POLICY TRANSFER IN CRITICAL PERSPECTIVE: THE CASE OF MALAYSIA MY SECOND HOME PROGRAMME

NURULHASANAH BINTI ABDUL RAHMAN

UNIVERSITI SAINS MALAYSIA

2022

POLICY TRANSFER IN CRITICAL PERSPECTIVE: THE CASE OF MALAYSIA MY SECOND HOME PROGRAMME

by

NURULHASANAH BINTI ABDUL RAHMAN

**Thesis submitted in fulfilment of the requirements
for the degree of
Doctor of Philosophy**

February 2022

ACKNOWLEDGEMENT

First of all, I would like to thank Allah for granting me the courage, strength, and opportunity to complete this thesis. I would also like to express my sincere respect and gratitude to my supervisor, Associate Professor Dr. Khairiah Salwa Mokhtar. Her constructive comments, encouragement, and guidance in completing this study are very much appreciated. Thank you for the priceless knowledge and experience. Also, I wish to extend my sincere gratitude for her precious ideas and emotional support throughout my doctorate journey.

I am highly grateful to all of the informants who provided me with valuable data for this study with their insights and willingly gave up their valuable time to be interviewed amidst the COVID-19 situation. Without their participation, this study would not have been completed. Their information and experiences provide the foundation for this study. This study would not have been possible without their cooperation.

My abundance of appreciation goes to the School of Distance Education, USM. Also, I am thankful for the Long-Term Research Grant - LRGS (203.PJJAUH.67212003) and Fellowship Scheme from Universiti Sains Malaysia (USM) for financial assistance. Last but not least, I would like to extend my sincere gratitude towards my family and my husband, Mohd. Hairi Idham bin Shuib for their heartfelt support and encouragement. More importantly, this thesis is dedicated to my late father, Haji Abdul Rahman Abu Bakar, who passed away a week before my viva. ~Al-Fatihah~

TABLE OF CONTENTS

CHAPTER 1   INTRODUCTION

CHAPTER 2   LITERATURE REVIEW

CHAPTER 5 THE PRESSING NEED FOR ANALYSIS: THE POLICY TRANSFER PROCESS AND THE PROGRESS OF THE MM2H PROGRAMME

CHAPTER 6 PRACTICAL SOLUTIONS TO MINIMISE CONFLICT AND MAXIMISE PROFITS: FUTURE PLANS OF THE MM2H PROGRAMME

CHAPTER 7 REFLECTIONS AND CONCLUSION

APPENDICES

LIST OF PUBLICATIONS

LIST OF TABLES

LIST OF FIGURES

Page

LIST OF ABBREVIATIONS

BNM   Bank Negara Malaysia

CBI   Citizenship-by-investment

EPU   Economic Planning Unit

FDI   Foreign Direct Investment

FIC   Foreign Investment Committee

HQ   Head Quarters

IMF   International Monetary Fund

JEPeM   Jawatankuasa Etika Penyelidikan Manusia Universiti Sains Malaysia

KPI   Key Performance Indicator

LHDN   Inland Revenue Board

MIDA   Malaysian Investment Development Authority

MM2H   Malaysia My Second Home Programme

MOE   Ministry of Education

MOF   Ministry of Finance

MOH   Ministry of Health

MOHA   Ministry of Home Affairs

MoCAT   Ministry of Culture, Arts, and Tourism Malaysia

MoTAC   Ministry of Tourism, Arts, and Culture Malaysia

NAM   National Archives of Malaysia

NEAC   National Economic Action Council

OFA   Online Finding Aids

PDRM	Royal Malaysia Police
PMO	Prime Minister Office
PTD	Administrative and Diplomatic Officer
RBI	Residence-by-investment
REHDA	Real Estate and Housing Developers Association
S-MM2H	Sarawak MM2H programme
UN	United Nations
UK	United Kingdom
US	United States
YB	Yang Berhormat - The Honourable

LIST OF APPENDICES

APPENDIX A   STATISTICS OF THE MM2H PROGRAMME (CONFIDENTIAL)

APPENDIX B   ADAPTED POLICY TRANSFER QUESTIONS - DRAFT

APPENDIX C   LIST OF INITIAL INTERVIEW QUESTIONS

APPENDIX D   INTERVIEW QUESTIONS (INVOLVED - DIRECTLY)

