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The Golden Passport ‘Russian’ EUtopia

Offshore Citizens in a Global Republic

Abstract: In the face of utopian discussions on global citizenship and cosmopolitan identities, this article argues that the concept of offshoring provides insights into rising realities in elite mobility and the formation of expat communities. I do this in the context of the proliferation of ‘golden passport programmes’, through which rich people are naturalised as citizens in the countries where they invest. Showing how the global citizenship utopia is materialised locally, I argue that golden passports are the continuation of offshoring by other means. Presenting an ethnographic portraiture of those enabling Russians to acquire the Cypriot passport, as well as how the Russophone community takes shape locally in Cyprus, the article shows how ‘expat communities’ can form as enclaves of safety that offer offshore convenience for certain elite community members. It also shows that golden passports exacerbate local inequality, undermining the egalitarian utopia of citizenship at large, with detrimental effects on the local sense of civitas.

Keywords: citizenship, Cyprus, expats, offshoring, utopias

In early April 2019, a local taxi driver took a Moscow-based rich couple from Larnaca airport, where they had landed with their Learjet. He brought them to the naturalisation department of the Immigration Office in Nicosia for one and a half hours, and from there back to the airport and the jet – and back to Moscow. Their whole sojourn in Cyprus lasted five hours – the time needed for the process to be on track to acquire a Cypriot ‘golden passport’ for each of them. They did not know the taxi driver spoke Russian and was overhearing them; through the day, they were complaining of the heat, commenting on how unbearable the country’s climate was. The taxi driver never heard their names, and the lawyer who helped them with issuing their passports could not share them with me.

The backdrop to this article is the Cypriot golden passports programme, officially titled ‘the Cyprus Investment Programme’. This citizenship by investment scheme was arguably the most ‘successful’¹ as well as criticised golden passport programme in the world, in that it produced the highest per capita investment citizenship cases globally, while it arguably provoked the most massive backlashes. Roughly a year after the incident above, between August and October 2020, Al Jazeera published a series of investigative journalism pieces dubbed ‘The Cyprus Papers’,² naming beneficiaries related to the golden passport programme of the Republic of Cyprus (including convicted criminals or people awaiting trial



in their countries of origin) and exposing a ‘corrupt’ system of government. The scoop caused a stir domestically and a wider discussion internationally. The passport programme, which ran for thirteen years in different forms, was officially stalled in November 2020, after mounting social pressure from scandals related to MPs and the Speaker of Parliament (see Al Jazeera 2020), and threats of sanctions from the European Union (EU). The Cypriot President said this was his worst experience in a political career spanning 40 years.

The scandal was not a surprise for me. Even the ‘Russian party’ of Cyprus, named ‘Me, the Citizen’ raised criticism to the programme; its founder told me that already, in 2019, it was ‘the most corrupt passport programme in the world’. As I show below, the aim of golden passport programmes is to extend offshore services from capital to people, by making them disappear from the grid of the(ir) states and democratic accountability, relocating them into places unfamiliar, even invisible (Urry 2014). Golden passport holders are seeking the safety of EU citizenship and the anonymity of a safe hub. In that respect, offshored sites share a surprising conceptual kinship with utopias, as the original meaning of the term u-topias means ‘non-places’.

The term also recalls the curious utopia of the EU, a supranational site where a – yet undefined – second tier of citizenship is offered (Shore 2012). Indeed, the EU has historically been a ‘utopia of safety and peace’, according to its founding fathers (Amato et al 2019). The critique the EU has repeatedly raised to the Cypriot passport programme interestingly talks of ‘European values’ that are ‘not for sale’ (cf. European Commission 2019). An EU country passport provides shelter under the loosely defined EU citizenship, and although the EU has been seen as a potential moderator of trans-state citizenship in the global citizenship condition (Cabrera 2010: 181), we can also note that ‘it is utopian to think that a society can exist as a purely civic entity’ (Schnapper 1999: 219, cited in Shore 2004: 36).

‘Global citizenship’, a cosmopolitanism framework premised on a borderless utopia (Abrahamian 2015), is currently associated with an offshored utopia envisioned by a global market shaped by states selling their own citizenship. Golden passports, specifically, operate through three conflictual tiers, where the national, EU and global situatedness of passport-holding dictates one’s moves. The utopian idea of ‘a borderless EU’ allows us to think about the issue of integrated EU citizenship from the Union’s margins. The European marginal centrality of Cyprus (Bryant 2010) offers a unique ethnographic vantage point from which to observe the workings of EU citizenship. The Republic of Cyprus is peripheral in the EU but also central in the European citizenship project, in that due to its passport-selling elite people from third countries have become EU citizens. As a matter of fact, the selling point (literally) of the (EU) ‘Republican’ passports (Navaro-Yashin 2012: 108, 121) is the mobility the prospective citizen acquires through that product.

