil in most countries. For more information on this concept, we suggest you read *PT* and *The Personal Privacy Report*.

What Does This All Mean to You?

In our opinion it means that as a practical matter, it is not a good idea to wait for the crisis to take place before taking out an insurance policy. It is folly to depend upon generosity and theoretically open immigration policies. When there is civil war or an individual is on the run, in trouble and broke, he is at the mercy of random forces beyond his control. An intelligent individual must provide himself and his loved ones in advance with assets on

deposit, or invested abroad and the necessary paperwork completed. That way, in times of political turmoil, plagues, personal problems or persecution of any sort, he has a comfortable place to go. Knowing which countries extend a theoretical welcome (those named above, for instance) is valuable. Why? Because at least in times of peace and normality, when not too many people are trying to batter down the gates and get visas to somewhere other than where they are, it is possible to arrange for the needed paperwork. PTdeals with the questions: Where to go? How to make a living? How to transfer and protect assets? *The Personal Privacy Report* is the practice of how to communicate, bank, transfer money etc confidentially.

Part 12: Possible Problems

Problems and Benefits of Dual Nationality

Many private individuals are stuck with dual nationality whether they want it or not. Many countries, such as Ireland take the position that if you were born a citizen of their country, you remain one for life. Unless, of course, you formally renounce that citizenship. However, more and more countries are coming round to the idea that dual nationality spells hassle and complication so doors are closing.

Fortunately, these doors are not slamming shut. Indeed, many of the countries who are addressing the subject of dual nationality are leaving certain loopholes free. For example, if you are born in the UK and take out US, Australian or another citizenship, you must forfeit your UK citizenship, but only if the adoption of another citizenship is taken after 1 January 1983. If you adopted a nonUK citizenship after that date, you can remain a dual national, provided, of course, that the other country lets you. In fact, it needn't stop there. A number of countries will let you have not just dual but multiple nationality!

Some countries establish age-related rules regarding dual citizenship. Foreign-born children of US citizens have until their 21st birthday to declare their preference under US law. The US did not formerly permit dual citizenship. Now a US citizen can hold more than one citizenship and under certain circumstances, more than one passport.

Under dual nationality laws, it is possible to create serious negative circumstances for oneself in a totally innocent manner. Certain acts, though committed abroad are considered treason by some countries. The United States government announced in 1989 that, like the Russians under Stalin, it considers itself to have the legal power to kidnap anyone in the world and bring them to justice in the US, regardless of local laws.

Does the Acquisition of a Foreign Passport Cause a US Citizen to Lose his US Citizenship?

We asked this question of several immigration lawyers in Washington DC and we relay their composite answers (with permission) below:

"The acquisition of citizenship of another country is no longer an automatically expatriating act for a United States person. Expatriation only occurs now, for all practical purposes, if the individual files a formal oath of renunciation. Similarly, a US citizen's acquisition of another country's passport is not prohibited, even if there was an oath of allegiance to the new country.

"The State Department takes the view that US citizens may use a non-US passport for travel between foreign points. The State Department considers it improper for a US citizen to use a non-US passport to enter the United States. This view is probably legally incorrect, but it remains official US policy.

"Thus, there are no negative consequences to a US citizen obtaining foreign citizenship as regards to his United States status. Many Americans today have dual citizenship and multiple passports."

Military Service

Military service may also be a definite problem for dual nationals. If your residence has been in one country all of your life, but you are of draft age and happen to be discovered within your other nationality's borders, you may find yourself conscripted. Many countries have peacetime conscription. Only a few do not.

Among those countries without a peacetime draft are the US, Canada, Australia, New Zealand, UK, Spain and Benelux. Tax haven countries are usually under the protection of a major regional power and never have a military establishment of their own.

Dual nationality would seem to imply that you would be entitled to apply for a second passport if you wanted one. But the laws are very tricky.

Whenever you become a citizen of any country by naturalization, you are often required to renounce all allegiance and loyalties you have previously had. You are often required also to surrender all prior passports.

The tricky part is if you later acquire a different country's passport based upon dual nationality or other right. Acquisition based upon "right" will not cause you to lose your naturalized citizenship. However, if you actively seek citizenship and take an oath of allegiance, you may be stripped of your new citizenship if they find out about your second passport.

Confused? Here's an example. A naturalized American of Jewish ancestry born in Argentina of a Paraguayan mother and Swiss father and descended from an Irish grandparent could obtain all of these countries' passports without losing his naturalized US citizenship. However, if he obtained a foreign passport by serving in any of those armies, he could be deprived of his US citizenship.

Notice I did not comment upon whether holding all of those passports at the same time would be legal. The laws of each nation vary, but as a general rule, few countries permit their citizens to hold a foreign passport. To my knowledge, only the UK, Canada, New Zealand and a smattering of Commonwealth countries are unconcerned with the number of other passports their citizens' hold.

*US CITIZENS NO LONGER LOSE CITIZENSHIP
BY ACQUIRING A SECOND PASSPORT
EVEN IF THEY TAKE AN OATH OF ALLEGIANCE
TO A FOREIGN POWER*

In an important change of policy (July 1990), The United States State Department changed its regulations so that an American citizen who applies for and is granted another citizenship is now presumed not to have intended to renounce his or her US nationality. Even signing a written or printed statement disavowing any further allegiance to the US does not lead to a loss of US citizenship. Even taking citizenship combined with employment under a foreign government in a non-policy making position does not cause a loss of citizenship.

How can a US Citizen divest himself of citizenship?

1. By formal renunciation before a US consular official abroad.
2. By taking on a policy level position in a foreign state.
3. Upon conviction of treason.
4. In very rare cases where conduct is so inconsistent with retention of US citizenship that it compels the conclusion that the individual intended to relinquish US citizenship.

The above policy is to be retroactive, and thus approximately ten million Americans who live abroad and who have acquired other nationalities (and who may have given up their US passports in the process) may now be entitled to have their citizenship restored. This will make their children US citizens in many instances. The IRS (US tax collectors) have not yet issued a policy statement as to whether these restored US citizens will be considered taxpayers during the time their citizenship was in doubt or whether the requirement of filing annual tax forms will begin only when their new passports are issued.

These new regulations came about in response to a court decision involving an American fugitive who took up residence in Canada and was, after three years, granted citizenship in Canada. Later the ex-fugitive applied for a visa to visit the US with his Canadian passport. He was apparently turned down. He then re-applied as a US citizen. The court ruled that there is a presumption that a person who acquires another citizenship did not intend to relinquish US citizenship, and the applicant must be readmitted to the US. The expat was held to be still a citizen entitled to a passport, despite his oath of allegiance to Canada.

Crossing Borders as a Dual National

One should never cross any border with multiple passports. Border officials will hit the panic button almost automatically whenever they discover a multiple passport situation. Legitimate possession of more than one passport is a rare situation for them. They automatically assume criminal activity or fraud.

What usually happens is that border officials will immediately confiscate all passports and then turn you over to the governmental police force responsible for prosecuting passport violations. You may be able to satisfy their aroused curiosity, but only after a harrowing ordeal, lost time and a thorough check with all of the countries or agencies that issued your travel documents. If your encounter occurs at the start of a weekend or a long national holiday you may be on ice for quite some time.

Many countries don't practically (as opposed to officially) care if you hold two passports. In fact, one diplomat I knew hoped to encounter these situations for his personal profit. He was a Costa Rican Consul General stationed in the United States. Whenever he dealt with US Pensionados, he first got possession of their Costa Rican provisional passports. Then he casually asked, "May I please see your US passport?" If one was produced, he instantly confiscated the Costa Rican document. His game was to enforce Costa Rican law which, like the laws of most of other countries, prohibits holding more than one passport at a time. Of course he enforced the law just strictly enough to extract a US \$2000 ransom from the retiree in exchange for return of his provisional passport.

If you hold another passport and your US passport is ever confiscated at a US port of entry or at a US diplomatic post, you'll probably pay far more than US \$2000 in lawyers fees before you get it back. You may also trigger an investigation into your travels, taxes and business dealings.

Be safe, never travel with more than one passport!

Treaties on Dual Nationality

Many nations, especially those who want to exercise maximum authoritarian control on their citizens, enter into agreements with other nations so that if any citizen of one country acquires a passport of the other, it will be reported to the original country of citizenship. In some countries, a treaty provides that the obtaining of another citizenship and passport will result in the automatic loss of the first citizenship. Such a treaty dating back to 1930 exists between Iran and Germany. But although a treaty may exist, if relations between the signing countries are no longer friendly, cooperation and information exchanges simply stop. If and when they are resumed, normally old information is not exhumed, but only new cases are reported.

Most consular officers will have no hesitation in informing anyone who asks whether or not their countries report the acquisition of citizenship to the country of original

citizenship. As a general rule, we know the following countries are very tight lipped about their citizens: Belize, Ireland, Switzerland, Israel and most Spanish-speaking countries. Normally, these countries will report only the names and passport numbers of major wanted criminals to another country or a third party but even then crimes of a political nature would not be reported.

Here are some of the countries that love to exchange information on their citizens and will tattletale on foreigners who have come to live in their country: the US, South Africa, Germany, Japan, Australia and Scandinavian countries.

We find that the same groups of countries are eager to exchange tax and financial information.

Canada and the United Kingdom are "mixed". They exchange information with the US and the KU, but not with most other countries.

The way to circumvent the problem is simple. If you do not want your country to know you have acquired a second passport:

1. Acquire the passport of a tight-lipped country like Ireland or Israel. For greater security, use an alternate identity or variant on your name for the "intermediate" document.
2. Using that passport, acquire the passport of the loose-lipped country which will report (if at all) only to the country of your latest citizenship. For example: Mr South African desires to become a German. First, Mr South African becomes a Paraguayan or Belizian with the name Mr Touth Nafrikan. Then Touth becomes a German. The Germans don't report to Paraguay or Belize because there is no reciprocity, meaning South Africa never finds out anything.

Is it legal? Generally speaking, there are no laws that require a person to report the acquisition of a new nationality. Thus, unless we hear otherwise, in our opinion, the above procedure is legal. Naturally, as stated elsewhere in this report, one should leave and enter one's home country only with local identity documents. Above all, don't take our word for anything. Always consult a local legal expert.

Passports and Tax Treaties

Tax treaties being pushed by high-tax countries like Scandinavia, Germany and the US mean that if the individual who is a citizen somewhere else ie a foreigner, files an income tax return in treaty countries under his home country name and identifies himself as a foreigner, the government will turn over a copy of his local tax return (usually a few years later) to the home country.

What does that have to do with travel documents? Nothing! But the new financial information that is exchanged between certain countries is a good reason to have a "banking passport". See our section on that subject in Part I of this Report.

Any passport you purchase should normally be renewable for life. However, a lot depends upon how the request is presented, and who is doing the renewing. Best to have it done at a consulate abroad by mail. Have a very good letter composed in the appropriate language. We suggest it be sent with a color copy of the old passport, which is perhaps "lost or misplaced". Consulates have a way of losing original documents and thus extorting extra fees for research and replacement. That's the way it's done in South America or Africa. Incidentally, any client should always keep several color copies of important documents like driving licenses and passports. These are to be kept in a safe place so that duplicates can be obtained in case of loss or theft. Encased in plastic, your copy of any legal document except passports can often be used as an original.

First use of a passport should be in a country that does not stamp passports coming in. Switzerland is one such country.

It is less risky for all if a second passport is used only for banking and not for travel. Even an expired passport is good for banking and identification.

Is Your real Reason for Wanting a Second Passport Rational?

Some people just want to get away from it all, make a change or give up their citizenship. People, particularly under stress, can go off half-cocked and spend lots of money on things that really do not help them achieve their true objectives. They burn their bridges because of emotional considerations, with no real appreciation of the situation as it really is. People often assume things that are just not true.

Thus we are going to make some observations on commonly recurring matters so that you know what the score is. These comments may cover questions you didn't think about asking.

First thing, any American who gets a second travel document is probably going to be breaking quite a few laws. Whether these laws are moral or justified, or whether everybody else is doing it, is not the question. The point is that every reader should realize that if a person finds a dollar on the street and puts it in his pocket without reporting it and paying income tax on it, he is committing a crime. In the US, it is theoretically punishable by five years in the pokey. Whether one has any real chance of getting caught or getting prosecuted is another thing. In most other countries, simply not reporting income is not a crime nor is having a secret second or unreported passport a crime anywhere else in the world but in South Africa and a few despotic dictatorships.

Having a secret passport based upon a residence, marriage, parentage or birth (that never happened) is like finding money and not reporting it as income or like having a secret bank

account abroad when the laws of your country make it obligatory to report the existence of such an account. You probably won't get caught if you use common sense and elementary precautions, but you are technically speaking, a criminal. And this is something many people don't want to admit, even to themselves.