APPENDIX E   INTERVIEW QUESTIONS (INVOLVED - INDIRECTLY)

APPENDIX F   INTERVIEW QUESTIONS (RELATED - INPUTS)

APPENDIX G   INTERVIEW QUESTIONS (UNRELATED - DOCUMENTS)

APPENDIX H   PROFILE OF INFORMANTS

APPENDIX I   TRANSCRIPT ACCURACY ASSESSMENT CHECKLIST

APPENDIX J   TRANSITION FROM MOHA TO NEAC

APPENDIX K   ARCHIVAL RECORDS - MINISTER'S NOTES

PEMINDAHAN DASAR DALAM PERSPEKTIF KRITIKAL: KAJIAN KES PROGRAM MALAYSIA RUMAH KEDUAKU

ABSTRAK

Program Malaysia Rumah Keduaku (MM2H) telah ditubuhkan pada tahun 2002 sebagai inisiatif kerajaan untuk mempromosi Malaysia sebagai pusat persaraan bagi warga asing yang layak dari segi kewangan. Walaupun mendapat permintaan yang tinggi, terdapat pelbagai masalah dasar yang merencatkan pencapaian sebenar program ini. Oleh itu, matlamat asal program ini wajar diperhalusi menggunakan pendekatan pemindahan dasar. Berdasarkan keperluan ini, fokus kajian bertujuan untuk meneroka proses pemindahan dasar dalam program MM2H dan mengemukakan cadangan untuk penambahbaikan. Temu bual elit menggunakan soalan separa berstruktur telah dijalankan bersama 13 pelaksana dasar yang terdiri daripada pegawai awam dan ahli akademik. Semua data temu bual diselaraskan dengan dokumen-dokumen dasar dan akhirnya dipetakan ke dalam Kerangka Pemindahan Dasar. Salah satu dapatan utama kajian menunjukkan bahawa proses pemindahan dasar dalam program MM2H dimulakan pada tahun 1998 sebagai tindak balas terhadap krisis kewangan Asia pada tahun 1997. Malah, program MM2H disahkan sebagai output daripada pemindahan dasar dalaman. Secara khusus, program ini dipindahkan daripada era lepas iaitu pada tahun 1987 melalui *Silver Hair Programme* berdasarkan komponen *negative lesson* dan potensi dasar ini.

POLICY TRANSFER IN CRITICAL PERSPECTIVE: THE CASE OF MALAYSIA MY SECOND HOME PROGRAMME

ABSTRACT

Malaysia My Second Home Programme (MM2H) was established in 2002 as a government initiative programme to promote Malaysia as a retirement hub for financially qualified foreigners. Although the programme is in high demand to boost Malaysia's economy and tourism industry, the actual MM2H programme achievement is hampered by many policy problems. Therefore, it is crucial to investigate the root of the problem by analysing the programme using the policy transfer approach. To address this need, the focus of the study aimed to explore the exact process of policy transfer in the MM2H programme and propose recommendations for policy improvement. Elite interviews using semi-structured questions were conducted among 13 policy actors consisting of public officers and academicians. All interview data were triangulated with the policy documents and finally mapped into the Policy Transfer Framework. One of the main findings revealed that the process of policy transfer in the MM2H programme was first initiated in 1998 as a response to the unprecedented Asian financial crisis in 1997. Additionally, the MM2H programme was confirmed as an output of the internal policy transfer practice. In particular, it was a transferred policy from another era in 1987 through the Silver Hair Programme by drawing negative lessons and addressing past policy potentials.

CHAPTER 1

INTRODUCTION

1.1 Introduction

This chapter introduces the thesis structure by explaining the research context related to retirement policies and the policy transfer approach. With the intention to frame the empirical focus of both ideas, the Malaysia My Second Home programme (MM2H) was selected as a case study. This chapter begins with an overview of the research background, problem statement, and research gap. Later, the research questions, objectives, and scope of the study are discussed in detail. Finally, this chapter explains the significance of the study, the definition of key terms, and the thesis structure.

