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Wealth Influx, Wealth Exodus: Investment Migration from China to Portugal

Luuk van der Baaren and Hanwei Li*

ABSTRACT: China is one of the largest origin countries for investor migrants. For the Portuguese investment programme, the abundant majority of investors is of Chinese origin. As the one country's wealth influx can be the other country's wealth exodus, this paper aims to study investment migration from China to Portugal from the perspectives of both emigration and immigration. After describing the structure of the Portuguese investment programme and how it has worked out in practice, it is concluded that the programme has delivered significant economic contributions, but in a different way than the Portuguese government had originally intended. The paper continues by outlining the key drivers of Chinese investor emigration, concluding that the low residence requirements, gaining access to the Schengen Area and the option to invest in real estate are likely to attract Chinese investors to the Portuguese programme. Rather than emigrating instantly, the Chinese investors seem to participate in the Portuguese investment programme as a household-level strategy to ensure a 'backup plan' and be ready to emigrate at any time, creating an intriguing form of 'quasi-migration'. The Chinese government mainly perceives investment programmes as a risk and has implemented measures which aim to curb the outflow of capital. Meanwhile, the real 'winners' remain the investor migrants themselves, as investment programmes enable them to become part of a global and mobile elite.

KEYWORDS: Migration; investment migration; Portugal; China; golden visa

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Contents

1. Introduction

Portugal has been hailed as one of the most popular European destinations for wealthy emigrants, in particular for those of Chinese origin. This development was offset by the introduction of the ARI[1] in 2012, commonly known by its marketing name, the 'golden visa'. The introduction of the ARI enables third country nationals to obtain a Portuguese residence permit in exchange for certain predefined investments. Despite its apparent popularity, the programme and its wider context have been little studied. How does the Portuguese investment programme work and can it be regarded as a success? And what drives the Chinese demand for the Portuguese investment programme? These are the questions that this paper aims to address. Acknowledging that the one country's wealth influx can be the other country's wealth exodus, the paper examines the investment programme both from a Portuguese as well as a Chinese perspective. In the first part of the paper, the legislative requirements of the Portuguese investment programme are discussed, as well as the political context in which it came about. Next to that, it describes how the investment programme has developed over time and whether it has lived up to its ambitions. In the second part of the paper, key factors that drive wealthy Chinese to make use of investment programmes – and the Portuguese programme in particular – are discussed. Next to that, it discusses the ways in which wealth emigration affects China and the countermeasures that the Chinese government has taken. Taken together, the paper aims to provide a more complete picture of investment migration and a better understanding of the dynamics that have contributed to its emergence.

[1] Abbrevation of 'Autorização de Residência para atividade de Investimento', or 'Residence permit for Investment Activities'.

2. The Portuguese wealth influx

2.1 The development of the investment programme

Portugal was among the hardest hit European states in the 2007 financial crisis and the subsequent 2011 budgetary crisis. In addition to austerity measures, the Portuguese government has introduced a wide array of measures aimed at economic reform. In 2012, a legislative proposal with such measures was presented, which included a proposal for a Portuguese residence-by-investment programme. Its explanatory memorandum referred briefly to this investment programme. It stated that the goal of the investment programme was to "boost economic diplomacy".[2] The Portuguese government interprets this term as the utilization of State activities and public institutions abroad for – in short – stimulating international trade and investment.[3] In the light of this strategy, an institutional reform had taken place which increased the collaboration between the Ministry of Foreign Affairs and the Ministry of Economic Affairs. Logically, Portuguese embassies and consulates also played a key role in this strategy.[4] The term became even more of a buzzword under the XIX Portuguese Government (2011-2015). In practice, it combined traditional international trade policies, like the conclusion of trade agreements, with a more innovative 'commercialization' of State institutions. The embassies and consulates were tasked with stimulating collaboration with foreign companies and attracting activities and investments of non-residents, but also to "relaunch the brand Portugal" and improve the country's reputation.[5] The ultimate goal was to create economic growth by making the Portuguese economy more internationally-oriented.[6] The introduction of a residence permit for investors can be seen as a part of this strategy. "If you help us, we will treat you well", as the Portuguese vice-president summarized it.[7] In conclusion, the ultimate goal of the investment programme was to internationalize the Portuguese economy by attracting foreign investors.

[2] Legislative Proposal 50/XII.
[3] Resolution of the Council of Ministers 152/2006.
[4] Resolution of the Council of Ministers 152/2006.
[5] Presidência do Conselho de Ministros, *Programa do XIX Governo Constitutional*, 104.
[6] Presidência do Conselho de Ministros, *Programa do XIX Governo Constitutional*, 106.
[7] 'Paulo Portas diz que Portugal tem de "tratar bem" quem invista em dívida soberana' *Jornal de Negocios* (20 December 2012) <http://www.jornaldenegocios.pt/economia/detalhe/paulo_portas_diz_que_portugal_tem_de_tratar_bem_quem_invista_em_divida_soberana.html> accessed 24 May 2018.

In 2012, only two applications were approved. Since then, the figures rapidly increased. By 2014, the number had risen to already 1,526 investors and 2,395 family members.[8] Therefore, the Portuguese investment programme gained more and more attention by the international media.[9]

In November 2014, the rise of the golden visa plunged. An investigation by the Portuguese Central Department of Investigation and Penal Action (DCIAP), codenamed Operation Labyrinth, had brought to light numerous suspicions of high-level fraud related to the investment programme. Suspects include the head of the Portuguese Institute for Registries and Notaries (IRN), the Minister of Internal Affairs and the Secretary-General of the Portuguese Ministry of Justice. The accusations are that through a company owned by befriended businessmen, Portuguese real estate was offered to Chinese nationals, whose residence permit applications were then allegedly fast-tracked by connections at the SEF in exchange for a fee. The suspects were charged with crimes of corruption, influence peddling, embezzlement and money laundering.[10] The chairman of the SEF stands accused of condoning these practices and is said to have accelerated the granting of residence permits several times in exchange for a commission. The responsible Minister of Internal Affairs, Miguel Macedo, was forced to resign after the revelations, but is also being prosecuted.[11] Among other allegations, he is suspected of having appointed an immigration liaison officer at the Portuguese Embassy in Beijing who was supposed to favour the companies of the abovementioned businessmen.[12] The suspects deny all charges.[13] In May 2016 the prosecution of 18 suspects had started, although the process