This article shows that the global citizenship utopia rests on a local dystopia. Golden passports offer entry into a ‘good life’ of leisure, removed from violence and fear. Yet this utopia for the few has dystopian effects for the many, in the

friction produced when 'the global' is offshored to the material realities of 'the local'. I examine the material imprints of post-national citizenship utopia on the ground – the exhaust fumes of the Learjet over Cyprus in the story above – by discussing the inherently diverse so-called 'Russian' community of Limassol, in the Republic of Cyprus,³ with two aims in mind. First, I show how what we call expat communities can be considered the solidification of offshoring processes. Second, I argue that the offshored world described here peaks on what I analytically call 'offshore citizenship' – the purchase of golden passports, which guarantee safety for people and money.

Shedding light on offshoring capital and people allows us to critically scrutinise the golden passports utopia. Indeed, the phenomenon materialises the merging of offshoring of capital and people – people as embodiments of capital. I argue that golden passports are the continuation of offshoring by other means rather than a conceptual break from national citizenship that would invite ruminations on a cosmopolitan utopia. This is the exact opposite condition of the Gulf's 'offshore citizens', as described by Noora Lori (2019) in her book carrying the same title. There, the ruling elite controlling the United Arab Emirates (UAE) state outsourced citizenship cases of its own internal population to an offshore site (2019: 4). The cynical way the state offshored the *bidoon* – the stateless UAE residents – to another passport jurisdiction proves, as Abrahamian also argues, how 'global citizenship' can itself be a 'new form of statelessness' (2015: 18). Instead, the offshoring of citizenship in Cyprus concerns the global elite rather than disenfranchised domestic groups – golden passports welcome the rich as new citizens rather than strip the poor of their citizen rights. If offshoring citizenship in the UAE is about restricting the citizenship rights of labourers (to 'guest' status; Lori 2019: 17), the Cypriot case is about offering citizenship rights to capitalists.

My take is therefore influenced by a critical political economy approach, which I extend to the domain of citizenship, as passports are now a global commodity. Criticism of offshoring abounds in recent scholarship, focusing on taxation and banking (Zucman 2015) as well as the general 'offshoring condition' of contemporary capitalism, bound by secrecy (Shaxson 2011). However, this critique of a deterritorialised political economy does not discuss how offshoring affects citizenship. The recent Cyprus Papers investigation continued to prise open the 'corrupt' citizenship-selling practice, while failing to shatter offshore secrecy on which the practice relies, as witnessed in the 2016 Panama and Paradise Papers (Shaxson 2018). At the same time, the debate on the 'inevitable' lightening of citizenship (Joppke 2010) or the cosmopolitan character of contemporary world citizens (Kochenov 2019) approaches Citizenship by Investment Programmes (CIPs) with a proclaimed moral relativism that dissociates citizenship from moral claims and underlines its sheer practicality. This pragmatic approach sees in CIPs a 'natural' outcome of a globalised world and reiterates the utopian approach to global citizenship with little interest on how local societies absorb these utopian thrusts.

Consequently, these two different debates on offshoring on the one hand and global citizenship on the other tell us little about how localities hosting expat citizens change in the light of offshoring processes, as countries offering golden passports provide ‘passport utopias’, as a Cypriot lawyer interlocutor told me. Existing ethnographies suggest how expats are individuals of the higher middle classes or even more privileged, who – unlike ‘regular’ migrants – tap into global inequality to enjoy long-term residence abroad, in favourable work or leisure conditions (Benson 2011; see also Appel 2012).

Bridging the gaps between an ethnography understanding expat communities as players in offshoring and the more structural analyses of global citizenship, here I analyse the empirical realities of the golden passport industry. The ethnography examines a milieu that extends far wider than those naturalised through golden passports, as it contains people working as promoters and sellers of the Cypriot passport to fellow Russophones providing financial, banking and other services to the core group of passport-holding elites. I therefore contextualise the industry of offshoring citizenship in its broader social setting and critically debunk the cosmopolitan utopia. I show how ‘offshore citizens’ in Cyprus seek a ‘safe harbour’ (to borrow an interlocutor’s phrase), a hub away from the residues of regulation in the contemporary capitalist regime. I also highlight how the expat community reshapes the island, exploring the effects on the local lived environment that the passport business has on its landscapes and buildings, and the inequalities that ensue.

Of Passports and ‘Golden Passports’

In the words of a golden passport broker we shall meet later, wealthy Russians see the Cyprus passport as a ‘flag of convenience’ within the EU, a point confirming a critical political economy approach, as it semiotically recalls how the Republic of Cyprus’ flag is literally a flag of convenience for international shipping. The golden passport ‘offshore citizens’, like the capital they bear, navigate normative, if conflicted scales (Russia/EU-Cyprus-Limassol). They are often only in minimal contact with local Russophones, the long-term ‘Russian’ residents,⁴ usually through financial offshore services the latter provide to the former. The stratified ‘Russian’ community is also geographically torn. Discussing the suburb district of elite Russians as the site where the utopian project of global citizenship is situated, I show how, more than a place of leisure, it is rather an enclave informed by violence and boredom.