1.2 Research background

Within the discipline of political science, the concept of policy transfer is often the subject of intense debate (James & Lodge, 2003; Stone, de Oliveira, & Pal, 2020; Eta & Mngo, 2021). The act of 'borrowing' a policy from another place or time, which will be implemented in a particular country, is considered a policy transfer approach (Dolowitz & Marsh, 2000; Dolowitz, Plugaru, & Saurugger, 2019; Stone et al., 2020). A plethora of studies had claimed that policy transfer had taken place, but the dynamics and context of transfer remain poorly understood (Common & Gheorghe, 2017; Yong & Cameron, 2019).

Looking at the policy transfer paradigm's complexity, Dolowitz and Marsh (2000) have established a continuum perspective to better understand the transfer concept known as the policy transfer framework. This framework encompasses the questions on (1) who is involved in the transfer, (2) why they decide to employ policy transfer, (3) what is transferred, (4) from where lessons are drawn, (5) degree of transfer, (6) constraints of transfer, (7) how to demonstrate transfer, and (8) how transfer leads to policy failure (Dolowitz & Marsh, 2000, p. 9).

Most importantly, the role of policy actors who initiate the transfer is crucial as they influence the policymaking process. As Knill and Tosun (2008) mentioned, public policy reflects the core function of democracy. The policy actors articulate specific goals to rectify or solve policy problems on behalf of the citizens. Nevertheless, Cairney (2021) argued that policymakers face bounded rationality in the real world as they cannot access all policy-relevant facts and cannot separate the facts from their values. This way, their decisions are made with limited information and not solely implemented for the public demands but may incorporate personal values.

In a different perspective, policy actors with genuine intentions to address policy issues are most likely to be involved in the negotiation process and well-informed about the policy choices (Dolowitz & Marsh, 2000; Eta & Mngo, 2021). Their professional and personal interests bound their policymaking choices. Therefore, it is imperative to determine who is involved in the transfer process and what benefits they are looking.

Traditionally, there are five stages of policymaking, namely; (1) Agenda setting, (2) Policy formulation, (3) Policy adoption, (4) Policy implementation, and (5) Policy evaluation (Knill & Tosun, 2008; Howlett & Ramesh, 2014). These stages are a series of political activities known as the policy cycle. However, in the real world, pure innovation in the policymaking process, based on the policy cycle, is relatively rare (Northern Ireland Civil Service, 2016; Saguin & Howlett, 2019). Nevertheless, the practise of borrowing and adapting policy ideas from one setting to another (recognised as a policy transfer approach) seems more common to the practice of public policy in current years (Dolowitz et al., 2019; Walker, 2019; Yong & Cameron, 2019).

In this context, the policy transfer approach emphasised quick and easy solutions by adopting a set of policies based on lessons learned from others' experiences (Zhang & Marsh, 2016; Saguin & Howlett, 2019). In most cases, policy transfer occurs in developing countries that emulate policies from developed countries such as the United States (US), the United Kingdom (UK), Australia, and Japan (Zhang & Marsh, 2016; Yong & Cameron, 2019). Additionally, international pressure has increased the need for a policy transfer approach throughout the age of globalisation and economic openness (Eta & Mngo, 2021).

By way of further observation, Stone (2019) argued that policy actors normally form a transnational network. They share expertise and information on 'best practices' or international standards to draw global knowledge into the national agenda. For that reason, some domestic policy issues can be managed effectively

by looking at successful experiences from other countries facing similar policy problems. Therefore, looking at the current policy problem, global leaders shift their policy focus from wealth creation to a more significant issue, particularly on topics related to the ageing population.

Over the years, the emerging issue of the ageing population has fascinated researchers with many publications on how the ageing population affects society and has become a national agenda (Singer, Green, Rowe, Ben-Shlomo, & Morrisey, 2019; Aung, Yuasa, Koyanagi, Aung, Moolphate, Matsumoto, & Yoshioka, 2020; Klasa, Galaitsi, Wister, & Linkov, 2021). According to the United Nations (UN), the number of elderly in the world will exceed the number of young people for the first time in history in 2030 (UN, 2017; Subramaniam, 2020). Furthermore, it was projected that the elderly (above 60 years) would grow twice by 2050 and tripled by 2100 (UN, 2017).