[8] SEF, *Relatório de Imigração, Fronteiras e Asilo 2014*, 13.
[9] ‘Golden chance to soak up sun’ *South China Morning Post* (20 March 2013); ‘EU States dangle visas for foreigners’, *New York Times* (11 October 2013); ‘Immobilier: le Portugal, nouvel eldorado européen?’ *Le Figaro* (15 September 2014).
[10] ‘Vistos Gold: 11 detidos por suspeitas de corrupção’ *Observador* (13 November 2014) <http://observador.pt/2014/11/13/diretor-nacional-sef-detido-por-suspeitas-de-corrupcao-na-atribuicao-dos-vistos-gold/> accessed 24 May 2018; ‘Como funcionava, afinal, a rede ilegal dos vistos Gold – e o que tem o ministro a ver com isso’ *Observador (*15 November 2014) <http://observador.pt/2014/11/15/como-funcionava-afinal-rede-ilegal-dos-vistos-gold/> accessed 24 May 2018; ‘Portuguese police detain 11 in ‘golden visa’ corruption raids’ *Financial Times* (14 November 2014 <https://next.ft.com/content/fa7412b8-6be7-11e4-b939-00144feabdc0> accessed 24 May 2018.
[11] ‘Vistos Gold. Miguel Macedo acusado de prevaricação e tráfico de influência’ *Observador* (17 November 2015) <http://observador.pt/2015/11/17/vistos-gold-miguel-mace do-acusado-prevaricacao-trafico-influencia/> accessed 24 May 2018.
[12] ‘Macedo ordenou colocação de oficial na China para beneficiar Figueiredo’ *Sapo* (24 December 2015) <https://ionline.sapo.pt/491427> accessed 24 May 2018.
[13] ‘Arguido dos vistos gold “deu violenta machadada na corrupção’ *Publico* (9 April 2018) <https://www.publico.pt/2018/04/09/sociedade/noticia/arguido-dos-vistos-gold-deu-violenta-machadada-na-corrupcao-1809641> accessed 24 May 2018; ‘Vistos Gold: Acusação a Miguel Macedo é "precipitada, desconexa e infundada" – defesa’ *Diário de Notícias* (2 May 2018) <https://www.dn.pt/lusa/interior/vistos-gold-acusacao-a-miguel-macedo-e-precipitada-desconexa-e-infundada---defesa-9300761.html> accessed 24 May 2018.

had by then burgeoned to an investigation into systemic corruption among the key players in the golden visa-scandal.[14] A judgment is expected in September 2018.[15]

The corruption trial has damaged the reputation[16] as well as the implementation of the investment programme. The handling of the applications was slowed down and eventually even came to a standstill. The primary reason was the chaotic situation at the SEF caused by the investigations and raids. In response, SEF employees stated they were no longer willing to process applications until the regulation was made clearer. Multiple investors who had expected an easy and quick procedure now instead became stuck in a legal limbo.[17] Although the SEF has admitted that applications were delayed for several months, some investor migrants stated that they have been waiting for a response to their applications for more than a year.[18] The delays have caused severe problems for the investors, as their Schengen visas inevitably expired after 90 days. These problems could have been avoided if the investors had obtained an ordinary residence visa – the visa that is usually granted to those wishing to apply for a residence permit. Although a residence visa is more difficult to obtain, it can be extended in case the procedure for obtaining the residence permit takes longer than expected.

In response to the corruption trial, the political party *Bloco de Esquera* brought forward a bill to eliminate the investment programme, calling it "*um autêntico fiasco*". The proposal criticized the investment programme claiming that the profits generated mainly ended up in the pockets of the luxury real estate sector, as the other investment options are hardly ever applied.[19] In January 2015, the Inspector-General for Internal Administration (IGAI) delivered an audit report on the investment programme which mainly criticized its application procedure.[20] It stated that the SEF did not have a clear internal procedure for processing

[14] 'Caso vistos Gold. Os contratos secretos de 300 milhões de euros para rever as leis de Angola' *Observador* (20 November 2015) <http://observador.pt/2015/11/20/caso-vistos-gold-os-contratos-secretos-300-milhoes-euros-rever-as-leis-angola/> accessed 24 May 2018.
[15] 'Sentença do processo Vistos Gold conhecida a 21 de Setembro' *Jornal de Negocios* (7 May 2018) <https://www.jornaldenegocios.pt/economia/justica/detalhe/sentenca-do-processo-vistos-gold-conhecida-a-21-de-setembro> accessed 24 May 2018.
[16] For example, the Chinese state press agency Xinhua reported extensively on the Portuguese corruption scandal. See: Xinhua, 'Portuguese prominent figures to stand trial over golden visa scandal' (*china.org.cn*, 13 May 2014) <http://www.china.org.cn/world/Off_the_Wire/2016-05/13/content_38441980.htm> accessed 24 May 2018.
[17] 'Chinese Stuck in Portugal's Visa Limbo' *Bloomberg* (20 January 2016) <https://www.bloomberg.com/news/articles/2016-01-20/chinese-property-buyers-stuck-in-portugal-s-golden-visa-limbo> accessed 24 May 2018.
[18] **'**Chineses dos vistos gold sentem-se enganados por Portugal' *TSF* (10 October 2016) <http://www.tsf.pt/economia/interior/chineses-dos-vistos-gold-sentem-se-enganados-por-portugal-5433247.html> accessed 24 May 2018.
[19] Draft Law No 789/XII/4.
[20] IGAI, *Relatório IGAI Vistos Gold SEF 2015*.

applications. It moreover criticized the lack of legislative requirements for such a procedure and found a lack of (external) control over the actions of the SEF. Combined with time pressure, this was deemed to lead to inaccuracies. Examples included the issue of residence permits before receipt of biometric data on the applicant or the approval of documentary evidence without any further checks. The audit report recommended intensifying external control over the investment programme by creating a monitoring agency and an advisory board and increasing internal control through division of competences within the organization. It was further recommended that procedure manual for the use of SEF staff members should be produced.