Unique in the world's legal systems, any person who participates in any insignificant way in helping an American citizen or resident to break the law (no matter how trivial) is part of a conspiracy. This conspiracy is another crime and usually is considered to be more serious than whatever was originally done in the first place. To put it in perspective. If a Frenchman in Paris advises an American to show his contempt for his own government by spitting on the sidewalk in front of the nearest US embassy, the Frenchman is guilty of a conspiracy to commit misdemeanor. This is a felony under existing US laws. Under those same US laws, his (French) home can be raided by US law officers and searched. Any of his property can be confiscated by US agents even if they are illegally in France and even if those US agents are breaking the laws of France. Further, those US agents can under US laws, as in the recent Noriega case, kidnap the Frenchman and torture him on the way back to the US in order to extract a false confession to a more serious crime. The kidnapers can also legally secure fraudulent testimony to convict. They can legally arrange to have him placed in custody with known rapists and killers and have him physically and mentally abused by other prisoners and interrogators. It is all legal (from a US point of view). One cannot but wonder whether the Frenchman is the criminal or if it is the legal system in some countries that is lacking in morality.

To put it in proper perspective, Thoreau, Oscar Wilde, Winston Churchill, George Washington, Tom Paine, Ben Franklin, Lech Walesa, Mahatma Ghandi, all those who rose up against the communists in eastern Europe, the present Pope, Socrates, Martin Luther, Martin Luther King and millions of heroes who stood up against oppression were all during most of their lives criminals by definition. They often paid a high price for doing what they thought was right. The prime example of an individual who challenged the state and was crucified for it is Jesus Christ! Sadly, someone may be doing the morally right thing and still face punishment.

Our view is that governments are usually the criminals. They, like the mafia, make you pay (taxes) for protection that is worthless. It is best to decide at the outset that what you are going to do is worth the price you may have to pay. Many people have been imprisoned or murdered (legally!) by governments for simply wanting to leave a jurisdiction, avoid being made into a murderer (military service), engaging in peaceful protest or attempting to protect assets. If these things are done with proper planning and mature common sense, there need be little risk, as explained more fully in our other reports. A second passport gives you the right to hold an unpopular opinion or eccentric way of life.

Now, comments about some of the things that are most commonly misunderstood regarding our reports and the programs I have mentioned or recommended.

Second passports from many countries are currently available and can be granted on the basis of residence, parentage, property ownership over a period of years or many other factors. If the passports are "instant" the backup facts are generally going to have to be worked out creatively with someone. If those backup facts are not true or if they are ever questioned in an in-depth way, the holder of the passport may well be unable to renew.

A person who visits Brazil with a passport based upon birth there should normally speak fluent, accent-free Portuguese and look the part. Why? At border control points there could be embarrassing questions he can't answer, like, "Why don't you speak our language?" Naturally, some people can memorize and get away with a good cover story, "I was taken to St Louis, Mo as a small child, etc." The person must be cool, confident, well rehearsed and well drilled in all possible questions. His story should 100 per cent match the documents he carries. Sometimes it can be arranged that a parent had citizenship which was passed to the child. In such cases, the bearer of a passport may not speak the language or know anything about "his country".

Even the dumbest border official has some sense of who belongs and who doesn't. The typical reader is certainly not a professional criminal. They are no good at fibbing. As a general rule do not use a travel document to go to the country where it was issued. The place of issue is the country where you are most likely not to fit in. A suspicious character will always be grilled. If a client says, "I paid a lawyer to get me the document and I never visited the country, "he is *ipso facto*, by definition, traveling on fraudulently obtained papers. What does this mean? It means trouble! It means you should fully understand the legal basis by which your passport was issued!

TRUE STORY

A young girl, let's say from Germany recently went to the US on her sister's US passport. She had all the right papers and looked like the photo, but the immigration official asked, "Where did you go to school?" When the girl said she went to the school her sister had gone to in the US for five years, he didn't believe her. Why? Because her English was not as good as a person who really went to school in the US for five years. She then admitted the fraud and was sent from the New York City Airport to the Federal Detention Center jail for two days. Then she was deported and her passport was confiscated. She spent another two nights in jail in Germany, finally being released without charge. The point of this story is that if you don't fit the documents you are carrying, and go to the country that issued them, you are facing the biggest risks. If you don't speak fluent Spanish and travel with a Spanish speaking country's passport to places where they don't speak Spanish, you are generally going to be OK. It is not a good idea to use such a passport anywhere that Spanish is spoken' likewise with Brazilian and Portuguese documents. Since the Belize program shut down in late 1989, we know of no other country where English is spoken and where instant passports can be acquired. Sorry! We have heard that Liberia, Nigeria and Gambia (all English-speaking African countries) are a possibility, but, as you can tell from this Report, we don't think much of African countries since you require a visa to go

just about anywhere. If you hear of any interesting passport availabilities, prices or contacts, please let us know. We are interested in all such programs even African ones.

Many readers might be tempted to secure the citizenship/passport of the country in which they really want to live/spend a lot of time. But this is often not the best option. Why? Readers are directed towards *PT- The Theory* and *The Personal Privacy Report- The Practice*, both available from EXPAT WORLD, for the whole story. These Special Reports make perfect companions to *The Passport Report* and contain vital information for those interested in residency and/or immigration.

Why You Can Never "own" a Passport

Technically, all passports belong to the issuing country and not to the individual. As a result, any government official can seize a passport on any pretext if the document is physically within their country or presented at a diplomatic post.

A diplomatic post is legally an extension of the home country. Honorary diplomats are also on foreign soil when in that space set aside for the purpose of transacting diplomatic business.

Obviously this means you should hide your second passport well or store your spare passport safely outside of the country in which you legally reside. This is because you can be ordered to surrender all passports in your possession. You should consider keeping it outside the country of issue because it can be revoked or confiscated. Remember the general rule. A government has power and jurisdiction only over people and things within its borders.

Unless you are wanted by Interpol, any country where you surface as a tourist will rarely detain you at borders on a passport question. They have no records of lost or stolen passports outside their own. Unless you call attention to yourself with outlandish dress or behaviour or have stamps in your passport showing visits to known drug-exporting countries, you usually will not encounter any flaps. The usual question is only to determine if you have a round trip ticket and enough money to live on during your planned touristic sojourn.

*Comments, questions, additions and constructive criticism should be sent to
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Part 13: Case Histories

Passports for Athletes, Authors, Entertainers and Other High Profile People

South Africa is back in the world sporting arena but some countries still face restrictions. Israel, Iran, Iraq and several ex-Communist Eastern Bloc countries are among them. The former Soviet Union itself and many more nations have been barred from competitions on and off. The US refused to participate in the 1980 Olympics in Moscow, referring to the Soviet invasion of Afghanistan. Taiwanese athletes cannot compete in any meets where mainland China is a participant and vice versa. Libyan and to some extent Syrian athletes are considered terrorists wherever they go. Thus, they can't get visas to play in the games.

And so goes this crazy world. To make matters worse, not only the sports community is affected by this problem, but entertainers and other performers are hit with many restrictions and hard choices as well. The same can be said for some authors and a long US list of more than 300,000 "undesirables". Graham Greene, considered by many to be one of the greatest novelists in the world, was barred from entering the United States. Why? He (like your author) said one too many nasty (but true) things about the US.

In 1990, a British industrialist was accused of having imported six Czech soccer players illegally into the United Kingdom by means of obtaining Bolivian passports for them. They got into the UK without visas on their Bolivian passports.

It turned out that Bolivian passports can be had quite legally by mail order through proper official channels. There was nothing shady about the scheme. So why couldn't six Czech athletes travel into the UK on their own Czech passports? Reason, because Czechoslovakia, like most excommunist countries, does not facilitate visa-free travel to Great Britain. It is almost impossible, even today in 1995 for residents of some former Eastern Bloc countries to get exit visas or passports to travel abroad freely. Bolivia and most Central and South American countries are relatively liberal in granting their passports. No exit visas are needed. No entry visas are needed. Once legally in England, it is possible to acquire UK residency and later citizenship, provided one has powerful sponsors.

With political factors now dictating dos and don'ts in the arts, sports and many other fields, restrictions on freedom have spawned a whole cottage industry of travel document specialists. Usually, they are team coaches, sports managers or consultants. Sometimes they are show business impresarios, but they all have one thing in common - they can help their "names" or clients get different identities and different nationalities.

Frustrated Fisherman Runs to Swaziland

With the right documents, banned athletes can enter competitions with alternate identity papers naming them as someone else. One athlete, the black South-African 1500 meter runner "Fred Fisherman", heard that he could get Swazi citizenship in time to compete in

the 1984 Olympics. He went to Swaziland, a small independent country on the border between Mozambique and South Africa. There he met with the head of the country's sports council. He was told, "It would not be difficult for such a fine runner to represent Swaziland at the Olympics."

He went back a second time and met officials of the country's track and field federation. Then he talked to the Swazi Olympic Committee. After six months of negotiations, Fred Fisherman began noticing that the more Swazi officials he met, the more it was costing him. Finally he just approached officials in the Swazi passport office with a small packet of cash.

It paid off. Fred Fisherman and two other South African athletes received Swazi passports for a total of 50 Rand, about US \$25. Much cheaper than endless meetings with officials.

Still, the passports were not enough. The LA 1984 Olympics had come and gone and still our runner didn't have his officially required certificate of citizenship. And he was running out of money. He had already bribed officials to get a Swazi residence permit, about 1200 Rand. But a residence permit was not the same as citizenship. Without a certificate of citizenship in addition to his passport, he could not register to compete.

Fred Fisherman was frustrated. It was time to see the top banana, His Royal Highness, the Swazi King.

After three months of negotiations, he arrived at the appointed time for the audience. He waited. The King, a teenager, never showed. The King's counsellors had little to say to Fred about the situation. "This sometimes happens," they told him.

That night he invited members of the Swaziland Olympic Committee to a dinner. Twenty-five "officials" showed up. The next morning, as he was checking out of his hotel, he noticed a discrepancy in his bill. It seems that his dinner guests had checked into eight different hotel suites with call girls and charged substantial expenses to his account.

Today, he has his Swazi passport. It is good to travel with. But he still does not have the Swazi citizenship papers needed to compete in the Olympics.

Athletes and other people like Fred Fisherman are twiddling their thumbs all over the world. They are desperate and rightly feel that the time has come for politicians to stop meddling with the world of sports. Athletes, black and white, are suffering because politicians, as usual cannot distinguish between individuals and the accidents of birth that make them citizens of "pariah" countries. Professional athletes have been exploited and shoved around as pawns for many years. They are all too often simply victims left dangling in the hands of stupid and arbitrary politicians.

Paul Gets it Right in Lesotho

The situation in South Africa has changed dramatically recently and, although this case history doesn't appear at first glance to carry the same weight as it did a few years ago, say, it is worth noting two things. First, history has a habit of repeating itself and secondly, there are still many South Africans who wish to emigrate but are stuck with South African passports. Paul Coetzee (real name) was the man athletes talked to when they wanted to gain their freedom to compete internationally. Coetzee was in charge of Sports-Mark, South Africa's only sports management company. To make his business profitable, he often had to get second travel documents for his athletes. This is the only way he could get them into international games.

He got some of his passports in Lesotho, an independent African country surrounded by South Africa. This was cumbersome because the Kingdom was not very easy to reach. A very special and sometimes delicate approach was required. Coetzee recalls a typical instance in 1990 in which he had to get a Lesotho passport for Annette Falkson. She is white and was one of South Africa's best women marathon runners at the time.

It took Coetzee nine months and quite a bit of money to set up the trip to Lesotho. After finding the right village and the right local chief, they all sat in a circle. Coetzee told the chief that he had come from afar to seek the chief's wisdom on a certain matter.

The matter, he said, involved one of the chief's people, a girl who had grown up in this village. He told the chief that he had brought the girl, now a woman, before him to identify.

Coetzee said that if the chief confirmed that this woman and her parents before her had come from his town, then this woman could get a Lesotho birth certificate, which was very important to her.

The chief thought about the problem. They continued to sit and smoked a pipe for some time. Then someone brought in some of the chief's homebrew beer. They drank that. The chief said he wasn't sure he could remember this one woman from among so many people in his village.

Coetzee said he understood how an elder with such responsibilities could have this problem. Coetzee pulled out a US hundred dollar bill. The chief thought about this. Coetzee pulled out another bill. The chief peered intently at Miss Falkson. The more money Coetzee extracted from his pocket, the more the chief seemed to recognize Falkson.

The chief suddenly recalled that Falkson and her blood kin had been respected residents of his village for generations. More money. He even remembered her first words as a baby.