In line with the UN definition for the elderly, most countries define the elderly as those aged 60 and above, following the UN World Assembly on Ageing in 1982 (Choi, Brownell, & Moldovan, 2017; Balachandran & James, 2019; Scheffel & Zhang, 2019). Although the ageing population is a global phenomenon, Asian countries are demonstrated to have a sharp increase of ageing population at an unprecedentedly rapid pace and formed 60.4 per cent of the global ageing population (Evans, Allotey, Imelda, Reidpath, & Pool, 2018; Subramaniam, 2020). At this juncture, policymakers worldwide are moving with urgency to establish policies that address the ageing population's needs.

There is a growing concern that rapid global development has brought significant economic and demographic transformations, inequality, and adverse effects on society. The decline in fertility and mortality rates has resulted in increased populations' survival to a longer life expectancy (Mansor, 2019; Subramaniam, 2020). In this manner, the proportion of the elderly increases dramatically, affecting all countries, albeit at different paces and stages. Many countries are pervasively experiencing swift growth in the number and proportion of elderly in their population (Chen, Huang, & Li, 2018; Scheffel & Zhang, 2019).

On the flip side, some developed countries are shifting towards the concept of active ageing and experience a growing demand for facilities and programmes to cater for this marginal population (Jumadi, Noor, Bujang, & Blake, 2017; Alvarez-Garcia, Duran-Sanchez, Rio-Rama, & Garcia-Velez, 2018; Liotta et al., 2018; Stewart, Auais, Belanger, & Phillips, 2019; Subramaniam, 2020). To shed some light, active ageing is the concept of healthy, independent, and productive senior citizens in terms of physical, mental, and financial aspects to enhance the quality of life (World Health Organization - WHO, 2002; International Council on Management of Population Programmes - ICOMP, 2017).

Active ageing is not a life without diseases (Paul, Ribeiro, & Teixeira, 2012; Stewart et al., 2019). On the contrary, it is a condition that increased longevity results from a balanced interaction between the physical and mental health of the elderly in maintaining their daily activities and functions even with ageing-related diseases (Lin, Jeng, & Yeh, 2018; Liotta et al., 2018).

On the same note, the elderly deserve to have a sustained enjoyment of life after decades of working intensely to support a living (Zaninotto, Wardle, & Steptoe, 2016). With the increasing life expectancy, retirement years are exactly the time they can fully utilise to explore the world with different cultures and live their lives to the fullest. Therefore, this situation motivates the ageing population to retire in other countries to satisfy their desires and be socially engaged.

This concept is primarily known as retirement abroad (Huisman, Klokgieters, & Beekman, 2017; Kozerska, 2017; Thoma, Kleineidam, Maercker, Maier, & Wagner, 2017; Gusmano & Okma, 2018). Retirement abroad is increasingly recognised as a significant worldwide concern for an active ageing population. Furthermore, recent trends in older age migration or retiring abroad have led to a proliferation of studies that reported retirees opted for a second home programme in foreign countries for a better standard of living (Kuhn, Grabka, & Suter, 2020; Jolivet & Pereira, 2021; Praag, 2021).

In this connection, having a second home intended for retirement is becoming a social phenomenon worldwide (Sunil, Rojas, & Bradley, 2007; De Leon, 2018; Jayaraman, Khu, & Kiumarsi, 2019; Praag, 2021). Indeed, the retirement scheme is not a new topic for Western countries such as in the US, the UK, and Europe (Cribier, 1980; Grundy, 1987; Rosenbaum & Button, 1989; Haas, Bradley, Longino, Stoller, & Serow, 2006; Foster, 2018). As such, many studies have been conducted to unearth the issues related to retirement policy.

For example, aspects to consider before deciding to retire abroad, pull and push motivation factors, impact on the economy, social, and political changes in the host countries, demographic inequalities, gender dimensions, and many others (Husa, Vielhaber, Jostl, Veress, & Wieser, 2014; Sander & Bell, 2014; Stockdale, 2017; Repetti, Phillipson, & Calasanti, 2018; Kuhn et al., 2020; Jolivet & Pereira, 2021). Even so, there is a lack of available information on retirement policy in the Malaysian context.