The Minister chose not to repeal the investment programme, but to amend it instead.[21] Four new investment options were added.[22] The explanatory memorandum stipulates that the added options should stimulate investment in a more diverse set of sectors and also outside Portugal's major cities. This cannot be seen separately from the reputational damage that the programme suffered and the subsequent need for a 'charm offensive'. Nevertheless, there was clearly also a genuine need to diversify the investment programme, as the abundant majority of investors had opted for real estate investment in similar areas (see section 2.3)

Several procedural amendments have also been introduced. Firstly, the regular decree containing the procedural requirements was extended; while the previous document contained two pages, the new document contains eight. The decree stipulated more specifically the documents to be accepted as proof for the execution of the investment.[23] Secondly, the decree required the IGAI to execute a yearly audit, the conclusions and recommendations of which are to be presented to a parliamentary commission.[24] Thirdly, it required that a procedural manual be produced for the use of SEF staff. This manual became available during the course of 2015. Importantly, this manual constituted a division of competences between the SEF regional directors (*Direções Regionais*) and the SEF national director. While the former deal

[21] Act 63/2015.
[22] These options were the purchase of real estate at least 30 years old or located in urban recovery areas (350,000 euros), investment in scientific research (350,000 euros), investment in arts and culture (250,000 euros) and investment in an investment fund aimed at small or medium-sized businesses (500,000 euros). On all the new options as well as the existing option in job creation, the investor obtains a 20% reduction if the investment is made in an area with a low population density or a GDP per capita rate lower than 75% of the national average. The options are discussed in greater detail in section 2.2.
[23] Art. 65-A to 65-E Decree 15-A/2015.
[24] Art. 65-I Decree 15-A/2015.

with the administrative procedure, the latter approve the application in the final stage.[25] Fourth, it created a 'guidance committee'. The decree states that it may "discuss and present solutions" and "monitor the statistical development of the programme". Strangely enough, it also required "to propose activities […] that will attract new investors", which is seemingly at odds with its monitoring function.[26]

In May 2017, a bill was presented to amend the investment programme once more.[27] It was proposed to further reduce the minimum requirement for an investment fund. Next to that, a new investment option was proposed, namely an investment in a small or medium-sized Portuguese business. In a parliamentary debate, the Secretary of State and Foreign Trade Paulo Ferreira presented the amendments as a part of a set of measures which should support Portuguese companies in need of recovery and restructuring.[28] In July 2017, the bill was adopted and entered into force in November 2017.[29]

During the course of 2016 and 2017, the programme had got back up to speed and reached the same levels of approvals as the period preceding the corruption trial. Nevertheless, the SEF remained to struggle with backlogs.[30] The interest of Chinese nationals in the Portuguese investment programme has reportedly decreased, although the Chinese remain by far the largest group of beneficiaries (see section 2.3).[31]

2.2 The development of the investment programme

Under the terms of Act 29/2012, it is possible to issue a temporary residence permit to third country nationals making an investment within Portugal. The law introduced four investment options, namely purchases of real estate, deposits in a Portuguese bank account, investments in companies or job creation (see Table 1).[32] Such investments must be sustained for at least

[25] SEF, *Manual de Procedimentos relativo à Autorização de Residência para Investimento (ARI)*, 26.
[26] Art. 65-H Decree 15-A/2015.
[27] Legislative Proposal 86/XIII.
[28] Diário da Assembleia da República, Serie I, No. 101, 24 June 2017, 4.
[29] Diário da República, Serie I, No. 165, 28 August 2017.
[30] 'Atrasos na atribuição de vistos Gold afasta investidores' *SIC Notícias* 4 January 2018 <http://sicnoticias.sapo.pt/economia/2018-01-04-Atrasos-na-atribuicao-de-vistos-Gold-afasta-investidores> accessed 24 May 2018.
[31] 'Portugal's Golden Visa Raises €103M in April, But Chinese Interest is Crashing' *IMI Daily* (9 May 2018) <https://imidaily.com/editors-picks/portugals-golden-visa-raises-e103m-in-april-but-chinese-interest-is-crashing/> accessed 24 May 2018.
[32] Art. 3 sub d Act 23/2007 of July 4, amended by Act 29/2012.

five years.[33] The process is facilitated by the fact that the investor does not have to apply for a so-called residence visa entailing a multitude of administrative requirements.[34] Instead, the investor can travel to Portugal on an ordinary Schengen ('tourist') visa with a (non-extendable) validity of 90 days.[35] Besides this visa exception, the investor needs to fulfil the regular conditions for obtaining a temporary residence permit, the most relevant of which relate to an absence of criminal convictions and alerts in the Schengen information System.[36]

Table 1. Portuguese Residence permit for Investment Activities	
Preliminary requirements -general	1. Presence on Portuguese territory; 2. Sufficient means of subsistence; 3. Accommodation 4. No criminal conviction carrying a custodial sentence of more than 1 year; 5. No Portuguese entry ban; 6. No alert in the SEF information system; 7.No alert in Schengen Information System; 8. No other ground for refusal by reason of infringement of public order or health; 9. Fulfilment of social security requirements; 10) Payment of fees. *Art. 77 par. 1 Act 23/2007, amended by Act 29/2012*
Preliminary Requirements - specific	1. Hold a valid Schengen visa; 2. Regularize the stay within 90 days of arrival; *Art. 90-A par. 1 Act 23/2007, amended by Act 29/2012*
Investment	A. Capital transfer of at least 1,000,000 euro B. Creation of at least 10 jobs* C. Purchase of real estate to the value of at least 500,000 euros* D. Purchase of real estate for at least 350,000 euros* Construction is older than 30 years or in an urban recovery area E. Capital transfer of research activities at an institution integrated into the national scientific/technological system of at least 350,000 euros* F. Capital transfer in arts, national heritage reconstruction, through the local and central authorities, public institutions or private institutions for public interest of at least 350,000 euros* H. Capital transfer for shares in investment funds or in venture capital for small or medium-sized companies of at least 350,000 euros I. Capital transfer for (the creation of) a company of at least 350,000 euro and the creation/retention of at least 5 permanent jobs for at least three years *Art. 3 par d Act 23/2007, amended by Act 29/2012, Act 63/2015 and Act 165/2017*
Extension	The residence permit is valid for one year. The residence permit can be extended for two years at a time (Art. 90-A par 2 *Act 23/2007, amended by Act 29/2012*). the holder of the residence permit is required to be present in the country for seven days in the first year and 14 days per subsequent two-year period. (*Art. 65-C Decree 15-A/2015*) Proof of retention of investment is required (art. 90-A par 2 *Act 23/2007, amended by Act 29/2012* and Art. 65-E *Decree 15-A/2015*)
Permanent residence	A permanent residence permit can be obtained in accordance with the ordinary requirements. Possession of valid residence status during preceding 5 years is required. It is unclear whether permanent *presence* during these five years is required. *Art. 80 Act 23/2007, amended by Act 29/2012*
Nationality	Naturalization is possible after six years in accordance with the ordinary requirements. *Art. 6 Act 37/81*

*Reduced by 20% if investment is conducted in an area with fewer than 100 inhabitants/km2 or a GDP per capita below 75% of the national average. Art. 3 par 2 *Act 23/2007, amended by Act 29/2012* and *Act 63/2015*

[33] Art. 4 Order 11820-A/2012.