A little later, Paul Coetzee and Annette Falkson left Lesotho with exactly what they had wanted, a Lesotho passport and birth certificate for Falkson, formerly a South African citizen.

For another athlete, Coetzee spent about US \$25,000 and obtained, quite legally, a Paraguayan passport. The athlete this time was a young black welfare officer in a platinum mine in South Africa, marathon runner David Tsebe. He was entered in the Honolulu marathon as Brandt Nava, a runner from Paraguay. His coach, Coetzee passed himself off as Paul Stefanos, a Greek national living in London.

Fifteen miles into the race, Gianna Poli of Italy made a break. Nava/Tsebe went with him, in the lead. Poli caught him at 22 miles and Nava settled in behind him. To most, Nava looked fresh and Poli was laboring.

But Poli won. Nava was a close second with a time of 2 hours 15 minutes and 12 seconds. Still, Nava was entitled to a substantial cash prize.

Among the reporters was ex-runner Alberto Salazar, assigned to do television commentary. Salazar, who speaks Spanish, approached Nava for an interview. Salazar then spoke Spanish to Nava. Remember, the second place winner was supposedly a Paraguayan whose native language would have been Spanish. Nava didn't appear to understand any Spanish. Salazar then spoke to him in English. No response.

It turned out that David Tsebe didn't have the right language to go with his new passport. The charade unraveled. They were forced to hand back the second prize money and leave Hawaii even though Tsebe had been placed second. He was of the black race the boycott against South Africa was supposed to protect, but he couldn't keep the money he had won fair and square. This was one result of the ban on South African athletes.

On Marrying Freedom

Some athletes have entered into marriages of convenience to get other citizenships and second passports. South African sports defector Zola Budd gained British citizenship in time for the 1984 Olympics, then ran a race back home in South Africa and as a result was again banned abroad.

Black long distance runner Sydney Maree, Pretoria, became a US Citizen and a two-time Olympian Frith van der Merwe married a complete stranger solely to get to compete internationally. Van der Merwe has never lived outside of South Africa, but is widely considered the best female ultra-long distance runner in the world.

What does this all mean to you?

Sports figure or tycoon, as long as governments unfairly restrict travel, some creative people will find ways to get new identities and second passports. These people are not criminals. They will be aided by other individuals like your author who feel that travel is a basic human right. That right must be facilitated for moral reasons, personal profit or both. It is unfortunate that corrupt bureaucrats usually hold the key to freedom in the form of

the ability to grant passports, visas and other documents needed for travel. Our observation is that a strong willed individual who wants to get from point A to point B will always find out how to do it (perhaps by reading a report like this). He'll refine his own plan by consulting with experienced experts. Finally he will implement his plan, eventually circumventing all artificial restrictions and unjust laws. When such barriers stand in the way of righteous and legitimate aspirations, all good people have the moral duty to help themselves and all others overcome them. The United Nations charter recognizes the right to travel and to move freely as a basic human right. Why then do most member nations make exercising this right a crime for many people of the "wrong" race, place of birth or parentage? Why indeed? With your contribution of information and case histories like these to future editions of *The Passport Report* and *PT*, we shall overcome!

Further Case Histories

The following case histories are true. They are drawn from the author's own experiences, from readers who have submitted their stories for this Report and from other reliable sources.

Because these histories portray situations as they actually occurred and thus describe how various laws and regulations actually interact, we have taken care to verify any critical details that are presented. We point out, however, that nobody associated with the production of this report is offering legal advice of any kind. Nor, for that matter, is anybody recommending that the reader take any particular course of action based upon information contained in this report.

Instead, we urge the reader to consult with competent legal and financial advisers according to his or her needs.

While the countries and details of each character presented in the following histories are properly identified, we have purposely changed the names of individuals and business establishments. While we feel that the information to be presented is of value to the reader, we do not wish to create hardship and inconvenience for the subjects themselves who have been so willing to share information with us.

The Australian Jockey Who Came in Too Late

"Tiny Tim" was one of Australia's leading jockeys. He raced mainly in Australia and New Zealand. His colorful personality got him an offer to race for a two month season in Hong Kong, followed by two months in England and another two in the US. If all had gone well, his earnings would have been about US \$30,000 per month.

Tiny never thought about a second passport, and his accountant kept his taxes low by investing in Australian livestock and homegrown tax shelters.

When Tiny got to Hong Kong he was surprised to be invited to a meeting of jockeys and owners where he was told that he would win his first Hong Kong race. Expressing surprise that the race was apparently going to be fixed, he was told that in Hong Kong, horse racing was more like American TV wrestling. It was the show that people came to see, and racing was more theater than competitive sport in Hong Kong.

Tiny won on schedule. A few days later he was arrested. The police, alerted by the Hong Kong Racing Board, were investigating allegations of pre-arranged and losers. Tiny told the truth, was brought before a magistrate and was ordered to forfeit his passport and remain in Hong Kong until his trial.

It appeared that Tiny had arrived in Hong Kong at an inopportune time when race fixing was about to be investigated. In order to deter future culprits, those involved were to be punished. For his part in the conspiracy, Tiny faced a five year jail sentence. Any conviction would put an end to his career as a jockey.

Even though he personally agreed to nothing but to do his best to win, Tiny's crime lay in not reporting the conspiracy to the police. Tiny had considered going to some authority about the meeting, but since everyone who was anyone in the Hong Kong racing establishment was present and seemingly in cahoots, he felt that it was not his place to upset the order of things.

Tiny had only his Australian passport. He was ordered either to surrender it or to remain in jail until the trial. Unable to leave without a passport, he was not able to fulfil his professional obligations to race in England and the US. This represented an immediate loss of US \$120,000. He spent a like amount presenting a defense in his trial. A charade that resulted in his being convicted and serving some time in jail. Tiny clearly serves as an example to others.

Tiny is now thinking that if he had secured a second passport, he could have simply left Hong Kong via Macau and continued his racing tour. Instead, he ended up wasting time and money on his no-win trial. In fact, he had lived in New Zealand and could easily have obtained a second passport without even surrendering his Australian one.

Tiny has learned that it is easier to obtain a second passport when nobody is watching and when you are not in dire need of one. Had he observed the Boy Scout motto, "Be Prepared", some simple steps taken a few years ago would have stood him in good stead today.

A German Lawyer in Switzerland

To "Gunther Beckman", Switzerland was a magnet. It was politically neutral, clean, prosperous, anti-leftist and perhaps the closest place to Utopia that he could possibly imagine. The problem was that while the Swiss love tourists, it is almost impossible to get

a Swiss passport. Residence and work permits are likewise unattainable by the typical German lawyer.

Swiss law requires that in order to qualify for any of these privileges, you must have two Swiss parents, be a Head of State, a major author or movie star, a Nobel prize winner or an individual having superior characteristics and international fame that will bring credit upon Switzerland.

Gunther is a brilliant and creative international lawyer. Switzerland already has an excessive number of native lawyers. Gunther knew he could best serve his clients with tax havens, corporations and delicate business negotiations from a Swiss base of operations. Confidentiality is well respected there. Plus, Gunther loved skiing, sailing and the whole Swiss outlook on life. On the other side of the ledger, Gunther recognized that Swiss taxes were high and that lifelong service in the National Guard is required of Swiss citizens.

As a result of wanting the advantages without the negative factors, Gunther sought a back door to Switzerland. He bought a home in Campione, a small Italian enclave located physically inside Switzerland. As a resident of Campione, he was entitled to Swiss telephone and postal service, a Swiss driving license, Swiss plates on his automobile and full membership in Swiss professional associations. His Italian Campione residence card was endorsed by Switzerland, thus allowing him unrestricted access both to Switzerland and to all of Europe.

Best of all, Gunther's tax situation improved radically. He owed no Swiss taxes on his six figure income because he wasn't a Swiss citizen. Italy didn't tax his income because it wasn't earned in Italy. Germany didn't tax him for the same reason. Gunther feels that he is in a perfect situation.

Gunther was aware of Swiss difficulties and he remembered his own hunger in World War II. As a result he was determined to find an even safer haven to fall back upon in the event of another European war. Because of his wealth and status and because of Paraguay's hospitality to right wing Germans, Gunther was able to arrange for a Paraguayan passport.

This was done through a meeting in Switzerland with German-speaking Paraguayan diplomats. A short visit to Paraguay and a small land investment also were required. He keeps his Paraguayan passport in a safety deposit box in nearby Lugano and now has his last ditch emergency retreat to South America completely provided for.

Gunther recently purchased a fine penthouse in Buenos Aires, Argentina, during the real estate depression for a staggeringly low US \$20,000. He exchanges use of this apartment for similar benefits in expensive vacation homes elsewhere in the world. See *PT* for details on how to exchange vacation properties.

As a Paraguayan, Gunther qualifies for permanent residence status and a work permit in Argentina. He is already working with an Argentine-German law firm that will generate profitable business.

Gunther has attained his goals in life. He has assured his personal safety, he is paying essentially no taxes, he has diverse real estate investments and business associations well lined up. Best of all, no government can misuse him. He has found freedom in an unfree world.

The Mexican in America

"Pedro Sanchez", age 33, was anxious to find a way to live legally in the United States. He grew up near the California-Baja border and considered it unfortunate that he was born on the Mexican side instead of a few hundred feet to the north in the United States. Pedro began his career as a wetback harvester at age 13. He found that the pay was far better in the US for his unskilled agricultural labor.

Working without proper papers meant that he would be deported on many occasions. After 20 years of illegally working in the US, he had gained a Mexican-born wife, four US-born children and a mortgaged US home. Although he was willing to pay US taxes and learn English, Pedro lived in constant fear of being caught and deported again. Each time this happened, he lost his job and had to start over again once he crept back across the border.

The Immigration and Naturalization Service (Migra) border police forcibly put his wife and four children across the border. Housing and employment in Mexico are always bleak problems. Pedro's children did not even speak Spanish, further alienating his family from the homeland in which the Migra would have them reside.

Getting back across the border was no problem, but Pedro realized that La Migra would be looking for him at his old home. Immigration lawyers could not discern a loophole for Pedro to slip through. Finally, Pedro met a man who promised him a US passport for \$5000.

The process involved using the birth certificate of a deceased US-born infant named Manuel Estrada. Manuel, the dead infant's name, was changed in court to Pedro Sanchez. Then Pedro, using his lifelong name and the birthright of Manuel Estrada, applied for and received a US passport. He remarried his wife in a California civil ceremony, thereby giving her a US resident's card and ultimately citizenship. This will protect her from ever being deported again.

Pedro will never tell even his wife or his children how this miracle was worked because he doesn't want to take any chance of being discovered. He knows that what he has done is illegal, but he also knows that he wants the opportunities for his wife and children that only the US can bring him.

Fearing any further contacts with La Migra, he is one of the twenty million illegal immigrants in the US who did not apply for the 1986-87 amnesty.

A South African Becomes a Central American

A few years ago "Abe Levin", age 34, was a prosperous businessman in the metal casting industry in South Africa. South Africa's laws forbidding foreign bank accounts and the exporting of capital worried Abe, as he viewed the deteriorating racial situation. He carefully developed export customers in Europe as well as South and Central America. He could now justify frequent foreign travel.

While abroad, he established illegal foreign bank accounts and devised ways to divert some of his revenues to them. These were serious criminal offenses but Abe reasoned that if things did go up in smoke in South Africa, he needed a means to support his family.

Abe then began to plot how to provide for a rapid exit in the event one became necessary. Being of Jewish ancestry, he explored the possibilities offered by Israel. Learning however, that there was no way to avoid Israeli military service for himself or his sons, he considered Spain.

Spain appeared to be an ideal place to relocate both his business and his family, but his preliminary investigation showed that immigrants from South Africa were being flatly refused by the country. Furthermore, Abe preferred an approach whereby his home country South Africa, would be kept more or less in the dark about his activities. Then Abe discovered Guatemala, a back door route to Spain.

A few combined business trips and very inexpensive holidays later, Abe had set himself up a nice little business in the country. Abe had no problem finding the necessary contacts to ensure himself a passport two years later, by which time, due to his frequent visits, had grown rather fond of the off-the-beaten-track country and its people. He had even managed to learn more than passable Spanish from a more than just slightly attractive tutor. With his new Guatemalan passport in hand, Abe set himself up in Spain where he was able to reside and conduct his business simply because he was a citizen of a former Spanish colony. No visas, no permits, no hassles. One year later, he was able to apply for a Spanish passport because of a special treaty existing between Spain and his newly adopted country, Guatemala. There have been big changes in South Africa but none of this has affected Abe too greatly. Abe can now live and work anywhere in Europe without a visa or permit.