As an overview, the concept of retirement policy in Malaysia is manifested under the National Tourism Development Strategy through the Ninth Malaysian Plan (RMK9 - 2006 to 2010), which in particular refers to Malaysia My Second Home (MM2H) programme (Mosbah & Khuja, 2014). This programme is a government initiative formulated to promote Malaysia as a retirement hub for financially independent foreigners to boost the economy of Malaysia and the tourism industry (Tan & Ho, 2014; Guan, 2018; Jayaraman et al., 2019). Launched in 2002, the MM2H programme is an extended programme of former the Silver Hair Programme (SHP) introduced in 1987 as a pioneer government-endorsed programme for non-Malaysian senior citizens.

Compared to the initial target to attract retirees from countries with economic and diplomatic relations close to Malaysia, such as Japan and the UK, the MM2H programme is further restructured with a lower minimum age limit to benefit foreigners below the age of 50 (Wong, Musa, & Taha, 2017; Guan, 2018; Wong & Musa, 2020). In addition, the Malaysian government offers incentives

to MM2H applicants to stay in the country for ten years on a multiple-entry visa and social pass (Segaran & Yahya, 2018; Jayaraman et al., 2019).

The growing interest in studies related to the ageing population, retirement policy, and second home programme has fascinated many Malaysian researchers to evaluate the MM2H programme. Generally, research on the MM2H programme emphasises similar topics related to motivation factors, the background of the MM2H participants, and their experience in Malaysia.

To be exact, a recent study by Wong and Musa (2020) examined transnational behaviour among the MM2H participants that influenced their decision to retire in Malaysia. In the same way, Jayaraman et al. (2019) investigated the push and pull factors that motivate foreigners to participate in the MM2H programme. To a certain extent, both of these studies highlighted the importance of the MM2H programme from a tourism behavioural perspective.

Overall, looking at the trend of the MM2H publications, only a study by Abdul-Aziz, Tah, Lim, and Loh (2015) provides a broader perspective by highlighting the theoretical evaluation and reviewing the programme based on retirement models. Against this backdrop, the current Scopus database search results were summarised based on the MM2H Programme publications. The database specified 13 publications on the MM2H programme, where most research articles focus on the participants' perspectives (Table 1.1: Publications on MM2H - Scopus 2021).

Table 1.1   Publications on MM2H - Scopus 2021

Author	Simplified title	Focus
Mariadas, Abdullah, & Abdullah (2020)	Government policy and how the MM2H affects property purchase in Malaysia.	Property development
Khan, Misnan, & Ismail (2020)	MM2H participants' consumption behaviour - Long-stay tourist expenditure.	MM2H Participants
Wong & Musa (2020)	Transnational behaviour among the MM2H participants.	MM2H Participants
Jayaraman, Khu, & Kiumarsi (2019)	Motivations of the MM2H participants choosing Malaysia as a second home.	MM2H Participants
Guan (2018)	How does MM2H support the retirement migration for Japanese participants?	MM2H Participants
Wong, Musa, & Taha (2017)	Pull and push motivations among the MM2H participants.	MM2H Participants
Wong & Musa (2017)	Demographic profile and spending dynamics of foreign retirees in Malaysia.	MM2H Participants
Abdul-Aziz, Tah, Lim, & Loh (2015)	Analysis of the MM2H programme by looking at retirement models	Programme overview
Wong & Musa (2014)	Comparing retirement motivations between the British and Japanese retirees	MM2H Participants
Abdul-Aziz, Jaafar, & Loh (2014a)	Speculative residential property for the MM2H market	Property development
Abdul-Aziz, Loh, & Jaafar (2014b)	Reasons and motivations of the international retirees to choose MM2H	MM2H Participants
Stapa, Hieda, Amzah, & Talaibek (2013)	Language issues among the Japanese participants in the MM2H programme	MM2H Participants
Stapa, Musaev, Hieda, & Amzah (2013)	Language choice, ethics, and equity among the Japanese - MM2H participants	MM2H Participants

Source: Scopus (2021a)

In this regard, the scarcity of policy literature on these topics has motivated this study to explore Malaysia's retirement policy by focusing on the policy structure of the MM2H programme. The policymaking process involved in formulating the programme is often overlooked, especially in terms of programme analysis through the lens of a policy transfer approach.