These issues are not unique to Cyprus, which is not alone in ‘selling passports’ (see Shachar 2018: 8). The proliferation of Citizenship by Investment Programmes that many countries (about 20 in the EU) have – in a variety of fashions – shapes an unequal cosmos, where those allegedly offering investment to a country should be rewarded by said country. Through the Cypriot programme,

privileged individuals could purchase the passport of a country by investing in real estate. Partly because of this investment policy (and its associated returns), the programme was particularly popular, and about 6,000 rich people had become citizens since 2013 through it, by buying property in excess of 2.5 million euros on the island per investor.⁵ Golden passports provide for exceptional naturalisations – for making someone a ‘fast-track citizen’, as the term goes – sidelining the mainstream path towards obtaining citizenship.

Political scientists, sociologists and legal scholars currently assess the repercussions on the conceptual content of citizenship, after its commodification (Shachar 2017), revisit the instrumentality attached to citizenship and taxation (Baldacchino 2017) and critically review the globality of the post-national utopia of this new regime of citizenship (Surak 2016, 2020). However, we hear little of what happens to local societies because of elite migration, or what shifts in political economy accommodate the buying of citizenship – generally, how local frictions take place. This attention is needed, however, as states like Cyprus follow a global blueprint of a ‘needed’ ‘global citizenship’ utopia (Moxnes 2014) while ignoring how golden passports have real effects on their own territory.

I embed the concern with citizenship in ethnographic space and time, witnessing how the passport programme acquires its own social life.⁶ It is a transformative process that affects not only citizenship but the social landscape of cities. Aihwa Ong identified ‘zones of political entitlements and claims’ that escape national boundaries (Ong 2006: 499). Building on this idea, Peter Redfield adds that ‘the figure of the global ex-patriate helps to map one such zone, outlining the capacity for cosmopolitan dislocation’ (2012: 377). My point that ‘global’ (aka ‘golden’) citizenship is a continuation of offshoring by other means contributes to this anthropological framework on paying attention to the wider context (including the local effects) of the ‘global’ citizenship narrative.

An open definition of offshoring relates to work, leisure, taxing, waste, security and other industries, reaching unprecedented, dizzying scales, according to John Urry’s monograph – the main current work of reference (Urry 2014: 172–176). Offshoring is an internal capitalist mechanism that makes assets disappear from sight, transferring them, at least nominally, to invisible sites (Zucman 2015). For Urry, the global – as shaped and shaping offshoring practices – is ‘something performed through the actions and writings of free-market consultants’ (2014: 5). The ethnographic narrative below adds an attention to bottom-up formations of the global condition: my informants invite in and help shape a global market (for passports) on the ground.

This market for offshored citizenship is partly premised on a sense of safety that golden passport applicants desire. The notion of safety is here tightly linked to the geographical formations of inequality. A critical security studies approach on the matter could be useful, as it stresses the general condition of inequity as a major factor for the development of violent means of redistribution, including when the borders between organised crime activity and state formation are

blurred, as in the post-Soviet or post-Yugoslav 1990s (Strazzari 2003). However, as with tackling the concept of offshoring, I suggest a more bottom-up, ethnographic approach to understand how these geographically situated but global inequalities can ‘push’ rich people, like migrants, to buy a passport and move elsewhere. In the only existing ethnographic inquiry into such matters, rich foreign citizens use a narrative of European safety and comfort to explain why they relocate to Spain through a ‘golden visa’ scheme (Holleran 2019: 12–13). Ironically, European egalitarianism has a role in their transactional thinking: they fear that their children might grow up in a country so unequal that it would be unsafe to live in. As a Russian informant told Holleran, he fears that Moscow is becoming socioeconomically so polarised that it is not safe to live in, as he knows of kidnappings and violence (2019: 14). Similarly, I understand the ‘protective bubble’ that global citizenship buyers seek in terms of the actually existing sense of persecution at home – as will be evident in this article’s vignettes on ‘widows’ villas’ among Limassol’s hills.

Cyprus, ahead of joining the EU, was considered a financial asset-protection location and, for long-term Russian residents situated in Limassol and especially its extensions eastwards, it is now also a safe hub for people. If passports allow articulations between states, people and things (Keshavarz 2018: 131), the country’s passport also shapes local landscapes, such as the hilly suburbs of Limassol with ‘passport villas’ and ‘passport towers’, homes built in exchange for a passport purchase, now peppering the place.

The ethnographic work I present here mainly focuses on the Russophone offshore community of Limassol, which is extremely tiered. This is not least because of the community’s demographic: ‘Limassolgrad’ is a city of 200,000 people, where an estimated 44,000 are long-term residents whose first language is Russian. Within this massive number one encounters Georgian women sweeping floors and Ukrainian magnates (‘polyarchs’ as one interlocutor called them), so the classed and ethnicised specifics of ‘the community’ are profoundly varied. Sociologically, the golden passport-holding offshore citizens are only a fraction of this Russophone community and most do not live in the city permanently but only use it, as well as the Cyprus passport, as a passage to the EU and safety. I begin the ethnographic narrative presenting the community’s diversity, focusing on ‘Russians’ who assist fellow Russians with managing their capital and applying for Cypriot citizenship.

Russians’ ‘Russians’

Sergei⁷

Anastasia Krushenka was a key figure in my fieldwork. A middle-aged Ukrainian who spoke perfect Greek, she saw herself as a bridge between Cypriots and ‘Russocypriots’: she ran a small company that organised cultural events for the

Russophone community of Limassol. One of the first people Anastasia suggested I met was Sergei Orovich, a very gentle 44-year-old entrepreneur from Nizhny Novgorod. In her opinion, the suave businessman has a good reputation in the community and is one of the 'oldest serving members of what Russocypriot means in the town's life'.