A Canadian Who Didn't Need a Second Passport

"Bill Wayne", age 45, was a Canadian tycoon who was ready to move on to other challenges. He built a small oil company into one of Canada's largest privately held business conglomerates.

Bill intended to float a public stock issue and then concentrate on how to spend and invest the US \$10 million he expected to reap from the transaction. Then his tax consultant gave him the bad news. Under Canadian law in effect at the time, he would lose about US \$7.5 million to taxes. So he began searching for an option.

Bill discovered that if he became a legal resident of tax-free Bermuda and relocated before the stock deal took place, he could avoid all Canadian taxes, keeping the full \$10 million. He could always return to Canada after his money was safely transferred and invested through a Bermuda bank, but the cold winters had a chilling effect on those thoughts. Bill stayed in Bermuda, but now keeps an apartment in nearby Manhattan and another in London.

US citizens are faced with similar tax problems and could follow Bill's pathway to financial freedom. The only rub in this case, however, is that US citizens would have to renounce their citizenship. Otherwise, they would still be subjected to taxes because under US law worldwide income is taxable regardless of their place of residence.

Many US capitalists with large sums of money at stake, shortly before taking any large capital gains, become Canadian citizens and then residents of Bermuda.

Bermuda is a resort-playground and tax haven for the US, European and Canadian millionaires. It is a short flight from major US, Canadian and European cities.

Other Caribbean tax havens worth looking into are the Bahamas, Cayman Islands, British Virgin Islands and Turks and Caicos. See also *The Tax Exile Report*, published by Scope International.

An American Entrepreneur in Saudi Arabia

"Jack Armstrong" was born in the US in 1946. He spent his childhood with his father, whose engineering business took him to the Middle East. Jack returned for about seven years in order to attend Princeton University and then the Massachusetts Institute of Technology. He eventually succeeded to the family business.

Armstrong Engineering USA Inc generated over one million dollars per year in net profit for many years. As a US citizen, Jack paid out 40 per cent to 90 per cent of Armstrong's net income in US taxes.

Jack finally recognized what was happening and sought out skilled tax advice. He was told to obtain Peruvian citizenship and then renounce his US citizenship. Jack's Peruvian passport was obtained and the US Consul in Jeddah, Saudi Arabia endorsed it for unlimited business trips to the US.

Jack was now saving over US \$500,000 in annual tax payments. He also found that he was now free of dozens of other US business regulations ranging from providing equal employment opportunity to anti-bribery laws that prevented him from engaging in customary Arab practices.

Reincorporating in Liechtenstein, Armstrong Engineering Ltd now enjoys a 200 per cent increase in profits after taxes and a newly found administrative efficiency that would have been impossible when operating under US laws.

Frenchman in Monaco Becomes a Portuguese

"Marcel Martin", now aged 85 and retired for more than 20 years, was born in France. He is a patriot and a former hero of the World War II French Resistance. Marcel owns successful retail stores in Nice, France and his palatial seafront apartment is in Monte Carlo, Monaco.

The Principality of Monaco is bounded on three sides by France and on the fourth by the Mediterranean Sea. It is a tax haven and a retirement retreat for the very wealthy. There are no property taxes, income taxes or estate taxes.

Shortly after Marcel retired to this fiscal and climatic paradise, France concluded a treaty with Monaco that permitted France to collect their extremely high income and "wealth" taxes from French citizens in Monaco. Marcel's investments in Switzerland provided about US \$100,000 in annual income. France was about to lay claim to well over US \$60,000 of this previously untouchable income.

Marcel sought a way out. His live-in girlfriend of some 20 years held a Portuguese passport, and this gave him the answer. He married her at age 80, took a short trip to Portugal and gained citizenship there by virtue of being the spouse of a Portuguese citizen. He then returned to Monte Carlo, again free from income taxes on his Swiss deposits.

Only the US and the Philippines tax the worldwide income of their citizens, even if they reside abroad. France only taxes the income of French citizens abroad if they reside in Monaco.

For Marcel, the Resistance hero, to renounce his French citizenship was an emotionally trying episode, but the economics of the situation dictated this course of action. With his Monaco identification card, Marcel still feels French. By walking across the street from his apartment, he can actually breathe French air, stand on French soil and be in France. Of course, he is US \$60,000 per year richer, and when he dies, France won't take 70 per cent of his estate either.

An Iranian in the US

"Mohammed Reza" was born in Iran. He became a multi-millionaire under the Shah's regime. When the house of cards began to collapse, he moved to California. Eventually, he became a US citizen.

Because of the anxiety Reza had over getting resituated after a narrow escape when the Shah's regime crumbled, he didn't pay attention to the tax consequences of US citizenship. His income from New York bank investments and occasional land transactions was not previously taxed by the US. When he gained citizenship, he also gained a staggering tax bill.

Reza rethought his situation and opted for Canadian citizenship. After changing, he bought or rented homes in various countries around the world. He now pays no taxes on his income, yet he enjoys the benefits of traveling on one of the world's best passports. He is free to come and go to the United States without a visa, but never stays more than four months each year.

The Chinese Man in Portugal

"David Ling" was born in mainland China 50 years ago. He owns several cargo ships, both freighters and tankers. His net worth is well in excess of US \$1,000,000 and his annual income is over US \$100,000. David lives in Hong Kong and has a Hong Kong British passport. He also has serious concerns.

David is worried about what may happen when the Peoples' Republic of China takes over Hong Kong at the expiration of the treaty in 1997. Unless he makes some clever moves right away, he may lose his shipping interests to a Chinese communist corporation. His lifestyle and freedom may also become curtailed, as there is no reliable way to predict what the communist Chinese will do. He fled the mainland before Chiang's defeat and doesn't like to face new uncertainty now.

David does not want to leave his Hong Kong home and friends, yet he realizes that his economic and personal future might force making such a move. Several years ago, David purchased a home in Macau. After gaining a working knowledge of the Portuguese language, he was able to obtain Portuguese citizenship and a passport for himself and his family. This opens all of Europe to him because Portugal is in the European Union.

David was fortunate in having moved so quickly. In 1985, a British treaty with Portugal slammed the Macau back door shut by limiting the number of Hong Kong Chinese who could obtain Portuguese citizenship via Macau to 100,000. That quota was already filled when the treaty was inked.

David's story shows how important it can be to strike while the iron is hot. Many slower-moving Hong Kong Chinese are now desperately casting about for other alternatives, but they are finding that few are so simple or satisfactory as the Macau route was.

A Russian Becomes a Displaced Person

In 1985, before the days of Glasnost, Perestroika and anti-communist uprisings, "Walter Ivanovich", 19, was a Russian citizen, a lover of pop music and fast cars. He had secretly dreamed of moving to the West since early childhood. He joined the Russian merchant marine and managed to jump ship, locating a route of defection while his ship was docked in Italy.

His first attempt to defect was in an Italian police station, but there he was threatened with being returned to his country. Walter knew that would mean 40 years at hard labor or even death.

To obtain asylum somewhere became literally a matter of life-or-death. The US Consul in Rome refused his application for asylum since he had nothing of interest or value to offer to the US. Walter then found good advice from a refugee organization. Saying he wanted to go to America and own a Porsche was the wrong script. If he said that he had escaped for political or religious reasons, he would receive an Italian refugee passport and safe transit passage to one of three countries, Austria, Sweden or West Germany. Additional inquiry also revealed that South Africa, Canada and Australia offered free passage, asylum and eventual citizenship. These countries were just names on a map to him, America was still his goal.

Without western friends or money, Walter had to accept whatever deals were offered rather than selecting his destination. He spent some time in an Austrian refugee camp, safe at least. Where his efforts to secure permanent residence somewhere in the West were aggressive and determined. With youth, health and a bright ambitious mentality working in his favor, Walter connected with a good sponsor and residence after a brief period. Walter writes from Santa Barbara, California, "I own a Porsche now, have a home with an ocean view, and I have political freedom. Thanks to *The Passport Report*. "

A Filipino Becomes Australian

"Arturo Madera", 42, was loyal to the second-to-last Phillipines revolution and to President Marcos. For his valuable loyalty, Marcos ensured that Madera received an inside track ultimately gaining a major interest in the national airline. Madera became wealthy through this liaison. Madera, like most Filipinos, realized that Marcos's reign would eventually falter. He embarked upon a careful plan of hiding much of his assets in stable foreign countries to prepare for that eventuality. Investing in an animal feed pellet manufacturing business in Australia, Madera qualified for citizenship under the entrepreneurial program by spending a few months each year in Sydney, running his business.

When Marcos's regime collapsed, Madera joined his wife and family in the state of New South Wales, Australia where he had already sent them at the first signs of trouble. Had he not planned ahead, Madera might have been murdered as an enemy of the new state. What

few assets remained in the Philippines were confiscated, but he had already secretly moved the bulk of his fortune out of harm's way.

Instead of suffering the uncertain and meandering course of his deposed patron, Madera is now safely at work in his new country. Because he anticipated the future and did something about it early enough, he had his passport and safe haven ready and waiting when he needed it.

The Bankrupt and the Billionaire

In recent years, the story of two wheeler-dealers made the front pages of all the financial newspapers in the world. Ivan Boesky was a leading corporate raider and receiver of "greenmail", while Marc Rich traded oil and other commodities on a global scale. The lawyers for both men probably warned them many times that they could be heading for trouble with various regulatory and tax agencies. Neither were criminals in the same sense as thieves or swindlers. However, a thicket of regulations made it difficult to do any deals without violating some law or other. In the US most violations carry stiff criminal penalties.

Marc Rich was eventually accused of income tax fraud and a host of other crimes. Ivan Boesky's main offense was insider trading. Both men at their peak were on their way to billionaire status when government agents swooped in to confiscate all their assets and business records. The immediate effect on Boesky was the complete inability to continue doing business. He had only one office (in the US). Marc Rich who also did most of his business from Wall Street was more prepared. Rich, according to newspaper reports kept his most sensitive records in a second office in Zug, near Zurich, Switzerland. He held both Belgian and Spanish passports as well as legal residence and a work permit for Switzerland. For both men, a criminal indictment must have been unpleasant. But Boesky was totally wiped out. He paid a hundred million dollar fine and pleaded guilty to criminal charges. He was also persuaded to turn State's evidence on dozens of his closest business associates. His friends would also do jail time and be ruined financially. Rich was inconvenienced, but by simply leaving New York for good he was able to do business as usual from Zug. Rich is now reportedly a billionaire living the good life in Europe.

The moral of the story and its implications for you should be clear. You may not be a big time operator, but anyone can run afoul of bureaucracy. It may not be fair that one violator gets away with something scot free and another loses everything, including his freedom, but that's the way life is! Those who are prepared for possible eventualities survive. Those who do not prepare fall by the wayside. Develop alternative residences, secure other incomes and discover fresh and exciting ways to survive and prosper in a difficult world. We are writing not for criminals but for people who have the degree of wealth or success that makes them targets for unjust persecution or lawsuits. If you are in this category, it could take more than reading this report to protect yourself. You must obtain your second passport, an alternative residence and a safe haven for some of your

assets before the trouble starts. Our unique range of books and Special Reports will make sure you're prepared for any eventuality.

*Comments, questions, additions and constructive criticism should be sent to:
EXPAT WORLD, Box 1341, Raffles City, Singapore 911745; email:
expatworld@pobox.com*

Part 14: The Last World

The Last Word

The Passport Report, now in its 10th Edition for 1996, has been a labor of love, certainly not a source of instant wealth for the author. We are committed to maintaining this publication as the world's most current and authoritative book on the subject. Nothing better is available from any source at any price. The plagiarists and copyists are at work, and we've seen our own outdated and now wrong information being circulated long after our new edition has come out with the latest news. We get the information at source. The competitors copy us and each other. This edition came out in October 1995. Within 12 months we expect to produce another version. As a registered report buyer, you may acquire the new edition for half price.

A great deal of work and massive research expenditures are needed to keep up with over 239 different political entities.

We would like to feel that our readers are part of a group of friends who pool information for mutual benefit. Sharing information can only help us all. If you discover a new source of passports or a thieving swindler in the business who takes money and does not deliver, please let us know. Such information will save our friends a lot of grief. This sort of data will be incorporated into future editions of the report.

Finally, each person's need and personal situation is quite different. We find that in spite of our efforts to bring order and clarity to a welter of information, some people will still do things that are completely wrong for them. You must read all you can on the subject, verify your information and, before you take the irreparable steps, probably take individual counseling. Anyone who has visited a good lawyer knows that his charges are seldom under £600 for a preliminary consultation.

I've put as many addresses into this Report as possible. That way, you can go straight to the sources mentioned - but maybe you still have a few unanswered questions, maybe you could benefit from a meeting with a real expert in the field. Someone who knows the ins and outs, and who can action things fast if you're really serious. If so, here's my final tip...