1.3   Problem statement

There is complexity in understanding the underlying context of a global ageing population and how it influences domestic retirement policies. However, several studies have affirmed that the global ageing population positively influences domestic policies with the idea of retirement abroad (De Coulon, 2016; Repetti et al., 2018; Balachandran & James, 2019). Theoretically, past scholars mentioned that senior citizens from developed countries migrate to slightly lower-income countries for a better standard of living (Thang, Sone, & Toyota, 2012; Guan, 2018; Jayaraman et al., 2019; Wong & Musa, 2020). Nevertheless, the phenomenon of retirement abroad in Malaysia is still at an infancy stage.

In another direction, the Malaysian government may consider seizing this opportunity by positioning Malaysia as a retirement destination, which now is in great demand (Guan, 2018; Egidi, Quaranta, Salvati, Gambella, Mosconi, Morera, & Colantoni, 2020; Wong & Musa, 2020). Establishing a programme for the retirees to stay long-term in Malaysia is considered exercising the Malaysian international civic duty in enabling equality and diversity in the global society. Furthermore, this initiative promotes cooperation between international countries to work for the ageing population's common good (Hashim, 2021).

Observing the inception of the MM2H programme in 2002, the government has approved more than 40,000 long-stay visas worth RM 40.6 billion (refer to Table 1.2: Participating countries - MM2H programme) from over 131 countries (MM2H programme statistics, 2019; Rishyakaran, 2021). This programme offers

a remarkable financial contribution, especially on property purchases, daily consumptions, and rentals (Liew, 2018; Rishyakaran, 2021).

Table 1.2   Participating countries - MM2H programme

No.	Country	2017	2018	2019	Total	%
1.	Republic of China	2,923	1,495	1,011	13,892	31.6
2.	Japan	352	233	104	4,882	11.1
3.	Republic of Bangladesh	451	191	52	4,187	9.50
4.	United Kingdom	200	105	38	2,729	6.20
5.	Republic of Korea	693	449	190	2,568	5.80
6.	Republic of Singapore	117	56	33	1,492	3.40
7.	Islamic Republic of Iran	43	23	12	1,428	3.30
8.	Taiwan	134	71	32	1,411	3.20
9.	Hong Kong	339	193	251	1,338	3.10
10.	Republic of India	100	63	30	1,077	2.50
11.	Others	843	460	170	8,939	20.3
	TOTAL	**6,195**	**3,339**	**1,672**	**43,943**	**100**

Source: MM2H programme statistics (2019)
Note: The latest statistics from the Immigration Department (as of January 2021) only specify the accumulated approval visas, not on a yearly basis (see Appendix A)

However, since September 2018, the approval of more than 4,000 applications was delayed. The extended waiting time was reported to be too long than the actual standard operating procedure, 90 days (Carvalho, Sivanandam, Rahim, & Tan, 2019; Davison, 2019a). As a result, the prospective participants lost interest and turned to the neighbouring countries. Among other countries, Thailand and Singapore are among the top competitors with similar programmes (Ng, 2018). Consequently, the government lost up to RM1 billion due to the approval delay.

Looking at this worrying fact, lawmakers called for a proper programme evaluation to improve the application process (Carvalho et al., 2019; Rishyakaran, 2021). With diplomatic issues and cybersecurity concerns, the public demands a thorough investigation of the MM2H programme to ensure that

the programme truly brings economic contributions and uphold Malaysia's sovereignty (Hashim, 2021). To this end, there is an urgency to evaluate the MM2H programme and suggest recommendations for its improvement.

Despite the fact that various policies were introduced to support retirement abroad in many countries, there is scarce empirical research that focuses on the policy transfer perspectives. Specifically in Malaysia, the policy to cater for retirement abroad is manifested through the MM2H programme. However, little is known about the policy transfer process in the programme.

Also, it should be noted that not all transferred policies from abroad are regarded as policy transfers. Instead, the structure to evaluate the validation framework must be performed. As such, reasons for transfer, how the policy was adapted (or reinvented), and to what extent the government supports the idea of retirement abroad should be clearly explained.