[34] See art. 58 ff. Act 23/2007 of July 4, amended by Act 29/2012.

[35] Art. 90-A par. 1 sub a and d Act 23/2007 of July 4, amended by Act 29/2012.

[36] Art 77 Act 23/2007 of July 4, amended by Act 29/2012 of August 9.

In the first year, the investor is obliged to be present in Portugal for at least seven days per year. In the subsequent years, this requirement is raised to fourteen days per period of two years.[37] The residence permit is valid for one year. After that, it can be extended for periods of two years.[38] Extension of the residence permit does not necessarily require proof of this presence, as it is merely stated that the applicant *may be asked* to provide evidence of presence in Portugal. Thus, providing such proof is in principle not necessary.[39] As Portugal is an EU Member State and part of the Schengen area, the holder of the permit is permitted to stay in other Schengen States for up to 90 days in a 180 day period.[40] It is also of importance that Portugal has a relatively lenient regime for family reunification, including dependent parents and dependent adult children studying in Portugal. For investor migrants, reunification is also extended to dependent adult studying children.[41] After five years, the investor can apply for permanent residence. After six years, the investor is eligible for naturalization in Portugal. Obtaining an EU long-term residence permit in order to reside in another EU Member State is also a possibility, as long as the criteria are fulfilled.[42]

The Non-Habitual Residence Tax Regime

An often overlooked advantage of taking up residence in Portugal is the existence of the Non-Habitual Residence Tax Regime. This taxation scheme was introduced in 2009, with the aim of (re)attracting talent and high net worth individuals.[43] Anyone who has not been a tax resident in Portugal during the preceding five years and takes up residence in Portugal is eligible to participate in this scheme.[44] For ten years, the migrant can profit from advantageous tax rates.[45] The migrants' Portuguese sourced income will be taxed at a flat rate of 20% if the income is derived from 'high value activities', while many forms of foreign source income (including

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[37] Art. 5 Order 11820-A/2012, amended by Order 1661-A/2013.

[38] Art. 90-A par. 3 Act 23/2007 of July 4, amended by Act 29/2012.

[39] Form can be found here: <http://www.sef.pt/documentos/56/iii_Purchaseovalueequalorabove500_ren.pdf.> accessed 24 May 2018.

[40] Art. 5 Regulation (EU) No 610/2013 of 26 June 2013 Amending Regulation (EC) No 562/2006 of the European Parliament and of the Council Establishing a Community Code on the Rules Governing the Movement of Persons across Borders (Schengen Borders Code)" Official Journal 182, 29 June 2013.

[41] Art. 99 Act 23/2007, amended by Act 63/2015.

[42] Art. 4 par. 1 Council Directive 2003 / Io9/EC of 25 November 2003 concerning the status of third-country nationals who are long-term residents, Official Journal Lo16, 23 January 2004 and Art. 126 Law 23/2007. See for an in-depth analysis of these requirements, in particular the residence requirement: M. Van den Brink, 'Investment Residence and the Concept of Residence in EU Law: Interactions, Tensions, and Opportunities', Investment Migration Working Paper Series 1/2017.

[43] Preamble Decree 249/2009.

[44] Art. 16 par. 6 Decree 249/2009.

[45] Art. 16 par. 7 Decree 249/2009.

foreign source pensions) are exempted from taxation. Moreover, Portugal does not impose wealth taxes. Becoming a Portuguese tax resident requires residing in Portugal for at least 183 days in a 12 month period.[46] A person who does not fulfil this requirement can still be considered a tax resident in Portugal if he has a home in Portugal which is intended to be his permanent residence.[47] It must be noted that Portugal is not the only EU Member State that has introduced a beneficial taxation scheme for third-country nationals. The Netherlands, for example, has introduced the so-called '30% facility', which entails that highly-skilled workers from a third country are exempted from taxation on 30% of their remuneration.[48]

2.3 The nature of investments in Portugal

The total amount invested from October 2012 to May 2018 was 3.768.808.068 euros.[49] In this period, 6,159 residence permits were granted to main applicants and 10,396 to family members, of whom more than 60% were Chinese. The investors mostly opted for real estate investment. In fact, almost 95% of the resident permits were granted in exchange for real estate investments. The investments were predominantly done in the Lisbon region. In 2014 more than 90% of the total investments was invested in real estate within the Greater Lisbon Region, Setúbal and the Algarve.[50] In 2013, 80 to 90% of the investments were done within the Lisbon region.[51]

The predominance of real estate acquisitions can partially be explained by the existence of a 'real estate migration industry' consisting of Portuguese governmental institutions, Portuguese real estate agencies and Chinese migration agencies. First of all, two governmental organs (AICEP and E.P.E.) are responsible for the promotion of the investment programme.[52] They have promoted the investment programme at real estate fairs in multiple sending states, together with the real estate sector association APEMIP. The promotion is also executed through diplomatic and consular networks.[53] A number of Portuguese real estate agencies work independently to attract Chinese investors, attending real estate fairs in China to promote their activities themselves. However, most agencies collaborate with China-based migration

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[46] Art. 16 par. 1 sub a Código do Imposto sobre o Rendimento das Pessoas Singulares.
[47] Art. 16 par. 1 sub b Código do Imposto sobre o Rendimento das Pessoas Singulares.
[48] Art. 10ea Uitvoeringsbesluit loonbelasting 1965.
[49] SEF, *Golden Residence Permit Programmeme (ARI) data from 8th of October 2012 to 30th of April 2018*.
[50] SEF, *Relatório de Imigraçao, Fronteiras e Asilo 2014*, 13.
[51] 'Os vistos gold vieram dar novo folego ao mercado de luxo' *Público* (16 January 2014).
[52] Art. 65.º-F Regulatory Decree 15-A/2015.
[53] Art. 65.º-G Regulatory Decree 15-A/2015.

consultancy firms. The consultancy firms are able to recruit potential investors and are thereby the first link in the chain. The real estate agencies then set up a portfolio of real estate likely to be of interest for the particular investor. The investor will then make a short trip to Portugal (about three days) in order to visit the selected locations. On the last day, the acquisition decision is made, after which a Portuguese bank account is opened and the administrative procedure initiated. After that, the investor can return to his place of residence.[54]

Due to problems with language and a lack of knowledge of the Chinese market, Portuguese firms are often dependent on Chinese consultancy firms. Therefore, the bargaining position of the Chinese consultancy firms enables them to charge high fees.[55] Cases have been reported in which such fees were added to the value of the real estate price without the investor being informed, after which the investor is left with an overpriced purchase.[56]

It is often assumed that investors obtain their residence permits in exchange for 'buying a house'. In reality, the issue is more complex. First of all, it is sometimes necessary to buy several houses or apartments to reach the minimum investment level, as the level of real estate prices in Portugal is relatively low. In other cases the acquisition consists of a pre-formed 'package deal' of real estate to be rented out with a promised ROI-rate of around 5%.[57] The investment programme is moreover in principle applicable to *all* forms of real estate.