The meeting with Sergei starts at a café at Limassol's eastern side, close to the promenade. He is a well-built and smartly dressed man. Soon enough, it is implicitly acknowledged that we would spend the rest of the day together; his time is flexible and he enjoys new company. He is soft spoken and calm, but with degrees of good humour. He insists we go to a posh Japanese restaurant fifteen kilometres from the town centre. We drive in his sports car and soon after he obliges me with magnificent sashimi and drinks, and has for himself a shisha after we wrap up our meal.

Sergei came to Cyprus at the age of nineteen for a semester at a hotel, while studying tourism in Russia; soon after, he asked the company that he worked for in Moscow to be transferred back to Cyprus. The company granted him the transfer. He decided this was his new home: a site of agreeable weather and people and – mainly – a good place for business. He has been living on the island for twenty-five years. He married a businesswoman from Moscow who retrained as a psychologist. Her clients were 'bored Russian wives' who would routinely get separated from their 'ever-travelling businessmen husbands and develop psychological problems'. His wife found Cyprus to be restrictive, so seven years after they married she left and now lives in Moscow. Sergei lives in Limassol with their two sons, aged fifteen and thirteen, who go to the famed English School of Nicosia. They are multilingual and spend every summer in Californian universities for summer school.

Sergei became a Cypriot citizen, 'through the main route', as he puts it: that is, after living on the island for years. Throughout the day, we spoke in English. He was a good student of Greek up to a month ahead of applying for the citizenship, but after that he abandoned it. Sergei now excels in selling passports: his limited company specialises in providing 'citizenship services' to Russian investors who are after the Cyprus passport.

Now living 'his second life', in his mid-forties, he dresses well and strikes a handsome, athletic figure; he adores driving rally cars and climbing and represents Cyprus in international competitions in both of these sports. He drives a gravel road rally-car that he calls 'the bumble beast'. After dinner, he takes me to his private workshop at the Limassol outskirts, where the automobile was assembled. We observe the splendid car that cost him about 800,000 euros and he introduces me to a young Russian who is permanently employed as 'care-mechanic' for the car. Sergei shows me pictures of his rally team – twelve people that represent Cyprus in international competitions. None of them is a Cypriot; in fact, Sergei is the team's only Cyprus citizen and stresses that he is 'very proud' to wave the flag and 'embody Cyprus' as 'it is good for business and for Cyprus'.

The same stands for his climbing expeditions: he has climbed Kilimanjaro and the highest peaks in the Andes, where he has flown the Cyprus flag – he shows me the pictures – as ‘I was the first Cypriot to climb them. As you can see, I am offering a lot to my country. I am taking it to the world’s peaks’.

Sergei’s case is indicative in many respects: a long-standing member of the local Russophone community, his line of business now is to mediate the selling of the Cypriot passport to fellow Russians. At the same time, his life achievements are witness to an enthusiastic symbolic engagement with his new country of citizenship. Despite his own fascinating life, the boredom his wife felt is also a trait in the expat community, a point to which I shall return.

If to Cypriots the 44,000-strong Limassolgrad Russophone community comprises ‘Russians’, Anastasia Krushenka tells me, ‘to me and these 44,000, there are countless versions of who is what’. Like Sergei, some Cyprus ‘Russians’ maintain connections with Russia, while some have strong links elsewhere abroad too, making their position as cultural in-betweeners even more complicated. Indeed, some are *Rossiyanе* (россияне), Russians in the civic sense – Russian citizenship being the basic marker here – rather than ‘ethnically’ Russian, *Russkie* (русские). While many among the Russophones work in different versions of offshoring, including the trade in golden passports, naturally not all benefit at the same level from it. The community is diversified in terms of class but also race and ethnicity. In this respect, rather than a topos crystallising the cosmopolitan utopia that golden passports advertise, it is an ensemble of immigrant workers who orbit around the flows of Russian capital (and capitalists) offering offshore services to them.

Olga

Consider the example of Olga, a young woman with long black hair and a round face adorned by a perpetual smile, who works at a Russian investment bank as a media officer. Her job is demanding: she reads about 60 Greek articles a day and translates them to Russian, as she is fully bilingual. Now 27, she was born and raised in the Russian city of Ufa. At the age of thirteen, she followed her family by migrating to Greece and eventually studied Economics at the Athens National University. In 2013, Olga immigrated to Cyprus. In Russia, as a *Rossiyanka*, she was raised as the scion of a ‘tribal background’, according to her. She is an ‘Asian Russian’, she notes, although she does not speak Bashkir and is not Muslim, while her father is attached to both the language and the faith of his community. When in Cyprus, and working in a (white) Russophone environment, she likes to accentuate her Central Asian features to ‘underscore [my] identity’, which involves biographical references from Greece, Russia and ‘Central Asia’; ‘that last bit I like to complement with mascara’.