In my experience it's always best to deal with guys who have been personally recommended people who you can definitely rely on to provide the goods *everytime*. When and where you want them. This is my way of giving you a personal recommendation. If you really are serious about getting yourself some legitimate documents, the number to fax is 00 32 2 225 0533.

This is the direct line of Hans Kothe. Hans is a regular guy who won't mess you about and who definitely has his finger on the pulse. Back in the good old days I used to do consultancy work myself. Right now though, I'm happy with my feet up, sipping gently at

the cool Pina Colada as I watch the waves lapping against the white sands of a beautiful beach ... Ah, it's a hard life.

WG HILL

Parting Words

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Universal Declaration of Human Rights

All members of the United Nations have agreed to this Universal Declaration of Human Rights, 10 December 1948.

This report was written to help individuals obtain these basic rights when governments abrogate or deny them.

PREAMBLE

Whereas recognition of the inherent dignity and of the equal and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world.

Whereas disregard and contempt for human rights have resulted in barbarous acts which have outraged the conscience of mankind, and the advent of a world in which human beings shall enjoy freedom of speech and belief and freedom from fear and want has been proclaimed as the highest aspiration of the common people.

Whereas it is essential, if man is not to be compelled to have recourse, as a last resort, to rebellion against tyranny and oppression, that human rights should be protected by the rule of law.

Whereas it is essential to promote the development of friendly relations between nations.

Whereas the peoples of the United Nations have in the Charter reaffirmed their faith in fundamental human rights, in the dignity and worth of the human person and in the equal rights of men and women and have determined to promote social progress and better standards of life in larger freedom.

Whereas Member States have pledged themselves to achieve, in co-operation with the United Nations, the promotion of universal respect for and observance of human rights and fundamental freedoms.

Whereas a common understanding of these rights and freedoms is of the greatest importance for the full realization of this pledge.

Now, Therefore, **The General Assembly** proclaims

This Universal Declaration of Human Rights as a common standard of achievement for all peoples and all nations, to the end that every individual and every organ of society, keeping this Declaration constantly in mind, shall strive by teaching and education to promote respect for these rights and freedoms and by progressive measures, national and international, to secure their universal and effective recognition and observance, both among the peoples of Member States themselves and among the peoples of territories under their jurisdiction.

Article 1.

All human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act towards one another in a spirit of brotherhood.

Article 2.

Everyone is entitled to all the rights and freedoms set forth in this Declaration without distinction of any kind, such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status.

Furthermore, no distinction shall be made on the basis of the political, jurisdictional or international status of the country or territory to which a person belongs, whether it be independent, trust, non-self-governing or under any other limitation of sovereignty.

Article 3.

Everyone has the right to life, liberty and security of person.

Article 4.

No one shall be held in slavery or servitude, slavery and the slave trade shall be prohibited in all their forms.

Article 5.

No one shall be subjected to torture or to cruel, inhuman or degrading treatment or punishment.

Article 6.

Everyone has the right to recognition everywhere as a person before the law.

Article 7.

All are equal before the law and are entitled without any discrimination to equal protection of the law. All are entitled to equal protection against any discrimination in violation of this Declaration and against any incitement to such discrimination.

Article 8.

Everyone has the right to an effective remedy by the competent national tribunals for acts violating the fundamental rights granted him by the constitution or by law.

Article 9.

No one shall be subjected to arbitrary arrest, detention or exile.

Article 10.

Everyone is entitled in full equality to a fair and public hearing by an independent and impartial tribunal, in the determination of his rights and obligations and of any criminal charge against him.

Article 11.

- (1) Everyone charged with a penal offense has the right to be presumed innocent until proved guilty according to law in a public trial at which he has had all the guarantees necessary for his defense.
- (2) No one shall be held guilty of any penal offense on account of any act or omission which did not constitute a penal offense, under national or international law, at the time when it was committed. Nor shall a heavier penalty be imposed than the one that was applicable at the time the penal offense was committed.

Article 12.

No one shall be subjected to arbitrary interference with his privacy, family, home or correspondence, nor to attacks upon his honour and reputation. Everyone has the right to the protection of the law against such interference or attacks.

Article 13.

- (1) Everyone has the right to freedom of movement and residence within the borders of each state.
- (2) Everyone has the right to leave any country, including his own, and to return to his country.

Article 14.

- (1) Everyone has the right to seek and to enjoy in other countries asylum from persecution.
- (2) This right may not be invoked in the case of prosecutions genuinely arising from non political crimes or from acts contrary to the purposes and principles of the United Nations.

Article 15.

- (1) Everyone has the right to a nationality.
- (2) No one shall be arbitrarily deprived of his nationality nor denied the right to change his nationality.

Article 16.

- (1) Men and women of full age, without any limitation due to race, nationality or religion, have the right to marry and to found a family. They are entitled to equal rights as to marriage, during marriage and at its dissolution.
- (2) Marriage shall be entered into only with the free and full consent of the intending spouses.
- (3) The family is the natural and fundamental group unit of society and is entitled to protection by society and the State.

Article 17.

- (1) Everyone has the right to own property alone as well as in association with others.
- (2) No one shall be arbitrarily deprived of his property.

Article 18.

Everyone has the right to freedom of thought, conscience and religion; this right includes freedom to change his religion or belief, and freedom, either alone or in community with others and in public or private, to manifest his religion or belief in teaching, practice, worship and observance.

Article 19.

Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers.

Article 20.

- (1) Everyone has the right to freedom of peaceful assembly and association.
- (2) No one may be compelled to belong to an association.

Article 21.

Everyone has the right to take part in the government of his country, directly or through freely chosen representatives.

Everyone has the right of equal access to public service in his country.

The will of the people shall be the basis of the authority of government; this will shall be expressed in periodic and genuine elections which shall be by universal and equal suffrage and shall be held by secret vote or by equivalent free voting procedures.

Article 22.

Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation and in accordance with the organization and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality.

Article 23.

- (1) Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment.
- (2) Everyone, without any discrimination, has the right to equal pay for equal work.

- (3) Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.
- (4) Everyone has the right to form and to join trade unions for the protection of his interests.

Article 24.

Everyone has the right to rest and leisure, including reasonable limitations of working hours and periodic holidays with pay.

Article 25.

- (1) Everyone has the right to a standard of living adequate for the health and wellbeing of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.
- (2) Motherhood and childhood are entitled to special care and assistance. All children, whether born in or out of wedlock, shall enjoy the same social protection.

Article 26.

- (1) Everyone has the right to education. Education shall be free, at least in the elementary and fundamental stages. Elementary education shall be compulsory. Technical and professional education shall be made generally available and higher education shall be equally accessible to all on the basis of merit.
- (2) Education shall be directed to the full development of the human personality and to the strengthening of respect for human rights and fundamental freedoms. It shall promote understanding, tolerance and friendship among all nations, racial or religious groups, and shall further the activities of the United Nations for the maintenance of peace.
- (3) Parents have a prior right to choose the kind of education that shall be given to their children.

Article 27.

- (1) Everyone has the right freely to participate in the cultural life of the community, to enjoy the arts and to share in scientific advancement and its benefits.
- (2) Everyone has the right to the protection of the moral and material interests resulting from any scientific, literary or artistic production of which he is the author.

Article 28.

Everyone is entitled to a social and international order in which the rights and freedoms set forth in this Declaration can be fully realized.

Article 29.

- (1) Everyone has duties to the community in which alone the free and full development of his personality is possible.

- (2) In the exercise of his rights and freedoms everyone shall be subject only to such limitations as are determined by law solely for the purpose of securing due recognition and respect for the rights and freedoms of others and of meeting the just requirements of morality, public order and the general welfare in a democratic society.
- (3) These rights and freedoms may in no case be exercised contrary to the purposes and principles of the United Nations.

Article 30.

Nothing in this Declaration may be interpreted as implying for any State, group or person any right to engage in any activity or to perform any act aimed at the destruction of any of the rights and freedoms set forth herein.

Resource List

Harry D Schultz is a consultant for all PT and investment matters. US \$40 per minute. Send advance payment (minimum US \$1200) in US dollars to FERC, PO Box 622, CH-1001, Lausanne, Switzerland with questions and your phone or fax number. Minimum charge of \$ 1200 is for a 30 minute fax or phone consultation. Retainer \$ 112,000 per year. Harry Schultz is the world's most expensive investment adviser, listed as such in the *Guinness Book of Records*. Since his newsletter takes about 200 hours to produce each month, it is therefore quite a bargain, at \$275 per year. Send \$25 in cash or equivalent to cover postage and handling for a free sample back issue.

Mark Skousen is a good man to have on your side. He is resident in the US, which means some limitations on the advice he can give on a personal basis. He does still give out his best ideas without fear of prosecution in his books and newsletter. Skousen knows the ropes, speaks at many foreign seminars and conferences (best time to talk with him) and is also the author of over a dozen books on financial privacy, survival, Swiss banks and so on. We suggest you tell him you are a follower of WG Hill and ask for whatever he has of interest to PTs. Write for a sample copy of his popular and unorthodox newsletter: *Forecasts And Strategies* at PO Box 2488, Winter Park, Florida 32790, USA or 7811 Montrose Road, Potomac, Maryland 20854, USA.

Recommended Tax Lawyer

Marshall J Langer, tax lawyer with Schutts and Bowen, 48 Mount Street, London, England, WIY 5RE, tel +44 171 493 4840, fax +44 171 493 4299. Very ethical, responsible and professional. A high recommendation from your author. Charges are about US \$600 per hour. Good for international tax planning, especially for individuals who are considering changing countries, acquiring another citizenship, or expatriation. Langer is author of *The Tax Exile Report* and *The Swiss Report*. He is also author of *Practical International Tax Planning*, published by Practising Law Institute, price £150/US \$250- airmail post free. Langer can also be contacted through Shutts & Bowen's Miami office, tel 305 379 9130, fax 305 381 9982.

Tax Havens

Adam Starchild is the author of *The Tax Haven Report* which is an authoritative introduction to the subject and covers all that one needs to know to get started in the search for the right tax haven. See back pages for more information.

The Tax Exile Report by Marshall Langer covers expatriation and the tax consequences of changing residence and citizenship in great detail and has become the authoritative source of information on these subjects for non-professionals. The standard reference work on tax havens, expatriation and so on is *International Tax Planning*, also by Marshall Langer. See the listing under "Recommended Tax Lawyer" for more information.

For a most comprehensive treatment consider reading *Diamond on Tax Havens*, the original "old standard" for offshore operations. It is published by **Matthew Bender, 11 Penn Plaza, New York, NY 10001, USA.**

Parting Words

One expensive but very good book on the subject is *Tax Havens And Their Uses, Special Report No 186*, by Carol Doggart, published by *The Economist*, a respected British business magazine at **25 St James's Street, London SW1A 1HG, UK.** Price £75.

Butterworth's Tax Haven Encyclopaedia is a loose-leaf binder on the subject. It is available from **Haslbury House, 35 Chancery Lane, London, WC2A 1TL, UK** at £155 (plus updates) but can be found in most major business libraries. They also produce another large loose-leaf book in immigration law in the UK.

Almost every major accounting firm publishes useful booklets for distribution to clients and potential clients, meaning you, which cover tax laws and business conditions in selected jurisdictions. You can get these for free, just call the "librarian" of the firm in any major city for a list of their publications. Try any major certified public accountant, known as "chartered accountant" in the Commonwealth. For instance: Touche Ross, Price Waterhouse, Peat Marwick, Pannell Kerr Forster, Arthur Anderson, Arthur Young, etc.

Cheapest Accomodation in a Tax Haven

An accommodation address on a Channel Island is available for £600. This includes mail receiving and forwarding, telephone forwarding, fax and billing services as well as super confidential banking. See *The Channel Island Report* for a full explanation of this unusual situation. Or, you could set up an address immediately by sending £600 to EXPAT WORLD, but we recommend that you read the *The Channel Island Report* first so you know and understand the various procedures involved. For more information, see the back of this report.

Recommended Newsletters

One of the most offbeat publications we have come across is the ***EXPAT WORLD Newsletter***. The price of a one year trial subscription is US \$89.95. Their monthly rag has wonderful classified ads on places to rent, mating agencies and many other weird and wonderful things. It has dynamite information on international living, financial and personal privacy and all aspects of Beating the Bureaucracy. A must read for all PT's. Send subscription information and payment to: Expat World, Box 1341 Raffles City, Singapore 911745.

Harry Shultz International Newsletter is issued every six weeks. This newsletter is an interesting mixture of investment advice, political updates and philosophy. It is the only newsletter in the world that has a regular PT section! I strongly suggest a trial subscription to this stimulating newsletter of original ideas. It's also a mind-boggling guide to profitable international investments. One year subscription for US \$275.