Working upon the previous research gaps, this study filled the lacuna by exploring the policy actors, their roles in the MM2H programme, the policy transfer process, and evaluate the progress of the MM2H programme using a framework by Dolowitz and Marsh (2000). At the end of this study, the findings proposed policy recommendations to synergise implementation efforts and revive the programme effectively.

1.4   Research gap

Several research gaps are identified by reflecting on past literature related to public policy, policy transfer, ageing, and retirement abroad. For instance, a second home programme is not a new phenomenon in many countries. However, this programme has a vague classification, especially in terms of policy structure. Also, previous studies have not offered empirical data on retirement policies in the Malaysian context.

With the results of this study, more evidence can be verified and demonstrate the contribution and impact of the MM2H programme for the prospective participants. At the same time, most of the retirement policy studies are conducted in Western countries such as the United Kingdom, the United States, and European countries. Limited publication on retirement policies in Asian or developing countries is considered one of the past literature's shortcomings, which this study attempts to address.

With the changing demographics and attractive environment in Southeast Asia, wealthy foreigners started to shift their interest to choose countries in the warmer climate. Looking at the good life experience with affordable expenses, the MM2H programme is among the remarkable second home programme for retirees regardless of skin colour, race, and religion. However, not much information can be found about the host country experience until today. For that reason, this study complements the previous literature by focusing on the MM2H programme and presenting the host country's experience.

Despite extensive studies on retirement abroad, most researchers fail to highlight the programme's exact term or name in a particular country. For example, some countries use the term 'Golden Visa', while others refer to 'Retirement Visa', 'Elite Visa', or 'Special Resident and Retirees Visa'. Also, in certain countries, global retirement policies are mentioned in the local language, which complicates attracting prospective applicants. This situation has prompted this study to stress that the MM2H programme is a term used by the Malaysian government to promote the concept of retirement abroad.

Finally, previous literature witnessed the dearth of resources related to the policy transfer approach, particularly in Malaysian case studies (Common, 1999; Mokhtar, 2001). Mindful of this, evaluating the MM2H programme through the policy transfer framework is deemed essential to future policy research. Besides, validating the policy transfer approach using a Dolowitz and Marsh (2000) framework expands the policy research literature by highlighting the policy transfer's actual practice in the Malaysian context.

1.5   Research questions

In line with the background of the study, problem statement, and research gap as narrated above, this study is intended to answer this broad research question:

> How does the process of policy transfer in the MM2H programme work and what can be done to improve the programme?

The general research question is further divided into the following sub-questions:

RQ1: Who is involved in the policy transfer process in the MM2H programme and what roles they played?

RQ2: Why is the MM2H programme proposed?

RQ3: How is the MM2H programme developed? (Process of policy transfer)

RQ4: What is the progress of the MM2H programme since 2002?

RQ5: What are the recommendations to improve the MM2H programme?

1.6 Research objectives

As a whole, this study is expected to achieve this primary research objective:

To explore the process of policy transfer in the MM2H programme and propose recommendations for policy improvement.

Further, this study aims to achieve the following specific research objectives:

RO1: To examine the policy actors involved in the policy transfer process of the MM2H programme and describe the roles they played.

RO2: To investigate reasons that led to the MM2H programme establishment.

RO3: To explain the policy transfer process in the MM2H programme.

RO4: To assess the progress of the MM2H programme since 2002.

RO5: To propose recommendations for the MM2H programme improvements.

1.7 Scope of the study

This study aims to explore the process of policy transfer in the MM2H programme and evaluate the progress of the programme in terms of the achievements, challenges, and future plans. The targeted key informants are

senior policymakers, mainly focusing on those involved in the initial development of the MM2H programme.

The key informants are selected from the ministry and government agencies related to the MM2H programme, such as the Ministry of Tourism, Arts, and Culture Malaysia (MoTAC), Immigration Department Malaysia (JIM), Malaysia My Second Home Centre (MM2H Centre), Sarawak MM2H (S-MM2H), National Archives of Malaysia (NAM), Parliament of Malaysia, Parliament Library, and academicians.