She finds Russians ‘hierarchical and incredulous’. She is mildly annoyed when interacting with the golden passport-holding clients of the bank employing her. One major issue that strikes her in regard to them is ‘the degree of work you

have to do to acquire the passport'. As she puts it: 'In Greece, you are naturalised through a rigorous process: you have to wait years, learn Greek and pass a historical test; here, you just have to fill in a paper and you get it'. According to Olga, golden passports are an indicator that 'the island is losing its identity'. As for her own identity, the place had the opposite effect: 'I became a Russian in Cyprus. This is the place that allowed that part of me to thrive'.

People like Olga are common in Limassol. They form part of a broader off-shoring complex that boosts the city's economic development and stratifies its social fabric. They are, as Olga puts it, 'the Russians' Russians', as they assist Russians from 'Russia proper' to be accommodated into the expanding Russocypriot community of Limassolgra. Golden passports cater only to the higher echelons of this community and people like Olga, as well as Arseny, whom we will meet now, form the vast base of this hierarchical system of accommodating new citizens in Cyprus.

Arseny

At the reception of the Luxury Properties Corp., a major real estate company located at Limassol's east, stand two young women. One is Russian while the other is a Cypriot who speaks impressive Russian. They are both stylish, looking professional and austere in their official attire. I sat in front of them, as they asked, waiting for Arseny Ostandrov. As I wait, I observe the ordinary business of the front desk, where the clientele has the first contact with the company – often indeed the first contact with Cyprus. There are people who fly in from Moscow only to take a taxi and make a stop at the Luxury Properties office before they reach their hotel.

Russian middle-aged couples, some flamboyantly dressed, are passing in front of me while I wait. Meanwhile, I am flipping through the pages of the company's glossy catalogue. On the second page, the phrase 'Gate to the world' is imprinted on a world map, referring to the golden passports programme. This utopian narrative of global citizenship alludes to the local wordplay *diavatirio/eisitirio* (passport/ticket) – namely, that the passport is also a 'ticket'. Arseny, a tall, brown-eyed man in his late thirties, comes to greet me, noting to his customers 'see, I have to talk to professors, too'.

Soon enough, that is what we do. I am led to a minimalist conference room. An imposing model of the Blade Tower, the major project of the corporation, is positioned at the edge of the room, which is dominated by an oval table where I am served my double Americano coffee. 'Everything you see around is due to this scheme [the golden passports]', he begins. I am momentarily startled, wondering if he is referring to the Blade Tower, or the building we are in now, or the skyscrapers at the promenade 150 metres away – the popularly called 'passport towers'. I ask him what he means by 'everything'; 'well, literally everything', he responds.

Arseny is a graduate of a Moscow technical institute and from 2009 he has worked as a sales person for Luxury Properties. He lives ‘between Limassol and Moscow’ while he attends more than 30 international conferences per year. He is enthusiastic about golden passports:

Today the programme is responsible for 60% of the sales and 70% of the volume in our company. We were always successful; but this has boosted it. It was an opportunity for us to create a brand and so we did . . . The Cyprus government is the most creative and smartest in Southern Europe. Cyprus has creativity and good attitude towards foreigners and their investment; there is big money in the world, after all. And you know what? *The amazing thing about Cyprus is that it unites different people* – for example, in this company, we have Ukrainians and Russians, while we also have [Russophone] Christians and Muslims. *With Cyprus, you get 158 countries in the world. And the 28 [EU] member-states.* (Emphases added)

While Olga underscores how she became a Russian in Limassol, Arseny points out how Cyprus, ironically a divided country and society (see Papadakis 2005), ‘unites’ people of different origin in shaping the golden passport post-national utopia. Uniting Cypriots and Russians is done on ‘shared family and [Orthodox] religious values’, he notes. Although he shares these ‘values’, he experienced a different process of obtaining citizenship, as he is still trying to become a Cypriot. ‘I am here on a 10-year visa. But the experience of getting it was humiliating. It was mutual disrespect. They were asking me if I was a terrorist or was dealing drugs.’

Arseny’s residence story demonstrates his intimate experience of how the system values people differently according to their wealth. The stark difference between his experience and the people he assists with a smooth landing into the country and its citizenry registry demonstrates the gap between those acquiring citizenship in a few days (assisted by brokers like Arseny) and the immigrant majority (even those working in the passport industry) who hope to obtain the passport following the conventional path.

Members of the ‘Limassolgrad’ community often feel entitled to differential treatment by the state and local authorities, while local Cypriots (and Cyprus-based Russians, like Arseny) accommodate offshore citizens of the Republic as well as their material imprint on the landscape – in the shape of ‘passport villas’ – in ambivalent ways. In the remainder of the article, I consider how this new economic and environmental landscape is shaped by the golden passport scheme, in the concrete ways of the construction of buildings that host an expat community of ‘Russians’ in Limassol. I move east of Eastern Limassol proper, where all the above discussions took place, into the scenic territory of smaller, adjacent municipalities. I commence with the views of the mayor of the Cypriot town most affected by golden passports, a place that some call a ‘passport municipality’, and then consider the sociocultural landscape he and many other locals describe with moral ambivalence.