International Living Newsletter is a wonderful monthly bulletin with interesting ads. A subscription is not expensive, but write for the current rate as it is due to change shortly before we go to press. This newsletter offers many ads on vacation home rentals and exchanges etc as well as great travel articles, plus a section on travel bargains. News of interest to PTs and nomads found in each issue.

Adrian Day's Investment Analyst is from one of the few intelligent financial journalists in the world whose perceptive stories and sound financial advice has often produced good results for me. Introductory subscription, \$78/year. Free sample available if you mention Dr WG Hill. Write to **PO Box 6644, Annapolis, Maryland, 21401, USA.**

Wayne Phillips International Government Grant & Loan Alert is a strange and erratic jumble of information on many subjects by the world's most financially successful author, PT and former jazz musician. Free subscription for the asking! Write to: 136610 N **Scottsdale Road, No 10-105, Scottsdale, Arizona 85254, USA.**

Larry Abraham's Newsletter *Insider Report* comes highly recommended by Harry Schultz. Send US \$5 for a sample issue to ***Insider Report*, PO Box 84903, Phoenix, AZ 85071, USA.**

Ken Gerbino's Newsletter also comes recommended by Harry Schultz. Send US \$5 for sample issue to **Suite 200, 9595 Wilshire Boulevard, Beverly Hills, California 90212, USA.**

Books for PTs

The World's Best by Marian V Cooper. This is a "how to" source book for the international traveler. It offers a wide range of recommendations like the best beaches, banks, bars and bird watching in the world, and that was just the Bs! Three hundred pages of goodies for £10 or US \$20. Also by the same author and publisher.

Travel and Retirement Edens Abroad by Peter A. Dickinson. This one explores the best and most economical places for the mature person to settle. Mr Dickinson's favorite "Garden of Eden" is San Remo, Italy, famous for its mild climate, low costs, no taxes and unlimited range of activity. We are in total agreement with his assessment. He also has an interesting newsletter that deals with the same subject.

The Hong Kong Bank (contact branch nearest you) has an excellent free series of books on investing and doing business in most countries. In many countries, the Hong Kong and Shanghai Bank is known as The Midland Bank (a subsidiary) or British Bank of the Middle East and the Crocker Bank in the US.

Information libraries run by consulates and information services of the US, Great Britain, Australia, Canada, etc are all good places for free information on a wide variety of topics of interest to tycoons. Of course, there will be a governmental bias in their material, but if you read between the lines and ignore the propaganda, you can get some valuable data.

Book Catalogs

Expat World is the electronic publisher of all the original works by WG Hill as well as a growing variety of books and reports on personal freedom and tax havens. These are not the usual sort of boring tax manual, but personalized, informative reports which are of real use to the reader and offer a wealth of practical advice on what to do, how to do it and what to avoid. Also, ask for the PT Booklist which includes a carefully selected range of titles by other publishers that are especially suitable for PTs.

For other unusual and hard to find books about personal freedom, individual liberty, alternate identification, survival, etc I recommend that you send US \$5 or equivalent in any currency (refundable with first order) to cover postage and handling to any one or all of the following:

Loompanics Unlimited, PO Box 1197, Port Townsend, Washington 98368, USA.

Paladin Press, PO Box 1307, Boulder, Colorado 80306, USA.

Eden Press, PO Box 8410, Fountain Valley, California 92728, USA. Write for their highly recommended catalog of "underground books".

Laissez Faire Books, 942 Howard Street, San Francisco, CA 94103, USA. An excellent free catalog. I especially recommend *The Amazing Bread Machine* which is about a man who invents a terrific product, markets it, becomes a millionaire and then goes to jail for violating various technical laws. It is fiction but rings true, reminding me of the stories that Victor Posner, Leona Helmsley and Michael Milkin have to tell.

Newspapers and Magazines for Expatriates

The International Investor comes free to anyone interested in investments. Write to **The Financial Times Business Information Ltd. 102-108 Clerkenwell Road, London EC1M 5SA, UK.**

The Offshore Adviser, by the same publisher, is another free newspaper for investment advisers, stockbrokers, lawyers or accountants based outside of the UK.

The following are not free, but worth looking at:

Resident Abroad, "The Magazine For Expatriates", contains terrific classified ads and good articles. This thick, slick, monthly magazine costs about £50 per year or £36 in the UK. Write to **Resident Abroad, 27 Park Street, Croydon CRO 1YD, UK.**

Investment International is another good magazine. Write to **Consort House, 26 Queensway, London W2 3RX, UK.**

For an interesting free monthly magazine concerning refugees and stateless persons, and how the United Nations High Commissioner for Refugees spends its budget of one half billion dollars per year, ask for a subscription to *Refugees*. This magazine is glossy, full of photographs and will make you glad that you have several passports and are not a refugee! Ask for it in any of the following languages: English, Italian, Greek, Spanish, Japanese or German. An interesting feature is regular stories of famous refugees such as the scientist Albert Einstein and Victor Hugo, the French novelist. There are also articles of direct interest to the passport seeker from time to time. Write to UNHCR, PO Box 2500, CH-1211 Geneva 2 Depot, Switzerland.

For an up-to-date, thick monthly bulletin of about 400 pages on passports, visas, vaccinations, exit permits, currency controls, pets, how many cigars you can import duty free and information on about a zillion stupid rules and regulations you never knew existed, go to any major travel agent and ask to look at their TIM or *Travel Information Manual*. It is the joint publication of the 14 member airlines of the IATA. Almost all airline ticket offices and travel agents subscribe. It offers a complete explanation of the visa requirements for every country on earth. However, unlike *The Passport Report*, it says nothing about how to obtain passports, etc. The purpose of the TIM book is mainly to enable airline employees and travel agents to check the documents of passengers and refuse passage to those whose documents are not in order or who are carrying things that are illegal in the destination country. In many cases, airlines must pay huge fines for people they transport who arrive in a country without proper papers.

You probably won't need your own copy if all you want to do is look up the facts for a few countries. However, if you really want one, maybe you can arrange for an out of date copy from your local travel agent although there are approximately 100 revisions to the information in each successive edition. Alternatively, you can subscribe for a year at 258

Dutch Guilders or buy a single copy at 57Dutch Guilders (approximately US \$37). Write to **TIM, PO Box 902, NL2130EA Hoofddorp, Netherlands.**

Other Recommended Newspapers

The International Herald Tribune, Paris. *The Financial Times*, London. *The Wall Street Journal*, New York. *The European*, London.

All of these are available at all international hotels and magazine stores.

Also, almost every international Anglophile community has local English language newspapers that are very good for finding apartments, handymen, concerts and art exhibits, etc.

Recommended Travel Books

When you visit a new country, the best way to know what to do and see is by purchasing a good travel book. Many such books are a waste of time and money. I once bought a guide book where much of the ink was wasted on fancy phrases like, "the dining room is papered in a nonchalant mauve . . ." Who cares? I want a practical guide for good values, good times and an intelligent discussion of such things as prices, quality of food and service. What are the special local attractions? Where is a coin-op laundry, a Cook's Tours representative or an American Express office for cashing checks and receiving mail?

For down-to-earth travel books and guides to good value I highly recommend:

South American Handbook, published annually. In my view this is the best travel book and the best value for money published today if you are going to visit or live anywhere from Argentina to Mexico, or the Caribbean. This portable, pocket-sized 1500(!) page book has everything, all beautifully organized and indexed. It costs about US \$40 and is published by Rand McNally in the US. You can find it at most bookstores. If not, to order by mail in the UK write to **Mendip Press, Parsonage Lane, Bath BA1 1EN, UK.**

Arthur Frommer \$25-\$35 A Day travel guides are inexpensive paperbacks, priced at around US \$20 each. They cover most countries and major cities in an efficient, budget-conscious style.

Frommer does another series called the *Frommer Dollarwise Guides*. These are less oriented towards starvation, budget-minded travelers, but still discuss the best places to see, things to do and places to stay with an emphasis on getting good value for money. Highly recommended. I have been using them personally for 30 years! Both series are available in all English language bookstores. If you can't find the one you want order by mail from **1230 Avenue of the Americas, New York City, NY 10020, USA.**

Let's Go budget travel guides are an easy to follow alternative. They are updated regularly and usually tell you exactly what to expect. These guides are written by traveling students forced to live on a small stipend by the publishing company in return for their troubles. You can count on their honesty. They offer guides, 22 in all, covering Europe, Canada, the US, Mexico, Central America, South East Asia, and the Middle East and have vast amounts of good information for PTs, such as train schedules, hours of admission at tourist sites, maps, museum guides, etc. They are available in most bookstores or by mail from *Let's Go*, 1 **Story Street, Cambridge, MA 02138, USA** or in England: Macmillan, Houndmills, Basingstoke, Hampshire, RG21 2XS.

Lonely Planet Shoestring travel guides tend to focus on the other half of the world ie not Europe and North America. They are published out of Australia and offer the best budget travel advice for all of Asia and Africa as well as Australia and New Zealand. They can be found in most bookstores or order from **Embarcadero West, 112 Linden Street, Oakland, CA 94607 USA** for North America or **PO Box 617, Hawthorn, Victoria 3122, Australia** for the rest of the world.

Michelin, Bacdeker, Fieldings and *Birnbaum's* travel guides are also recommended.

Vacation Home Exchange Organization and Directories

While many individuals may be afraid to let strangers use their homes, home exchangers are not the same as rental tenants. Normally the people who trade homes for a month or three are experienced exchangers who will take the same care of your home and property as you do. They will exchange references with you. Since you are using their place, and perhaps their car, while they use yours, there is naturally a high degree of responsibility. This author has had many wonderful experiences exchanging properties in Paris, London, Hong Kong, South Africa, Bangkok, San Francisco and Monaco. The beauty of an exchange is that instead of an expensive hotel room, you get a fully furnished apartment, books to read, etc. If you are lucky, the owner of the home you trade for will leave you a list of the best restaurants and reveal many non-touristy secrets of his city. Plus, depending upon the terms of the exchange you may get fringe benefits, like the use of a summer cottage, a regular cleaning person, a car, boat, horse, etc. You can always advertise for an exchange in a newspaper of the town where you want to go, but the home exchanging clubs are probably a better deal. The people in them tend to be uppermiddle class retired folks or teachers with attractive places to offer. If you have an open mind and will consider offbeat locations you might otherwise not have on your list of first choices for visiting, you will definitely enjoy some enriching experiences.

The Arthur Frommer publishing organization has a paperback called *Swap and Go*. It's full of info on the subject of home exchanges. They have a superb bargain offer including this book, *Europe on \$40 a Day* a one year subscription to their newsletter, *The Wonderful World of Budget Travel* and the *Frommer Guide to New York City*. The price of the entire package is US \$25. Send to \$25

A Day Travel Club, Frommer/Pasmentier Publications, 1230 Avenue of the Americas, New York, NY 10020, USA.

Generally, home exchange organizations will either sell you a directory, meaning you write to the people listed in it, or you can list yourself and expect to receive many tempting offers for the periods you designate, and from the places you want to go. The cost of such services are quite inexpensive, about US \$20 for the directory and another US \$10 to be listed in it. The largest organization is **International Home Exchange Service, PO Box 3975, San Francisco, California 94119, USA, Tel: 415-382-0300**. It has about 4000 subscribers.

Travel

Experienced travelers know that seats on the same plane starting and stopping at the same points can vary tremendously in cost. This author once had an argument with a client who said, " I always go first class because I can afford to. "A few weeks later, we were sitting side by side on a first class flight, getting exactly the same service, heading for the same destination. He had paid US \$2600 for his ticket while I had paid US \$500 for mine. For what was saved by not just buying a point to point ticket, yours truly could buy a new car. Of course one doesn't get much of a car for US \$2100. Not doing a bit of comparison shopping for airline tickets, cars or any major item is to my mind, extremely foolish, no matter how much money you have. I hate to be taken for a ride. Here are a few secrets known to all experienced travelers:

1. Always ask your travel agent to look for the cheapest way to travel. Go first Class if you must, but try to get it at a discount. Usually a travel agent can do better than the first price quoted if asked to look for a cheaper way.
2. Look at ads particularly in Sunday newspapers (travel sections) and in travel/entertainment/leisure magazines. Best ads are in *Time Out* published in London and available in magazine stores worldwide. *Time Out* ads are always offering bargain flights, package tours, cruises, home exchanges and so on. The best deals on discounted plane tickets can usually be purchased in London, Singapore or Hong Kong. Particularly recommended are: **Trailfinders, 42-50 Earls Court Road, London, W8 0FT, UK, tel 44 71938 3366, fax 44 71 937 6059**. They specialize in round-the-world tickets, usually good for one year, with a huge number of stopovers. The price of such a ticket can be as low as £717. Send for a free Trailfinder magazine.
3. Overflight routings should be checked. For example, sometimes one can get a super bargain flight from say London to San Francisco. Assuming where you really want to go is London-Salt Lake City, a good travel agent may be able to sell you a San Francisco ticket at the bargain rate, and you simply get off the plane in Salt Lake and throw away your coupon to San Francisco, or you might sidle over to a line of people waiting to buy tickets and try to sell your coupon for San Francisco.

