

## **Citizenship by investment: is it really a good deal?**

Marco Mazzeschi has published with Lexis Nexis a new article about the citizenship by investment. The article outlines that several States are offering citizenship to individuals willing to invest, in various forms, in the country economy. The focus of most programs is however on the amount of the investment, creation of jobs, etc. but in many cases applicants are not required to establish any real bonds with the country, such as maintaining a permanent residency or other forms of stable allegiance. It is a well established principle in international law that each State shall determine under its own law who are its nationals. However, the conferring state may not require other states to automatically accept its designation unless it has acted in conformity with international law and practice. The most famous precedent in this field was set by the International Court of Justice in 1955 in the *Nottebohm Case*<sup>[1]</sup>. The Court ruled that in order for the State to grant diplomatic protection there must be a “genuine link” between the individual with the State. Preference must be given to the real and effective nationality that is the one based on stronger factual ties between the person concerned and one of the States whose nationality is involved. Different factors are taken into consideration: the habitual residence of the individual concerned is an important factor, but there are other factors such as the centre of his interests, his family ties, his participation in public life, attachment shown by him for a given country and inculcated in his children. After assessing that Mr. Nottebohm had not established a “genuine link” with the Liechtenstein, the Court rejected Liechtenstein’s claim to grant diplomatic protection to Mr. Nottebohm. You can read the full article in

<http://www.lexisnexis.com/uk/lexispsl/immigration/document/412012/5D47-T061-DYW7-W3J0-00000-00/Citizenship-by-investment%E2%80%94is-it-really-a-good-deal?>

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<sup>[1]</sup> *Nottebohm Case (Liechtenstein v. Guatemala)*; Second Phase, International Court of Justice (ICJ), 6 April 1955, I.C.J. Reports 1955, p. 4