Parked Wives, Widows and Flags of Convenience

Driving from the Luxury Properties HQ five to ten minutes further to the east, in an urban continuum with Limassol, one arrives at the centre of Ogia town, atop a beautiful hill overlooking the Mediterranean. In central Ogia, two symbolically related buildings face each other. One needs only to cross the relatively narrow road to go from the social centre of the Communist party of Cyprus (AKEL⁸), adorned with left-wing symbols, to enter the town's Municipal Hall.

Spending time with the mayor of Ogia Gregoris Krasas, an AKEL man, I hear his personal reservations on how the golden passport programme and elite Rus-sophone immigration shape his town, arguably the major 'expat municipality' in the eastern Mediterranean:

The day after I was elected mayor, I was walking along the seaside, and a Russian woman stopped me and asked whether I speak Russian. And I said, no I'm sorry, I am the mayor of Ogia. She answered in English that I must learn [Russian] 'cause we are many Russians here'. And I said I'm sorry, if I take a thousand Greeks and we go to live in Moscow then the mayor of Moscow must learn Greek? It bothers me that there isn't a culture of integration or common actions. And I should stress that I'm really an internationalist and a tolerant person. I support diversity. But this thing bothers me, this approach where everything happens for the money. Tomorrow this might generate other phenomena; if all these foreigners that come here are not integrated and Cypriot society doesn't accept them, ghettos will appear.

The abstract cosmopolitan utopia in concrete local terms becomes the dystopia of a privileged 'ghetto'. Like Olga, Mayor Krasas expresses reservations about golden passports, regarding the distance between identity and civic rights (see Shore 2004). He is not alone in raising these concerns. In Ogia and Eastern Limassol in general, people often express anxieties regarding a cultural-cum-class difference that constructs an enclave of insurmountable alterity around Russian villa communities.

Krasas, only 48, has witnessed the reshaping of his municipality from a working-class village with a strong Cypriotic identity into an expat suburb. The solidification of expat communities like Ogia is part of a history related to hilly southern Cyprus, where middle-class long-term tourists have been living since the 1990s in places 'streamlined along the European prototype' (Welz 2015: 30). Nowhere is this shaping of enclave communities more tangible than in the hills outside Limassol, where the mansion of Cypriot President Nicos Anastasiades is also situated. Ogia's beautiful undulating landscape overlooking the sea is now dotted with massive villas guarded by expensive breeds of dogs, where the Russian wives of absentee 'international businessmen' reside – the women who bored the psychologist ex-wife of Sergei.

Ogia extends further to the east (overlooking increasingly attractive beaches) into other, smaller municipalities that form part of Greater Limassol. On a sunny

March day, I ride with the local real estate entrepreneur Pamos Ioannou in his large SUV. Pamos is at the driver's seat chain-smoking and has remained generally silent. He is driving us from his home in a hilly municipality just to the east of Ogia, westwards, towards Limassol's centre. The hills concatenate to our right as we drive on the highway, dotted across their higher ranges with villas and mansions and their adjoining swimming pools. As the owners consider Cyprus safe, in most cases there are no high walls surrounding the villas and some pools are visible.

Pamos is a minor real estate developer of working-class origins, who worked in the UK for a decade in his twenties and 'cannot go back for legal reasons'. Now in his mid-fifties and a father of two, he enjoys a comfortable life centred on his main occupation as a famed pool constructor. He has worked in many of the villas, most of which are owned by Russian entrepreneurs. He nods and points to the side of the road atop the hills, claiming as we pass by: 'that house over there? Guy got shot in Russia; that one, too, the man's been killed back in his country'. A couple of kilometres down the road, he points again, 'that one was my client too, haven't seen him for years, I assume he's been shot. I call this area "the widows' villas"'.

According to Pamos and many Cypriots working in the passport industry I spoke with, some of the occupants mourn the loss of husbands tied in shady deals back home. The violence associated with the offshore citizens' wealth accumulation takes place 'elsewhere', in Russian cities. The foreign-owned properties adorning the hilly landscapes of Cyprus are permeated by stories of violence and corruption. Some of those households now ruptured by divorce (often the outcome of boredom) or death (often the outcome of violence), a few villas house abandoned wives or widows. As an investigative journalist told me: 'No Russian would bring his conflicts to Cyprus, not even in a lab context. Cyprus is the peace place. The place where "they park their women"'.

The popular term in Limassol for these luxury houses is 'passport villas', like the skyscrapers by the promenade that are called 'passport towers'. The enclaves of the rich, new citizens of the island accentuate local inequalities as they reshape the urban landscape of Limassol. A knock-on effect on local rents, driven up due to the construction of expensive housing, has had deleterious effects for Cypriot working-class populations (Rakopoulos and Fischer 2020). As 'passport towers' are built by the city's promenade, and cranes dot the urban landscape, the citizenship by investment programme reshapes not only the social geography of the city, with fears for the formation of gated community 'ghettos' as Krasas would put it, but also the material terms of the locals' livelihoods (Rakopoulos 2021). While the urban developers of the skyscrapers and suburban villas for the passport applicants were enriched (an estimated 6 bn Euros earned by the programme have mainly benefited developers), during fieldwork I joined three different marches organised by lower middle class locals against 'passport business' and its associated inegalitarian effects.