4. Due to IATA monopolistic price controls, a flight including a hotel package may be considerably cheaper than a flight without accommodation. You can always throw away or give away any hotel room vouchers you won't be using.
5. Casino Gambler Flights are usually subsidized. Thus, if you are going to the US, East Coast or West Coast, you could probably get a super-bargain "High Roller" flight to Atlantic City, New Jersey or Reno, Nevada. If South Africa is your destination, tie it in with Sun City, and you can probably get a big discount deal on a round trip ticket.
6. Business conventions, academic conventions, etc all may have group package flights and hotel deals that are less costly than a do-it-yourself point to point ticket.
7. Travel passes, such as the Eurorail Pass in Europe or the Unlimited Flight Passes available to foreign passport holders in most countries, always work out cheaper than buying point to point individual tickets, if you are going to be moving around quite a bit.
8. Look into becoming a travel agent or owning a share in a travel agency. Travel agents always get discounts on everything. There is no reason why you couldn't be a part-time travel agent. You can't just print up a calling card and get away with passing yourself off as a travel agent. Why? Because you need an IATA ID number. But if you know a travel agent who will let you use their number, well . . . why not?
9. Currency conversion deals. Where a currency has appreciated suddenly, as the US dollar did in 1985, the pricing of tickets in the home currency remains the same, but a ticket purchased somewhere else could be had at half price. For instance, due to the high value of the Yen, in 1989, a sensible Japanese person who wanted to go to Europe or the US would take a short flight to anywhere outside of Japan and be able to get his air tickets for half the price of those bought within Japan. As the dollar was low, the US was a fairly good place to buy tickets in 1991. In countries with a two tier market in currency, like South Africa, it is possible to change money with a friend there and buy an air ticket with "cheap money" to give yourself a 75 per cent saving.
10. Other sources of discounts? They exist for anyone in the hotel or travel business and are obtained by showing a calling card identifying you as such. Then too, there are special prices for those with "student ID". Your author has been carrying around student ID for forty years, as a result of enrolling in some adult education course or other. For the over 55s there are "Senior Citizens Discounts" for which your author will also soon be eligible. In summary, with a little effort, your travel and hotel accommodation bills can be cut by half without compromising your comfort in the slightest.
11. Last minute bargain specials can offer tremendous savings. My personal best deal came when passing a travel agency in Genoa, Italy. I saw advertised in the window a three week Mediterranean cruise "Leaving Genoa in Three Days". The announcement was in magic marker on a handwritten poster. It said, "\$12 per day per person in a

four-person cabin, with window on the sea." I went in to inquire. It turned out to be on a new Russian ship. They were having trouble filling it up because a similar ship had just sunk off the coast of Australia. The usual rate for a cruise with full meals and free nightlife activities was at least five times that price. I quickly called up a friendly ex-wife and told her to pack up the kids for a surprise fun trip to Cairo, Tel Aviv, Odessa, Istanbul, Dubrovnik, Athens, Cyprus, Palma de Majorca, Morocco, Libya, Sicily, Monaco, etc. The price was certainly right! I couldn't stay at home for \$12 a day.

Moral, if you keep your eye open for bargains and are flexible, you can usually find them. Sometimes calling a cruise line direct and asking about last minute bookings works wonders. I have bought last minute tickets at 20 per cent to 50 per cent off the regular price several times. As Woody Allen once said, "The only sin in my family was paying full retail price for anything!" Travel books and newsletters often have sections on how to get different travel bargains. A book may cost a few dollars but it could save you thousands. Knowledge is cheap, ignorance is expensive.

Inspirational and Informational Books

Bridge Across Forever and *Jonathan Livingston Seagull*, by Richard Bach, published by William Morrow, New York. International best-seller available in most bookstores.

The Good Earth, by Pearl S Buck. Great story about the capitalist tradition in ancient China, yes China. Considered a classic. Yes, believe it or not, I'm cultured too, so you shouldn't have much of a problem finding it.

How to Retire at Age 35, by Roger Terhorst, Bantam Books. You also can find this one in almost any bookstore, if not order it.

How I Found Freedom in an Unfree World, by Harry Brown, published by **Avon Books, 959 Eighth Avenue, New York, NY, USA.**

Free to Choose, by Milton Freidman, also published by Avon Books.

Titles of Nobility

Have you always wanted to be a real Count, Knight, Prince, Duke or Earl? There are many crooks in the business who will sell you worthless paper. Also, you could call yourself anything you wanted to, but a genuine title of nobility can be acquired in about six months. Through purchase, *marriage blanche* or adoption, you can legally get a title from the lowest (Lord of the Manor) at about £5000 to the highest (Prince Pretender to the Throne of Albania) if not already taken. Recently, a dukedom in Sicily was for sale, carrying with it a castle, moat, fortifications, small private army, art collection, antique furniture, the right to appoint Abbots of certain churches and about a thousand acres of vineyards. The price was a mere US \$2 million. A bargain for the land alone. Quite a few

opportunities to obtain ceremonial titles exist in France, Germany, Italy and other republics.

More expensive opportunities carrying with them real status and an actual (usually ceremonial) role in government exist in Spain, Belgium, Netherlands, Luxembourg, Liechtenstein, Monaco and The Vatican. There, hereditary monarchs and an aristocratic class still exist and have certain privileges recognized by law.

Titles are arranged by purchase, marriages, appointment, donation or adoption. They can be passed on to your heirs, and you in turn can adopt other people. Gucci, Pucci, The Prince of Liechtenstein, The King of Sweden, Lord Rothschild, the Seigneur of Sark and in fact most aristocrats, or their ancestors, acquired their titles by adoption, direct purchase or by doing financial favors for those with the power of appointment, just as you would be asked to do. Don't waste your money on professional advice unless you are prepared to spend at least £3000 on the project to gain a title.

The use of a legal aristocratic title is sometimes an economic benefit. Obviously, in promoting some snob-appeal item the Prince of Liechtenstein's personal cuvee, estate bottled wine will command a higher price than "Padrone Corleone's Chianti" or any other *vin ordinaire*.

All previous providers of titles have proved unreliable or are scams and as of the time of going to press in 1995 we cannot recommend any legitimate source of titles except one. After eight years of investigating and rejecting *all* offered programs, we have now approved one. So substantial and *bona fide* is it that we have decided to offer it to our readers.

The Ancient And Noble Order Of The Knights Templar was originally decreed by the King of Jerusalem in 1118. In 1312, due to political machinations and fabricated charges of heresy laid by King Philip the Fourth of France and Pope Clement the Fifth, the order was suppressed. Throughout the following centuries small, private pockets of individuals have continued to practice the doctrines of the Order.

The Order has now been officially revived with the intention of providing a vital influence on a contemporary society still stricken with inherent bigotry, prejudice, misuse of power and corruption. The order is dedicated to the eradication of the barriers that exist in respect to race, colour, religious persuasion, political affiliation, sex and creed.

Based in its original 12th century headquarters - Al Aqsa Mosque in Israel - the order has no political or religious affiliations. Its membership consists of highly respected and successful professional, corporate and academic individuals. Altruistic in its approach to modern day problems the Order makes substantial donations and grants scholarships for charitable, cultural, educational, medical and sporting purposes on a worldwide basis. Members of the Order are also committed to the elevation of one another's individual

reputations, businesses and cultural and professional interests on an international level. Members are entitled to various privileges of a business and financial nature.

The Order awards legitimate and hereditary titles of nobility to its members. The titles of Knight's Chancellor, Knight's Fellow or, in the case of females, Dame permit the holders to prefix their name with "Sir" or "Lady". The Order has purchased a £9 million castle, 45 minutes from Rome, close to one of the Pope's seasonal residences. Members of the Order can make use of the exceptional facilities provided there including tennis courts, swimming pools, excellent skiing and much more than can be mentioned here.

As far as *The Passport Report* is concerned the most interesting benefit attached to membership of the Order is the assistance it can render in areas relating to citizenship and the acquirement of travel documents. The Order has very close and strong links with organizations, individuals and particular governments who share the Order's internationalist view and can assist in these matters. Members of the Order requiring such consultation and assistance for personal or security reasons will be directed to the best and most pertinent channels for their particular needs.

We highly recommend this unique and professionally administrated Order. Membership would constitute an opportunity to network with like-minded individuals who share your needs and concerns. And it could well offer you an alternative and valuable route to passport and other travel documentation.

If you are interested in finding out more about The Ancient And Noble Order Of The Knights Templar please contact Expat World for further details and a membership form.

*Comments, questions, additions and constructive criticism should be sent to:
EXPAT WORLD, Box 1341, Raffles City, Singapore 911745; email:
expatworld@pobox.com*

A Message for Lawyers and Those able to Obtain Passports or Residence Permits

We receive several inquiries a week from readers who request referrals and assistance in passport and immigration matters. If you can be of service and work on a "contingent fee" arrangement (with no money taken out of escrow unless you can accomplish the objective), we will keep information about your services on file and send referrals of readers who are interested in what you offer. Your sheet should contain as much of the following information as possible:

1. Name of country(s)
2. Full price of passport(s) Including extras for spouses and dependents Volume discounts for groups
3. Escrow or payment arrangements
4. Which of the documents listed below are needed from client?
5. Which of these documents are issued as part of your package?

Indicate by (Cedula or) after the above. Use a photocopy of this page for your reply.

	NEEDED	ISSUED
Cedula or ID card	<input type="radio"/>	<input type="radio"/>
Copy of old passport	<input type="radio"/>	<input type="radio"/>
Birth Certificate	<input type="radio"/>	<input type="radio"/>
Naturalization Certificate	<input type="radio"/>	<input type="radio"/>
Tax Clearance	<input type="radio"/>	<input type="radio"/>
Exit Visa	<input type="radio"/>	<input type="radio"/>
Health Certificate	<input type="radio"/>	<input type="radio"/>
Police Good Conduct Certificate	<input type="radio"/>	<input type="radio"/>
Driving License	<input type="radio"/>	<input type="radio"/>
International Driving License	<input type="radio"/>	<input type="radio"/>
Visa for the US, Europe, or other	<input type="radio"/>	<input type="radio"/>
Proof of Residence (state time required, if any)	<input type="radio"/>	<input type="radio"/>

6. Basis upon which the passport you offer is legally issued:

Investment (give details)
 Meritorious Service (give details)
 Military Service
 Ancestry
 Religion
 "Special Arrangements"
 Birthplace
 Parent's Nationality

Other

7. Validity period of passport, how renewed, cost of renewals.
8. List of countries holder can visit without a visa.
9. Restrictions on issuance: for example, racial or religious barriers, if any.
10. Languages spoken and races living in country.
11. Your name, address, phone, fax or other means of contact.
12. Your references.
13. Would you like your firm's name published in future editions of *The Passport Report*?

*Send Completed form and any additional information to:
EXPAT WORLD, Box 1341, Raffles City, Singapore 911745*

A Message to Passport Officers and Foreign Ministers

If you represent a young or small country, you already know that many of your most productive and wealthy citizens have been lured away, moving their capital or talent to major industrial countries. The flight of some of your best people may be inevitable for reasons explained in *The Passport Report*. Paradoxically, your country can turn the tables and generate significant funds by offering citizenship to the same sort of productive people you would most like to keep.

Both your government and private citizens who assist in the project will benefit significantly.

We strongly urge that you make arrangements for a "citizenship by registration" program. At our suggestion, one small country did this and raised US \$25,000,000 in three years from about 1,000 well screened reputable new citizens who gladly contributed to the National Treasury. The majority of these new citizens may never live in your country, but the relationships will surely stimulate commerce, investment and tourism. The bureaucratic tendency to make a simple program complex and unworkable should be resisted. We can show you how to set up the project without any cost or new staff and make it a major source of revenue within three months.

At the present time most small countries realize only negative benefits because their passports are marketed and distributed illegally by individuals who violate the public trust for strictly personal profit. When national laws make it impossible to acquire citizenship and passports legally, only then do scoundrels and criminals get involved. A legitimate program would generate desirable applicants and raise large sums to finance national projects.