As could be expected, the investment programme has been enthusiastically received by the real estate sector. The investment programme was introduced at a time when the real estate sector was stuck in a deep recession. Therefore, foreign investment in real estate was most welcome. According to estimates of the real estate association APEMIP, 23% of house acquisitions in 2014 were by non-Portuguese, 23,000 in total. Of this, 18% (or 4,140 properties) are said to have been bought by Chinese nationals. Other major groups are British nationals (23%) and

[54] P. Quintela, 'A imigração de negócios e o desenvolvimento local num contexto de crise' (Thesis University of Lisbon 2014), 78 ff.
[55] Ibid 84.
[56] 'Chineses com vistos "gold" queixam-se de burla imobiliária' *Diário de Notícias* (19 June 2014) <http://www.dn.pt/portugal/interior/chineses-com-vistos-gold-queixamse-de-burla-imobiliaria-3979283.html> accessed 24 May 2018; 'Chineses com vistos gold 'roubados' por mediadoras' *Notícias ao Minuto* **(**15 February 2014) <https://www.noticiasaominuto.com/economia/174842/chineses-com-vistos-gold-roubados-por-mediadoras> accessed 24 May 2018.
[57] See for example: <http://www.goldenvisas.com/portugal-guaranteed-rental-5-percent-5-years/> accessed 24 May 2018.

French nationals (16%), reportedly attracted by the Non-Habitual Residency Tax programme.[58] The level of investment attracted from October 2012 to May 2018, more than three billion euros, is substantial given the size of the Portuguese economy.[59] Foreign investment in real estate can have multiple positive effects. First of all, foreign real estate investment tends to be non-mortgaged, which was greatly beneficial in the Portuguese case, as the country's real estate market was badly affected by the financial crisis and credit availability was constrained. This way, the golden visa programme could contribute to the stability of the real estate market. Secondly, in the Portuguese case, investors often acquire renovated or newly constructed buildings. In general, such investment has wider positive effects ('trickle-down effects') than acquisition of existing properties as such.[60] Thirdly, foreign investment has increased the value of properties in certain areas, most notably the historical centre of Lisbon. Within certain areas, sales prices per square meter have reportedly increased as much as 30% within one year.[61]

Nevertheless, the long-term effects of the investment programme remain uncertain. The regulation requires the investment to be sustained for five years, after which permanent residence or EU-residence can be obtained. This entails that, in practice, the properties acquired can come back on the market from 2018. In a policy paper, the International Monetary Fund warns that citizenship and residence-by-investment schemes are indeed prone to such 'sudden-stop' risks.[62] Next to that, the rising prices of properties within the city centre of Lisbon also come with disadvantages, as these properties are becoming unaffordable for the original inhabitants.[63] Lastly, even though the programme has delivered significant economic contributions, it is unlikely that it has fundamentally altered the Portuguese economic landscape by attracting more international business activity, as was intended by the legislator.[64]

[58] 'Franceses aproximam-se dos chineses na compra de imóveis em Portugal' *Publico* (10 February 2015) <https://www.publico.pt/economia/noticia/francesas-aproximamse-dos-chineses-na-compra-de-imoveis-em-portugal-1685577> accessed 24 May 2018. The figures are estimates and were distributed by the sector association APEMIP. There are no official figures of the abovementioned real estate acquisitions by non-Portuguese available.
[59] For purposes of comparison, Portuguese foreign direct investment inflows in 2016 alone were estimated at 8,41 billion euros in total. See: Foreign direct investment, net inflows (BoP, current US$) via <data.worldbank.org>.
[60] See K. Rosen, A. Margon, R. Sakamoto, Breaking Ground: Chinese Investment in US Real Estate (Asia Society Special Report 2017). However, others doubt whether the multiplier effect of real estate investment through the Portuguese investment programme is substantial, see for example: A. Ferras, 'Corrupção em Portugal: o caso dos vistos gold' *Correio do Minho* (29 November 2014). <https://correiodominho.pt/cronicas/corrupcao-em-portugal-o-caso-dos-vistos-gold/6338>.
[61] R. Guimarães, 'Num semestre Lisboa vendeu 909 imóveis a compradores internacionais' (2017) 3 Revista Confidencial Imobilário.
[62] X., Xin, A. El-Ashram, and J. Gold, 'Too Much of a Good Thing? Prudent Management of Inflows under Economic Citizenship Programmes' (2015) IMF Working Paper No. 15-93, 30.
[63] I. Lestegás, 'The Global Rent Gap Of Lisbon's Historic Centre' (2018) 13 International Journal of Sustainable Development And Planning 683, 690.
[64] Gamlen et al. argue that investment programmes often suffer from a lack of engagement of investor migrants.

3. Wealth exodus from China

3.1 Causes of investment migration from China

Portugal's investment programme has for several reasons been successful in attracting investor migrants from China. While this can partially be attributed to the lenient requirements of the Portuguese scheme, there are other underlying causes that are also applicable to a wider context beyond the Portuguese case, explaining why wealthy Chinese are keen to move themselves, their assets and their family abroad.

The low presence requirement of the Portuguese scheme is especially important to Chinese investment migrants. It enables investors to legitimately hold a Portuguese residence permit while spending most of their time in the country of origin. Presence requirements is sometimes referred to among Chinese emigrants as a 'migration prison'. According to interviews among Portuguese real estate agents, the vast majority of Chinese investment migrants choose to stay in China. [65] In the meantime, their properties can be rented out. The low requirement meets the Chinese investors' demands, since they would often prefer to continue to reside in China after obtaining a residence permit for Portugal.[66] The rationale behind this phenomenon is firstly that the Chinese investors' businesses and (political) careers are rooted in China and therefore they cannot afford to live abroad for significant periods of time.[67] Second, the Chinese investors often lack the language skills, cultural knowledge or the social networks to set up an equally successful business in another country.[68] Next to that, a residence permit can be obtained to ease international travel. Holders of a Portuguese residence permit can reside in other Schengen Area Member States for 90 days in each 180 day period and are therefore exempted from cumbersome visa application procedures.[69]

See A. Gamlen, C. Kutarna and A. Monk, 'Re-thinking Immigrant Investment Funds' Investment Migration Council Working Paper 1/2016, p. 8 ff.