What is more, the idea of Cyprus as a giant parking lot for wives and children, and an offshored and offshoring site for global capital, presents us with a different aspect of the utopia associated with global citizenship. While the island was known as an 'unsinkable aircraft carrier' in the Cold War, it has now become a safe hub for Russian investors, a cash repository and a safe space for their wives and children. As a major real estate salesman associated with golden passports told me: 'The Caribbean [offshore hubs] enters and re-enters in black lists. People need a safer harbour'.

In order to appreciate what a safe harbour means, I conclude the ethnographic narrative with a local facilitator of the golden passport programme, whose insight – typical of Cypriot lawyers working in the 'passport industry' – helps understand how the villa-spotted hills of Limassol are indicators of something bigger than 'expat communities'. Konstantinos Asprelli, a Cypriot, is a 'passport lawyer'. He is 'always on the hunt', for 'passport clients', that is Russo-phone entrepreneurs who wish to buy a villa near Limassol and, through it, 'an EU passport'. Konstantinos, aged 35, a sleek figure in an attractive suit, has his hair combed back, revealing his forehead: he points to it to denote clarity of mind and especially transparency of ethical conduct, as per the Greek phrase '*katharon koutellon*' ('clear forehead') stands for these virtues. Konstantinos, who speaks relatively good Russian but studied shipping law in Britain, works for a major city legal firm, located in Eastern Limassol.

Lawyers like Konstantinos are brokers, mediating a safe hub for their offshore clients, on the road to becoming citizens. The legal firm where the successful Konstantinos works has a reputation as the 'largest launderette in Cyprus' – an apt place for offshore clients and citizens in the making, on the lookout for a safe passport. The firm is given all the 'hard cases', those examples branded as 'too hot or dangerous or slippery' for the auditor to work with. The most 'exposed' clients are given to the office where Konstantinos works, and are therefore people at high risk – those that *really* need a safe harbour on a sunny Mediterranean island. For example, through his contacts with clients, Konstantinos realised that

Here, nobody knows them; they roam around without their bodyguards. And they enjoy Cyprus more than we do: they are all the time atop the mountains and swimming at the beaches. They want to be anonymous . . . They consider Cyprus to be some sort of paradise. The wife and children stay here and the boss of the family [the man] comes and goes.

Konstantinos excuses himself as he needs to 'rush to meet one of them now'. We walk to the elevator and a very polite Konstantinos insists on taking me to the main entrance, so we enter the lift and are taken four floors down. The building of the company is imposing. As I move to the exit, and he gently opens the impressively designed glass door for me, he adds the most important point in our 90-minute meeting. 'As I said, I studied shipping law. And the passport industry is like shipping, somehow. The way ships need flags of convenience, some people

need flags of convenience too.’ He taps me on the back and accompanies me out of the building.

The Offshore Safe Hub

The ‘global citizenship’ utopia shapes an island through the international market for passports. My argument – encapsulated in the phrase ‘people seek flags of convenience’ – is that golden passports are the continuation of offshoring by other means. Instead of utopias of post-national belonging, offshored citizenship provides the equivalent of flags of convenience: safe harbours where people and money are hidden away. As Arseny puts it, for many of his clients, Cyprus is ‘a backup airport’. Indeed, the utopia of these offshoring processes comes with enclaving tenets: the post-national cosmopolitanism of the few is sealed away from local life (Appel 2012).

The situation we encounter in the offshored households of the ‘Russian’ elites that spot the hilly coastline of Cyprus is markedly different from that of long-term Northern European tourist-residents who relocate to ‘places in the sun’, seeking the warmth of Southern Europe. Middle-class Britons, for instance, seek ‘the good life’ in southern France (Benson 2011). The consumption patterns of sun-hungry English homeowners and their ‘lifestyle migration’ have been associated with ‘personalised quests for utopia’ (O’Reilly and Benson 2009: 3). Such outmigration is an expression of privilege, as expats can choose and literally construct (in the form of a home abroad) the life they please in an ambience they desire.

Closer to the Cypro-Russians’ situation is that of Spain’s golden visa ‘desirable residents’, rich Russian and other foreigners who mention European safety as the major reason they relocated (Holleran 2019: 12–13). In this ‘protective bubble’, they can remove themselves from the violence that, as we saw in the Cypriot ‘widows’ villas’, still takes place in their home country. However, rather than pursuing welfare safety (2019: 14–16), the residents of Cyprus’ urban outskirts build a safety hub for bodies (of wives and children), alongside offshored money in the Cypriot-Russian banking system where newly migrated Russophones like Olga work.

To be sure, the offshore citizens I discuss enjoy the environmental and cultural richness Cyprus has to offer. It is a common phrase in Limassol that ‘only the Russians enjoy the promenade in the wintertime’. However, although their phenomenological outcomes (villas overlooking the Mediterranean) are similar, leisure migration is profoundly different from the social phenomenon populating the Limassolian sun-drenched hills. Limassolian Russians do not locate there primarily for quality of life. They form enclaves that befuddle some locals, in which some of them do not live more than a few days per year. Violence and isolation permeate their lives at home – and hilly Limassol provides a sheltered world where they offshore their families as they roam the world on an EU passport.