The author, working through Expat World, will assist your country in setting up such a program at a nominal charge. Because of the wide circulation of *The Passport Report*, we have a pool of interested future citizens who are well qualified financially, of good moral character and have desirable technical skills as well as access to millions of dollars in capital. These individuals will get second passports somewhere. Why not from your country?

Comments, questions, additions and constructive criticism should be sent to:

Gene World

C/O Expat World, Box 1341, Raffles City, Singapore 911745

For Your Country Elements of a Successful Passport Program

Most government officials and bureaucrats are not used to the concept of creating a product or service that will appeal to a "user". The obvious reason is that they see themselves as dispensers of privileges that people are willing to pay any price for. This was

the mistake made by Jamaica. With some fanfare a few years ago, Jamaica launched its passport program. The deal called for an investment of US \$100,000 in a program similar to Dominica's proposed program written about in many international newspapers. This was generally perceived as a deal where the "investment" was sure to be a dead loss for the investors. Further, there were many unnecessary requirements such as "five years' prior residence in a Commonwealth country". The Jamaica program, as we understand it, was a complete flop. It has been in effect for several years without one single applicant having been approved.

In contrast, Singapore (an attractive destination) attracted thousands of Hong Kong Chinese and others with a program that allowed immediate immigration and citizenship with an investment of US \$500,000 or "free" with a transfer of technical skills. The most important feature of the Singapore program was that it allowed complete freedom to the applicants. They were not obliged to actually move to or live in Singapore.

Likewise, Canada with a much cheaper required investment has had enormous success with a similar program. It allows investor-immigrants to live and invest where they please instead of imposing restrictions on travel and freedom. Citizenship and a passport are granted after three years. The long wait is the most undesirable feature of this program, although Canada waives the three year residence period in some cases. Important aspects of Canada and Singapore are that they both have political stability, excellent locations relative to major markets, a first class infrastructure and non-corrupt, non-socialist, low tax governments which favor entrepreneurial activity. Finally, their passports offer the facility of visa-free travel to Europe, Japan, the US and most other places a businessman might wish to visit. No country in Central or South America can come close to offering similar enticements. Accordingly, there should be no illusions that the funds and quality of people attracted by a less developed country would be as high as with Canada unless other factors were involved. One of these factors is of course, the PRICE.

Your author personally came up with the idea for the original Belize program which was a financial success attracting, in about two years, direct contributions (not investments) of approximately US \$40,000 each from approximately 1000 successful candidates for citizenship. The amount of money contributed was in excess of US \$24 million. This was all accomplished in spite of a program that was inefficiently administered, badly priced and beset with bureaucratic meddling and inefficiency. The cost to the country was the cost of printing around 1200 little booklets (about US \$12,000) for the passports themselves. This program was, however, ruined by the intervention of politicians. It must be remembered that Belize had (and still has) little to offer the international businessman as a place either to settle, vacation or invest. The Belize passport offered only visa-free travel to most Commonwealth countries. This is important to English speaking clients. The Belize program was a minor success, while it lasted. Why? Because the original price (of US \$12,500 to Belize, with a similar sum paid to the marketing agents) was not unreasonable. However, at a lower price, the amount of revenues raised would have been multiplied by many times as you will see from the Panama example which follows. Note: While the official Belize "price" was originally US \$12,500 + US \$12,500 for administration,

additional family members and upgrades within the program ultimately cost the candidates, on average, US \$40,000 each. The Belize program was abruptly shut down with a lot of hard-feelings and litigation for quite national political reasons. It is important that other countries anxious to raise money from new citizens learn from and do not repeat the errors of Belize, Jamaica and the others.

A large number of countries have come up with passport and investor programs that were total flops. I was involved in some, but am pleased to note that the disasters were caused not because of our basic plan or concept but only by failure of the locally responsible politicians and public officials to use any common sense! The main reason for failures observed by this author is that local politicians and bureaucrats often sell citizenship and passports on a "private basis." Thus, powerful and well connected private individuals will work to sabotage any legally authorized programs that interfere with their private source of revenue. The most outstanding example of this is in Panama where just one consular official of the Noriega regime personally sold 60,000 legally issued and renewable passports at approximately US \$8000 each. These documents were recognized and approved by the past as well as the current Panama administration (which derives substantial financial benefits from the passport holders). None of the approximately one billion dollars raised during the past five years (and still being raised) from the sale of Panamanian citizenship's benefited the public treasury, however. The Panama passport is still being effectively marketed, and many people associated with the government are profiting. The program is essentially one where officials (who have discretion to grant citizenship) are being privately compensated for doing so. In the case of Panama, passports thus issued are fully recognized by the local as well as international governments.

In contrast to the quasi-legal Panama Program, a consular official of Ireland recently issued several hundred Irish passports to young and attractive oriental ladies who wished to live in the European Community. This went on from about 1984 to 1987. In exchange for a combination of money (approximately US \$1000 per passport) and sex, Irish passports were issued. The Consul was fired when his game was discovered by the Irish Foreign Ministry. They are now seeking to recall these passports - or not renew them when they expire ten years after issuance.

The author has many stories to tell on the above subject, but our main interest is in helping governments set up a legally authorized program which will benefit the participating country. Such a program will also be a force for justice and right thinking in the world. By facilitating travel and investment for legitimate business people whose rights are being restricted by political situations they have had no role in creating, these countries will be facilitating a world of free trade and unrestricted travel. There are many individuals who are not able to live, invest, or travel freely due to an accident of birth or parentage. They hold the "wrong" passport or perhaps no passport at all. While many of these individuals are penniless refugees in United Nations camps, others are highly skilled people with assets and substantial resources. Some have wealthy friends and family abroad.

A successful passport program, in our opinion, should offer good travel documents in exchange for economic or other equally valuable contributions. Political and marketing considerations should also allow private individuals associated with the program to openly and legally earn substantial commissions for their marketing and administration efforts.

In the real world, unless "go-getter" people can be motivated by the prospect of earning something, the program is doomed to be less than a success. Good hearted leftist people may be fine at slogans and speeches, but only a businessman can put together and administer a program that will earn a poor country some serious money. The author is available to help write appropriate legislation. We have an honest sales and administration team that will raise very substantial sums for a visible and beneficial specific project like a hospital or university that would be supported by all political factions. Without unanimous support and public popularity, a passport program is bound to be attacked by opposition politicians on the outside and revoked by a later administration. The choice of a suitable national project or "object" where the money raised could be spent is for the country to decide. This author would suggest a new free hospital for delivering babies or a clinic which offers free dental care or anything that is visible, free to all and non-controversial. The project must not offend any existing interests. For instance, a medical facility should be staffed by local doctors if available. The local professionals should be well paid for delivering their services. If foreign medical personnel are perceived as stealing business from local professionals, there will be trouble. The idea is to gain the total support of all political factions and backing of everyone associated with or affected by the project.

The "product" itself, your passport, must be good for visa-free travel to Europe and as many countries as possible. Normally this is accomplished by diplomatic accords removing all your own visa requirements appertaining to citizens of those countries. Free and unrestricted travel rights have always brought benefits to countries liberal in granting such rights. For instance, the tourism industry in Spain or the UK is many times bigger than in equally attractive countries such as the US which shortsightedly requires visas of most foreigners for entry.

Passports, which should be considered "A Product You are Selling", must be made attractive. Some additional elements of any successful program are:

1. The entire program must be kept simple. In one country a program was ruined when each official of the ministry began inserting his pet restrictions. A health minister insisted upon an AIDS test for new citizen-prospects. The Minister of Justice insisted upon unreasonable background checks. Bureaucratic delays added months of waiting time. It must be remembered that individuals who acquire second passports, in most cases will never wish to visit the country of their new citizenship. If a country is worried about these people bringing in disease, it could require medical testing before all non-resident passport holders return home. There are many simple ways to screen out criminals, but to make the initial acquisition of a travel document too difficult, too costly or too long a process simply turns away potential customers who must be courted, not discouraged.

2. The price to the consumer must be competitive and set to maximize revenues. It is better to sell 10,000 units of a product at \$10,000 than 50 units at \$25,000. There are many products on offer! Passports are available from African countries for as little as US \$500 each. While a European Community passport may be worth US \$50,000 or more and a US passport worth around US \$25,000 in a free market, it should be remembered that almost any civilized country with a usable passport could sell a few documents at a high-end price. But a more reasonable price will maximize national revenues. Remember, few if any of the "new citizens" will ever even visit, much less live in the country of their second citizenship.
3. The cost to the user should not be in the form of any "investment" where the return is not definite. It is simpler and more attractive for all to sell a "medical clinic construction bond", for instance, which bears no interest and will never be redeemed. If this contribution can be made "tax deductible" in the applicant's home country, the price charged can be higher, as the author will explain in a presentation to any Foreign Ministry officials if requested to do so.
4. There must be no residence requirement, no requirement to visit the country and no restrictions upon the absolute freedom of your citizen abroad to engage in any legal activity.
5. The passport must be renewable for life and irrevocable. This must be guaranteed by a constitutional provision that can't be changed by a succeeding administration. The program itself can be terminated, but citizenship's granted under it should not be revocable except in the event of a conviction for a felony crime committed within the country of issuance.
6. Citizenship must pass to later-born children and new spouses in the manner that it does for native-born citizens.
7. Family and children should be included in the program, although there can be an extra charge for extra family-member passports (perhaps at 50 per cent of cost of head-of-family). A spouse or children should be included on the passport of the main individual if this is requested by the client.
8. The life of the passport should be at least ten years before renewal is required.
9. There is nothing wrong with "a charge in lieu of income tax" for non-residents, of say US \$500 per year, payable on renewal of passports. The amount must be definite and set in advance. This concept will keep public support for the project alive for many years and provide a stream of income to support the hospital, clinic, housing program or other project chosen as the object of funds raised by this program. The fact that there is a good cash flow coming in without any cost to the country will make it harder for later politicians to attack or terminate the program.

10. Confidentiality of names of new citizens is essential. Their "old" country must not be notified.
11. There must be no required oath of allegiance nor military service. Taxes if any must be reasonable, definite and in the range of #9 above. Naturally, the author has a great many ideas and very good reasons for all these points which will be explained and presented in detail if your government desires to institute a successful program using our services.
12. The program must grant exactly the same rights and protections for "new citizens" as exist for natural born citizens. For instance, if a native cannot be extradited, the new citizen must have the same protections against extradition, deportation or rendition.
13. There can be no "exit visa" requirement nor restrictions on travel.
14. Any investment program should be separate from, and not confused with the passports!

There are many good reasons for this as the author and his clients have learned from the Canadian experience. These can be explained, upon request.

If investment in the local economy is desired, it must be made attractive by such things as, for instance, a 25 year tax holiday, freedom from exchange controls, ability to hire and fire without interference, freedom from import or export duties (as for instance in a free port), etc. This is a complex subject, and the author has considerable expertise that would require several volumes to set out. But the point is, investment will not flow to places where corruption, high taxes or bureaucratic restrictions make it less desirable than the places where such investments already are in place.

15. Your country should be liberal in appointing honorary consuls and in issuing diplomatic and service passports. A program that I have in mind and have masterminded for several countries could bring great benefits to your country with no costs or negative aspects. It could be related to your passport program.

How to Make it Happen

In the event that your country is interested in my proposals, I suggest that I visit your decision makers to lend my services and expertise in setting up and marketing your program. This could be in return for an annual cash retainer of US \$500,000 per year plus expenses. Alternatively, I would work for free! But I would then ask for your government to show good faith with a non cash commitment to me. I am open to all suggestions, but one possibility would be in the form of an appointment as "official advisor to the government" with diplomatic status - revocable only for misconduct. It would be understood that this document would be used only by the author for personal travel or in connection with any passport program ultimately adopted. I feel that some serious offer to me (of a role in the marketing of this program) on the part of responsible officials

would be desirable in the event I was to devote a lot of time and money to promoting this project, without the usual cash retainer.

Finally, my feeling is that if any passport program I drew up and implemented was actually adopted, a small neutral nation with good international recognition could raise approximately one billion US dollars, net of all expenses. There would be no negative aspects. It is my belief that if handled correctly, in a businesslike manner, the program would bring in far more money than one billion dollars. Why? Because some of your new citizens, attracted by the enlightened policies of your government would take advantage of free port and other investment facilities. The above figure would then just be a small proportion of the total economic benefits to be received. Because of my unfortunate experience with many governments, I know how difficult it is to get local politicians to agree on anything that makes sense. But a simple passport program is easy to start and could be done on a small-scale experimental basis for a year or two.

With your assistance I would like to try to make it happen. The potential benefits to your country and to all persons associated with a passport sales program would be very great.

If you will forward a copy of my proposals to the proper people, I will be at their service.

Sincerely yours,
Dr WG HILL