[65] Quintela (n 54) 78.

[66] G. Liu-Farrer, 'Migration as Class-based Consumption: The Emigration of the Rich in Contemporary China' (2016) 226 The China Quarterly 499, 508.

[67] L. Miao and H. Wang, *International Migration of China* (Springer 2017) 22.

[68] See, for example, David Ley's ethnographic study to the difficulties investor migrants encountered in Canada: D. Ley, *Millionaire Migrants: Trans-pacific Life Lines* (Wiley-Blackwell 2010).

[69] Art. 5 Regulation (EU) No 610/2013 of 26 June 2013 Amending Regulation (EC) No 562/2006 of the European Parliament and of the Council Establishing a Community Code on the Rules Governing the Movement of Persons across Borders (Schengen Borders Code)" Official Journal 182, 29 June 2013.

To conclude, some of the Chinese investor migrants only migrate on paper, not necessarily in practice. This leads to a new form of 'quasi-migration' in which the purpose of migration is not necessarily to move to another country, but rather to be prepared to do so at any time, or to ease their mobility by avoiding visa restrictions. The investment migration scheme can therefore serve as an insurance against potential political and economic risks, or as a strategic choice. All in all, these Chinese investment migrants can be called 'voluntary immobile migrants' who are 'standing on two boats at the same time'. While the Portuguese government would expect and hope that the investment migrants would bring international business opportunities to boost the Portuguese economy, the concept of 'voluntary immobility' seems to contradict such expectations.

Another important factor that contributes to the success of the Portugal investment migration scheme is that it allows investor migrants to invest in real estate. As mentioned above, investment in real estate is by far the most popular option of the Portuguese scheme. The acquisition of real estate is regarded by wealthy Chinese as a safe and stable investment.[70] It is suggested that in the majority of cases, the property acquired through investment programmes will not be used as a primary residence and can therefore serve as a holiday home and eventually be rented out.[71]

Some wealthy Chinese investors are emigrating in search of political stability. After the current Chinese President Xi Jinping started a systematic and forceful anti-corruption campaign in China, many higher and lower level officials ('tigers' and 'flies', in Jinping's metaphor) in the government were under investigation.[72] This anti-corruption campaign not only affects the political figures, but also businesspersons, as business in China is often closely related with politics.[73] Despite their wealth, many businesspeople have to rely heavily on connections with authorities, as they are need of the support of the administration. The line between cooperation and corruption is often thin, as a certain form of 'gift-giving' is seen as a natural way to

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[70] M. Szto, 'Representing Chinese Real Estate Investors in the United States' (2014) 23 Minnesota Journal of International Law' 173, 177; Miao and Wang (n 67) 23.

[71] F. Chen, J. Lazarus, Rising Outbound Flows: The Expanding Role of Chinese Capital in Global Real Estate Markets (CBRE Research 2015) 6; 'Casas com vistos gold cada vez mais arrendadas' *Expresso* (13 May 2018).

[72] S. Yuen, 'Disciplining the Party: Xi Jinping's anti-corruption campaign and its limits' (2014) 3 China Perspectives 41.

[73] See for example Cheng Li's report, describing the power-capital nexus within the Chinese tobacco industry through corporate and industrial interest groups: C. Li, 'The political mapping of China's tobacco industry and anti-smoking campaign' (John L. Thornton China Center at Brookings 2012).

maintain *guanxi* (social networks and relationships of influence).[74] Therefore, these connections with the authorities make them vulnerable to corruption charges. Portugal is a politically stable country, where such they can preserve their wealth in case of a sudden policy change or social conflict endangering their wealth in China. The fact that they hold a Portuguese residence permit make sure that they are ready to leave at any time.

A quest for economic safety is also driving demand for investment programmes. While the Chinese real estate market offers abundant opportunities on the one hand, it is also volatile on the other. This is illustrated by the fact that house prices in major Chinese cities have soared, leading to the risk of an overheated property market and the formation of a real estate bubble.[75] The potential bursting of this real estate bubble is estimated to have a limited effect on Chinese economic development as a whole, but investment in Chinese real estate is nevertheless deemed to entail high risks.[76]. In order to cool down property markets, several Chinese cities have taken measures to curb the purchase of properties for individuals who already own housing.[77] As wealthy Chinese are aware of these risks, they tend to distribute their wealth partially abroad.[78] investment migration is also an important family livelihood planning strategy in which the wealthy Chinese seek to invest in their children's quality of life. One of the main reasons for the surge of Chinese demand for investor residence permits is that it provides a way to secure their children's (primary and secondary) education abroad.[79] Next to education, less tangible issues as concerns about environmental pollution also play a role.[80] The Portuguese investment programme includes relatively extensive provisions for family reunification, including dependent parents and dependent (underage or adult) children. Chinese parents often prefer their children to have a Western education because of the heavy burden of Chinese compulsory education and fierce competition in the *Gaokao* (the university entrance examination).

[74] M. Szto, 'Chinese Gift-Giving, Anti-Corruption Law, and the Rule of Law and Virtue' (2015) 39 Fordham International Law Journal 591, 609; Y. Luo, 'The changing Chinese culture and business behavior: The perspective of intertwinement between guanxi and corruption' (2008) 17 International Business Review 188.
[75] E. Glaeser, W. Huang, Y. Ma and A. Shleifer, 'A real estate boom with Chinese Characteristics' (2017) 31 Journal of Economic Perspectives 93.
[76] J. Wu, J. Gyourko, and Y. Deng, 'Evaluating the risk of Chinese housing markets: What we know and what we need to know' (2016) 39 China Economic Review 91; H. Fang, Q. Fu, W. Xiong and L. Zhou, 'Demystifying the Chinese housing boom' (NBER Macroeconomics Annual), 105; F. Guo and Y. Huang, 'Does "hot money" drive China's real estate and stock markets?' (2010) 19 International Review of Economics & Finance 452.
[77] '2017 Pacific Real Estate Market Outlook – Greater China' (CBRE Research 2017).
[78] Chen and Lazarus (n 71) 6.
[79] See: R. Simons, J. Wu, J. Xu and Y. Fu, 'Chinese investment in US real estate markets using the EB-5 programme' (2016) 30 Economic Development Quarterly 75. For tertiary education, obtaining a residence permit through investment is not necessary, as students can obtain a residence permit for study purposes.
[80] Miao and Wang (n 67) 4.

