

# WE ARE NO LONGER PRISONERS OF OUR GEOGRAPHY AS NEW REGIONS EMBRACE INVESTMENT MIGRATION



The introduction of new and improved migration policies could turn the global refugee crisis into a great opportunity for many economies, argues **Dr Christian H. Kaelin**.

Policies are sometimes shaped by hindsight and the adoption of a historical approach rather than by ambitious planning for the future. Migration policies are no exception. They tend to be conservative, and the recent rise of populism has exaggerated this trait. Conscious of this development, I pronounced in my speech at The Economist's 'The World Ahead' Gala Dinner in Athens in July 2021 that the world needs more, not less, immigration.

The ongoing global migration trend is hardly a secret. It is now an unstoppable movement. Humans have always moved and relocated, but displacements have reached an all-time high, and we are now at a point of crisis. If some countries are "prisoners of geography", as a celebrated book once demonstrated, in this day and age the concept certainly does not apply to the people within them. Rather, we are now increasingly emancipated from our inherited geography and the birth-right lottery of our citizenship.

## Misalignment of demographics and resources increases the appeal of investment migration

Technology, and in particular the development of information technology, has prompted people to think beyond geography- and culture-based perspectives. More than ever, we have multiple reasons and incentives to move. Political instability, wars, economic deadlock, the rapidly advancing climate crisis, and periodic health crises are now affecting entire nations, generating a misalignment between demographics and resources — as Dr Parag Khanna points out in his most recent book, *MOVE* — combining to make migration inevitable and irresistible.

A geography of necessity ineluctably comes into the picture. The populations of developed economies are aging more rapidly than can be coped with, while in less developed parts of the world there is an ever-growing supply of highly educated young workers with ever-decreasing job prospects. European governments are simply not doing enough to tackle the aging issue and address the growing imbalance in their populations. As Dr Khanna astutely asserts, "A mobile civilization requires people with skills", and more efficient migration policies that encompass the global political context can help to align needs and resources — to the benefit of populations on both sides of the equator.

It will come as no surprise then that investment migration, a mechanism by which affluent

individuals invest in other countries to become residents or citizens, is expanding at accelerated speed. It provides a channel for countries to attract not only much-needed entrepreneurs, talented individuals, and highly specialised people, but also foreign direct investment and debt-free capital, and relatively quickly.

Residence- and citizenship-by-investment programmes create the optimal conditions for suitable applicants to come and make a positive contribution to the society. A small number of carefully selected candidates can have an immense impact. Through investment migration programmes countries can reshape future generations and transform the migration influx into economic and political power. By cultivating more positive migration policies, nations could turn the global refugee crisis into an immeasurable opportunity.

## Displacement cannot be resolved by inward-looking policies

Isolationism and protectionism are certainly not the answer to this crisis of displaced persons, or to correcting the misalignment between human and material resources, because they do not entail a holistic approach to the issues. The depth of globalisation varies with events — as shown by the Covid-19 pandemic — but withdrawal from the world's affairs can prove to be a risky move for a country that is based on a modern economy. Many European countries appear either to be ignoring or oblivious to the omens and have not developed migration policies to foster the recruitment of the next generation. Now they are struggling with an assimilation issue. Meanwhile countries on the other end of the spectrum are already actively competing for, and winning, foreign talent. Investment migration as a harmonious solution to attain mutual benefit When searching for stability and prosperity in uncertain times, the ability and willingness to innovate and depart from old ways are indispensable. This fundamental principle applies to policymaking in general. One must create to subsist and prevail. The pandemic has emphasised the volatile nature of politics and economy. Formalised and mainstream residence- and citizenship-by-investment programmes have been in existence for nearly 30 years, but they have only been in place in less than half of countries worldwide. In the current context of fierce and mounting competition for capital and talent, however, new investment migration programmes

are being designed and launched around the world, and in new regions, at an unprecedented rate. Recently, the Russian government approved a new real estate-based residence-by-investment programme designed to be competitive and family-friendly. In parallel, the UAE and New Zealand have expanded their existing offerings to attract talented and wealthy individuals, respectively.

Countries that may have disparaged this route until now are well advised to emulate in order to avoid the risk of having to make hasty and unpopular decisions in the near future. The political dilemmas some countries are facing now may herald opportunities that alter the courses of their futures if they reconsider their approaches to migration policy and welcome foreign talent. Investment migration programmes offer a harmonious way forward and increase the likelihood of attaining mutual benefit. 🌐



## BIO

**Dr Christian H. Kaelin, TEP, IMCM**, Chairman of Henley & Partners, is considered one of

the world's foremost experts in investment migration, a field he pioneered. He is a sought-after speaker, advisor to governments and international organizations, and the author of numerous publications, including the *Global Residence and Citizenship Handbook*.