Russocypriots like Sergei, with his 'alternative lifestyle', make good use of Limassol's sun, sea and mountains. But the fact that Sergei takes 'Cyprus' atop Mount Kilimanjaro, where as a proud citizen of a country whose language he does not speak he posits the flag, shows how citizenship is a central tenet in the pursuits of my offshore informants. After all, it is the Cypriot citizenship he sells to fellow Russians that financially allows his trips to Kilimanjaro.

The system of offshoring is the axis around which elite migration and buying citizenship is shaped, and the good life is a positive side effect. The fact that golden passports are the peak of the offshoring process calls for revisiting ideas of offshoring as making things disappear from democratic accountability, relocating them in invisible sites (Urry 2014; Zucman 2015). In the case of (EU) citizenship, offshoring helps elites attain the utopian globality (the golden passport), while resting on a process that deepens local disparities and reshapes urban landscapes.

Golden passport policies suggest a borderless utopia, but the social experience they inform is neither utopian nor borderless, but rather premised on inequality. In Cyprus, this can be witnessed in at least two major ways. First, the Russocypriot community is classed and ethnicised and its 'expat' characteristics are internally diversified, with the great number of Russophones offering services to the small, newly 'naturalised' elite. Second, the 'ghettos for the rich', the newly formed enclaves housing the novel citizenry, are the outcome of a double inequality: at home in Russia, these Cyprus homeowners are entrenched in wars of social tension, while on their island of convenience, their presence causes real-estate knock-on effects. Global citizenship therefore, as a situated utopia, is part of the deepening of global inequality that offshoring causes (Urry 2014).

This is what I mean by arguing that golden passports are the continuation of offshoring by other means. Rather than 'a radical break' (Shachar 2017; cf. Powers and Rakopoulos 2019), I suggest that the golden passport industry is a continuation of flexible capitalism processes in which citizenship is not only affected in the process (Ong 2006) but becomes a financial asset. In Cyprus, Russian elite citizens turned their offshore banking into offshore passports, while being served by Russophone employees and smaller entrepreneurs who provide them with a number of services – including the purchase of citizenship.

The recent interest in unravelling the obscurities of contemporary capitalism (Shaxson 2015) needs to be expanded from capital to its very bearers, from offshore money to purchased passport holders. In that respect, the recent scoops made by the Panama and Paradise Papers are the backdrop to the even more recent Cyprus Papers (Al Jazeera 2020). The difference in 'showing the money' (Rakopoulos 2018) here is that golden passports give a name and a face to international capital, reshaping local communities in the process.

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Notes

1. The Cypriot programme 'naturalised' in excess of 6,000 investors, as well as the members of their immediate families in a country whose population does not exceed 900,000, in the course of about seven years. During its course, it was the most sought-after among high-net individuals globally, and especially in Russophone countries. The comparative context that sociologist Kristin Surak (2020) offers is very useful in that regard.
2. See, for example, <https://interactive.aljazeera.com/aje/2020/cyprus-papers/index.html> (accessed April 2022).
3. The Republic nominally exercises sovereignty over the whole island, but in practice it does so only in the Greek-Cypriot controlled southern part, while the North adheres to an unrecognised state entity controlled by Turkish-Cypriots.
4. These Russophones acquire citizenship through conventional, and often cumbersome, ways. A 'conventional' resident immigrant can apply to become a Republic of Cyprus citizen after seven years of legal residency.
5. As the Cyprus Papers and earlier investigations have revealed, these include ambiguous oligarchs, as well as many international criminals, including a man wanted by Interpol for usurping millions from the Malaysian sovereign fund.
6. The ethnographic fieldwork informing this article lasted the first eight months of 2019 and was mainly based in Limassol.
7. All names of people and places are pseudonyms.
8. AKEL (the acronym stands for Progressive Party of Working People) is the island's oldest party and the leader of the Opposition.

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L'utopie du passeport doré : les citoyens de l'étranger dans une République mondiale

Face aux discussions utopiques sur la citoyenneté mondiale et les identités cosmopolites, cet article soutient que le concept de délocalisation permet de comprendre les réalités croissantes de la mobilité des élites et de la formation des communautés d'expatriés. Je le fais dans le contexte de la prolifération des « programmes de passeport doré », par lesquels les riches sont naturalisés citoyens dans les pays où ils investissent. En montrant comment l'utopie de la citoyenneté mondiale se matérialise localement, je soutiens que les passeports dorés sont la continuation des délocalisations par d'autres moyens. En présentant un portrait ethnographique de ceux qui permettent aux Russes d'acquiescer le passeport chypriote, ainsi que la façon dont la communauté russophone prend forme localement à Chypre, l'article montre comment les « communautés d'expatriés » peuvent se former comme des enclaves de sécurité qui offrent une commodité de délocalisation pour certains membres de la communauté d'élite. Il montre également que les passeports dorés exacerbent les inégalités locales, sapant l'utopie égalitaire de la citoyenneté au sens large, avec des effets néfastes sur le sens local de la civitas.

Mots clés : Chypre, citoyenneté, délocalisation, expatriés, utopies