Secondly, a western education is widely perceived as more prestigious and has become a status symbol.[81] Since the local Portuguese high schools teach in Portuguese, Chinese parents would often choose to send their children to international schools.[82]

Demand for the Portuguese investment programme is also stimulated by the highly developed Chinese 'migration industry'.[83] As the investment migration procedures tend to be complex, Chinese investor migrants are prepared to hire agencies that help them handle the investment migration procedures. In 2011, there were 730 migration agencies operating under license from the Chinese Ministry of Security.[84] The most important task of the migration industry is to deal with the administrative burden of the emigration process and connect the Chinese investors to suitable investment options, next to consulting for the right migration destination. Furthermore, the Chinese migration industry is connected with agents working in destination countries, whereby potential investors can overcome language barriers.

3.2 The consequences of the wealth exodus from China

This section mainly addresses the consequences of investment migration from China to western countries. Investment migration from China to Portugal is a prism through which to scrutinize the volume and dynamics of the wealth exodus from China in general. We mainly discuss the consequences of the wealthy migrating from China, the impact of their migration on China, and the countermeasures employed by the Chinese government.

Emigration Restrictions

In the Chinese perception, investment migration is often framed as a channel for corrupt officials and businessmen to escape from prosecution in China as well as a mechanism for money laundering.[85] For example, the Chinese government has requested Australia to help to

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[81] Liu-Farrer (n 66) 513; Miao and Wang (n 67) 3.

[82] 'Depois dos russos, os chineses chegam ao Algarve à procura de ar puro e golfe' *Publico* (6 April 2014) <https://www.publico.pt/2014/04/06/economia/noticia/russos-ja-estao-no-algarve-os-chineses-vem-ai-1631039> accessed 24 May 2018.

[83] This is complemented by a rapidly developing migration industry that operates on a global level. See for an account of the development of the citizenship-by-investment industry: K. Surak,'Global Citizenship 2.0: The Growth of Citizenship by Investment Programmes', Investment Migration Council Working Paper 3/2016, 25 ff.

[84] B. Xiang, 'Changing patterns of out-migration and indentity implications' in R. Iredale and F. Guo (eds), *Handbook of Chinese migration: identity and wellbeing* (Edward Elgar Publishing 2015), 285.

[85] T. Fangmen, 'Millionaire Emigration: The Allure of Investor Visas among China's Elite' (Migration Policy Institute 2017).

hunt down fugitives who allegedly have fled China through the Australian investment programme.[86] The Chinese media have reported extensively on cases of corrupt officials who have escaped the arm of the law by using investment migration channels.[87] Cases are known of exiles involving top Chinese government officials with highly classified political documents, as was seen in the case of Chinese businessman Ling Wancheng fleeing to the USA after his once powerful brother Ling Jihua was taken into custody.[88] Besides the obvious capital drain, this can also have an adverse effect on society at large, as it creates the impression that elite officials place themselves above the law, which could lead to more societal grievances over the inequality between different social classes, leading to potential social and political instability. For the abovementioned reasons, the Chinese government has imposed stringent regulations on the travel of Chinese government officials abroad. In general, limitations of the right to leave are based on Art. 8 par. 5 of the Law on the Control of Exit and Entry of Citizens 1985. This clause states that exit approval shall not be granted to persons whose exit will "be harmful to State security" or "cause a major loss to national interests". This clause is further specified in the secondary legislation, which also addresses limitations for government officials. There is also a multitude of restrictions in place for the acquisition of a Chinese passport. Depending on the passport category one has to apply for, there can be cumbersome administrative requirements as well as diverse grounds for outright refusal.[89]

According to our interviewees,[90] two main measures are taken to fight against corrupt officials leaving China to prevent the exit from China of corrupt officials. First, all government officials are subjected to yearly scrutiny procedures of their backgrounds, in which they have to submit a form that includes detailed information about their own nationalities, as well as their children and spouse' nationalities, current place of residence, and their ownership of (overseas) property. In case of falsification of information, the official may face severe retribution. Such scrutiny is carried out by the Central Commission for Discipline Inspection. The Central

86 The Economic and Commercial Section of the Consulate General of the PRC in China, *China Requests Australia's Cooperation in Chasing Fugitives* <http://sydney2.mofcom.gov.cn/article/bilateralcooperation /inbrief/201410/20141000760011.shtml> accessed 24 May 2018.

87 'Insecurities of rich drive US visa rush' *Global Times* (1 April 2014) <http://www.globaltimes.cn/content/852110.shtml> accessed 24 May 2018; 'Hunt for corrupt officials fleeing overseas meets legal barriers' *Global Times* (9 April 2014) <http://www.globaltimes.cn/content/ 853506.shtml> accessed 24 May 2018.

88 'Top China defector passes secrets to US' *Financial Times* (4 February 2016) <http://www.ft.com/cms/s/0/4e900936-cb20-11e5-a8ef-ea66e967dd44.html> accessed 24 May 2018.

89 G. Liu, *The Right to Leave and Return and Chinese Migration Law* (Brill Publishers 2007), 246.

90 The following information on regulations of Chinese officials going abroad is based on an interview with Chinese officials working for the Commission for Discipline Inspection.

Commission for Discipline Inspection (CCDI) is the highest internal control institution of the Communist Party of China (CPC), tasked with enforcing internal rules and regulations and combating corruption in the Communist Party.[91] If it is found that both the children and the spouse of a senior government official have moved abroad, he or she will be required to resign from the current post and be demoted to a lower position in the government or to move their children or spouse back to China. Second, when Chinese officials reach *ke ji* (section) level their passports will be confiscated. Travel abroad would have to be reported to the higher officials and getting official approval for this is needed.

The right to leave one's own country is protected under international law through multiple international treaties as well as international customary law. In the academic literature, the right to leave is predominantly studied from the perspective of the International Covenant of Civil and Political Rights (ICCPR).[92] However, the ICCPR has not been ratified by China.

Moreover, the right to leave one's own country is widely considered to be part of international customary law.[93] In one of the rare studies on the right to leave in Chinese law, it is argued that the Chinese restrictions are in general inconsistent with international customary law.[94] We would add that the case may be different regarding the emigration restrictions in place for senior government officials as these restrictions can be defended as a necessity to protect public order due to such persons' access to sensitive information. Nevertheless, the principles of proportionality and necessity have to be taken into account in each individual case.

Capital outflow

The most direct impact of investment programmes on China is that they cause an outflow of capital. More and more middle and upper class Chinese families are relocating their assets abroad, often in contravention of capital control measures. The Chinese government has sought to entice capital flow back and to prevent more capital from fleeing. There is a limit in place

[91] T. Gong, 'The party discipline inspection in China: Its evolving trajectory and embedded dilemmas' (2008) 49 Crime, Law and Social Change 139, 139.

