A.A. 2018-2019 **Reading Comprehension TEXT 8**

**Ending ‘golden visas’ for oligarchs is a start – but not a solution**

*Corrupt money is a global problem. New UK rules will not end Britain’s status as playground of the super-rich*

The government has [finally stopped](https://www.theguardian.com/uk-news/2018/dec/06/restrictions-for-2m-golden-visa-to-be-reformed) a programme that sells British visas for a £2m investment in UK bonds, but anyone who thinks this will free London of the influence of kleptocrats is mistaken.

The UK’s “[golden visa](https://www.theguardian.com/uk-news/2017/jul/04/golden-visa-immigration-deal-british-citizenship-home-office)” programme [began back in 1994](http://centaur.reading.ac.uk/69288/1/Tryfonidou%20IMC%20PB1%202017.pdf), when the Conservative government sought to woo wealthy Hong Kong residents, and was boosted by Labour in 2008. The programme has brought billions into the bond market over the past 24 years, primarily from Chinese and Russian applicants. Since 2015, applicants have had to pass banks’ due diligence tests, but no one in government has ever bothered checking the provenance of their money.

This has been part of a general drive to welcome as many rich foreigners to Britain as possible, and has had far-reaching consequences. Whole chunks of west London are now priced out of any ordinary person’s reach, with thousands of properties [owned by offshore companies](https://www.theguardian.com/money/2016/may/26/revealed-9-rise-in-london-properties-owned-by-offshore-firms) that obscure the identity of their owners. Many of those owners are publicity-shy for good reasons, while many others stole their fortunes in different countries, hence their desire for privacy here: but the distinction has never mattered to us. As Boris Johnson put it when he was mayor: “London is to the billionaire as the jungles of Sumatra are to the orangutans.”

It was only after the [novichok attack](https://www.theguardian.com/uk-news/novichok-poisonings) in March that the Home Office awoke to the fact that being rich isn’t necessarily a guarantee of anyone’s probity, and [reviewed the past decade’s worth](https://www.theguardian.com/uk-news/2018/sep/09/home-office-review-wealthy-russian-investor-visas) of golden visa applications. That review led to this week’s freeze on new issuances, and the announcement of changes to the programme. The visas will still cost £2m, but the investment must now go into companies, rather than the bond market, and applicants must submit to comprehensive audits.

This is welcome. Government advisers [concluded back in 2014](https://www.scribd.com/document/210086860/Tier-1-Investment-Route) that the actual cost borne by an applicant for a visa – after selling the bonds purchased to qualify – could be as little as £75,000, which is a risible amount to pay for British residency, leaving aside the morality of admitting possible criminals into our country just because they’re rich.

It would be far better to admit a few dozen investors a year, knowing their money will benefit the country, than to give visas to hundreds of people who may corrupt our country in the same way they’ve corrupted their own; particularly since the government isn’t short of purchasers for its bonds.

But sadly, it will take more than this to stop Britain being the favourite playground of the global super-rich. Once upon a time, a golden visa was a requirement for coming here, but the world has changed since the 1990s. Our schools educate their children, our auction houses sell their paintings, our tax havens provide the flags of convenience for their [superyachts](https://www.theguardian.com/business/2017/feb/10/billionaires-bid-to-launch-worlds-largest-superyacht-nightclub). That all means wealthy crooks will keep coming here even if we make it harder for them to do so.

We know this because we have been here before. In 2015, the price of golden visas [was doubled](https://www.transparency.org.uk/publications/gold-rush-investment-visas-and-corrupt-capital-flows-into-the-uk/), and applicants had to pay with money from a UK bank account, so they underwent at least some due diligence. Applications plunged, but wealthy foreigners just found other means to enter the UK.

Five Caribbean countries sell passports – and for [as little as $100,000](https://cbiu.gov.dm/) – all providing visa-free travel to the UK. EU countries sell citizenship too, with Malta and Cyprus both doing so for less than we charge for a visa (a Maltese passport will cost you, altogether, [about €800,000](https://www.henleyglobal.com/citizenship-malta-overview/)). Even after Brexit, their passport-holders will have the unrestricted right to visit the UK. There is no reason therefore to suppose restrictions on golden visas will actually drain the swamp that London has become.

Ironically, the primary consequence of this new reform may be to send the investment that would have gone into British bonds into the coffers of our European and Commonwealth allies. That is good of course; we should not be accepting dirty money. But we shouldn’t kid ourselves it will solve the underlying problem.

This is an international issue, and needs an international solution: taking back control, it turns out, is complicated.

***First and second-language students are asked to answer the true/false statements***

**Now read the following statements and write TRUE or FALSE after each of them.**

1. Despite the Home Office finally realising that being rich is not a guarantee of integrity, the UK government will continue to issue visas for £2m to the immensely wealthy.

1. Notwithstanding the new restrictions on visas, wealthy criminals will continue to enter the UK.

***Third-language students are asked to answer the following questions.***

**Now answer the following in your own words.**

1. What has led to the freeze on new issuances of golden visas?
2. What other means have rich foreigners found to enter the UK?