[92] D. Kochenov, 'The Right to Leave Any Country including Your Own in International Law' (2012) 28 Connecticut Journal of International Law 44; H. Hannum, *The right to leave and return in International Law and practice* (Martinus Nijhoff Publishers 1987).

[93] V. Chetail, 'the transnational movement of persons under international law' in V. Chetail, C. Bauloz (eds), *Research handbook on international law and migration* (Edward Elgar Publishing 2014), 20; H. Storey, Foundations of International Migration Law (Oxford University Press 2013), 78.

[94] G. Liu, *The Right to Leave and Return and Chinese Migration Law* (Brill Publishers 2007), 94.

of (the equivalent of) 50,000 U.S. dollars annually per capita for foreign currency purchases.[95] There are also restrictions in place for international transfers with UnionPay credit and debit cards, including limitations on the purchase of overseas insurance and investment products. As UnionPay has a near monopoly position on the Chinese market, these limitations have a powerful impact.[96] Since 2016, control over whether individuals adhere to these restrictions has been intensified. Hence Chinese banks are obliged to report transactions above a a limit of (the equivalent of) 10,000 US Dollars to the State authorities.[97]

However, there are numerous other methods which investor migrants can use to transfer money abroad, including underground banks, transfers through Hong Kong money changers, pooling the quotas of family and friends, bogus purchases of overseas services and commodities , e.g. intentionally unsuccessful bidding at foreign art auctions), getting an overseas mortgage based on savings in China or simply carrying cash across the border.[98]

Long Term Effects of China's Wealth Exodus: Reproduction of social inequality?

Investment migration can cause social inequality to be reproduced locally and transnationally. Investment migration is unattainable for low and middle income Chinese households, while wealthy Chinese households have access to migration information as well as the funds to pay for migration agencies and can therefore obtain visas, residence permits or even acquire nationalities that allow them to become a citizen of the world. This substantiates the argument that in the era of globalization, 'the rich become the global and the poor remain the local'. Social inequality can also be reproduced transnationally through investment migration. The offspring of such families can obtain an international upbringing and education, enabling them to better compete in a global market. This 'head start' of the *fu'erdai* (or the second generation of wealthy Chinese) has the potential to exacerbate Chinese social inequality at a global level.

[95] Art. 2 Detailed Measures for the Implementation of the Measures for the Administration of Individual Foreign Exchange.

[96] W. Wang, 'Inner Workings of the Chinese Economy' (2016) working paper <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2752030> accessed 24 May 2018.

[97] Art. 5 Measures for the Administration of Financial Institutions' Reporting of High-Value Transactions and Suspicious Transactions.

[98] Wang (n 96); 'China's money exodus' *Bloomberg* (3 November 2015) <http://www.bloomberg.com/news/features/2015-11-02/china-s-money-exodus> accessed 24 May 2018.

4. Conclusion

This paper started from the premise that an inflow in a receiving country, be it in people or in capital, must logically be preceded by an outflow from a sending country. Therefore, the aim was to study the Portuguese investment programme by combining a 'Portuguese perspective' with a 'Chinese perspective'.

The Portuguese investment programme was announced as a boost to Portugal's 'economic diplomacy', aiming to internationalize the Portuguese economy and the improve its international reputation. Therefore, the investment programme exemplifies an intriguing merger of the public and the private, in which embassies and ministries are teaming up with real estate agents to maximize their gains. It is clear that the number of (notably Chinese) investors and the size of their investments has been substantial and have made a significant contribution to the Portuguese economy. The investor has also contributed greatly to the urban regeneration of certain areas of Lisbon. However, it is doubtful whether the programme internationalizes Portugal's economy, as the investments have mainly ended up in the domestic real estate sector.

On the Chinese side, the causes of migration from China to Portugal show that conditions such as low residence requirements, access to the Schengen Area and an option to invest in real estate are likely to attract Chinese investors to the Portuguese investment programme. Other factors of importance are the wish of wealthy Chinese to partially distribute their wealth abroad and the preparation of a potential 'escape route'. Meanwhile, it is important to acknowledge that investment migration is often a household-level strategy, for example to enable children to have a western education at a young age.

The consequences of the wealth exodus from China are viewed mainly as negative from the point of view of the Chinese State. To name a few, capital outflow is perceived to lead to a capital drain and impede the robust growth of the Chinese economy, while investment migration is also perceived by the Chinese political left as an escape route for corrupt officials and businessmen facing prosecution. Investment migration used as a preservation of wealth, and investment in the future for their children's education can also directly or indirectly contribute to the reproduction of inequality. The Chinese government has implemented measures to curb capital outflow, prevent the exit of officials, and to halt the wealth exodus.

However, economic instability and a multitude of factors impeding quality of life in China maintain the demand for emigration among wealthy Chinese, while the Chinese ‘migration industry’ is more than willing to assist them. Investor migration programmes offer them unprecedented freedom of mobility and can strategically assist their families to become part of a global elite, while being served by exceptionally lenient migration policies and tax incentives rates along the way. All in all, it seems that the migrants themselves will turn out to be real ‘winners’ of the golden visa saga.

Publications in the Investment Migration Working Papers

Research Papers

Gamlen A., C. Kutarna and A. Monk. *Re-thinking Immigrant Investment Funds,* IMC-RP 2016/1.

Fu, Q. *'Internal' Investment Migration: The Case of Investment Migration from Mainland China to Hong Kong*, IMC-RP 2016/2.

Surak, K. *Global Citizenship 2.0. The Growth of Citizenship by Investment Programs,* IMC-RP 2016/3.

Strumia, F. *New-generation Skilled Migration Policies and the Changing Fabric of Membership: Talent as Output and the Headhunting State,* IMC-RP 2016/4.

Van den Brink, M. *Investment Residence and the Concept of Residence in EU Law: Interactions, Tensions, and Opportunities*, IMC-RP 2017/1.

Cohen, M. *The Re-Invention of Investment Immigration in Canada and Constructions of Canadian Citizenship,* IMC-RP 2017/2.

Van der Baaren, L. and Li H. *Wealth Influx, Wealth Exodus*: Investment Migration from China to Portugal, IMC-RP 2018/1.

Policy Briefs

Poleshchuk, V. *'Making Estonia Bigger': What E-residency in E-Estonia can do for you, what it can do for Estonia,* IMC-BP 2016/1.

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