In this study, the study criteria include individuals who are directly and indirectly involved in the MM2H programme from 2002 until now, 2021. In addition, the participants must involve in policymaking and hold high-rank positions such as Director, Assistant Director, Officer, or equivalent (Grade 41 and above). Accordingly, this study excludes individuals who are involved in the MM2H programme with administrative positions.

1.8   Significance

In brief, this study explores the validation elements of policy transfer based on a Dolowitz and Marsh (2000) framework and evaluates the progress of the MM2H programme since its establishment in 2002. Besides, this programme offers a significant empirical analysis of the social and economic outlook of retired migrants in Malaysia. To a certain extent, this evidence enables international foreign retirees to track Malaysian progress in caring for the elderly population

and satisfies the requirement of global sustainable agenda, which is to include the society of all ages.

This study also complements existing policy by highlighting the practice of borrowing ideas from the government in other countries as a competing alternative to formulate a policy from scratch. With the rapid globalisation and internationalisation process, this approach is common in many countries, especially if the policy is adapted successfully in the original country.

Further, this study is expected to provide a comprehensive overview of policy transfer in Malaysia to better understand and offer more refined guidelines to the policymakers. To date, reference on Malaysian policy transfer is only discussed in the past two decades by Common (1999) and Mokhtar (2001). Therefore, the critical discussion throughout this study is further intended to provide an evidence-based explanation about policy transfer processes, the responsibility of policy actors, and the mechanism needed to ensure a feasible policy transfer implementation to fit the current situation in Malaysia.

It is crucial to discover an opportunity for the Malaysian government to earn economic gain from the global phenomenon. From there, more government programmes and marketing plans can be initiated to target prospective foreign retirees. Furthermore, by tracing the history of policy transfer processes, this study serves as a platform in defining the measures taken from other countries

and identify the potential economic investment that Malaysia can undertake to maximise returns from international retirees.

With the expansion of the global ageing population, the concept of retirement abroad is demanding substantial attention. It is widely documented that senior citizens (without chronic diseases) and financially capable opted for a second home programme to improve their quality of life. After spending a few decades to earn a living, the decision to retire abroad is deemed appropriate to pursue greater freedom and embrace new lifestyles with different cultures. In this context, the MM2H programme provides a whole avenue for the retirees to be socially engaged and rejoice in their retirement life with economic advantages.

1.9 Definition of key terms

This study comprises three important key terms that are used to reflect the entire research context. Based on past research and literature review, each key term is defined according to Malaysia's policy perspectives.

Public policy

According to Knill and Tosun (2008), public policy represents the core function of a democratic government, which is implemented to address societal problems. In this regard, public policy can be seen as an output or agreement within a sovereign state's political system.

Particularly in this study, public policy is viewed as a government decision in promoting people's collective behaviour to resolve policy problems in Malaysia. However, it should be noted that public policy is not necessarily formulated from scratch by the government. Instead, in some instances, public policy is influenced by the world system. Consequently, this phenomenon creates global pressures that lead to domestic policy changes and the transfer of international ideas into a particular country.

Policy transfer

In a broad sense, policy transfer is regarded as an effect of globalisation, which connects policymakers worldwide to co-evolve and produce similar policies adopted elsewhere. Against many forms of policy transfer definitions, Dolowitz and Marsh (2000) offered a comprehensive terminology in understanding the concept of transfer and its application.

To their credits, policy transfer is defined as a process of pursuing knowledge about a policy, administrative arrangement, institution, or idea practised in one political setting (in the past or present structure) is implemented in the development of policymaking in another political setting (Dolowitz & Marsh, 2000). This study followed the definition coined by Dolowitz and Marsh (2000) with a slightly different scope as mentioned by Common (1999) and Mokhtar (2001) to suit the dynamic of policymaking in Malaysia.

Specifically, this study observed policy transfer as a series of learning experiences among policymakers across time and political units. The practice is not limited to cooperation between countries but also encompass synergy across government agencies, departments, and ministries (in the same country). In fact, this study is one of the pioneers to expand the concept of internal policy transfer rather than the external transfer from abroad by examining multiple synergies (between ministries and agencies) within a single government unit.

Malaysia My Second Home Programme (MM2H)

The MM2H programme is practically rebranded from a previous retirement scheme known as the Silver Hair Programme (SHP), established in 1987. With a series of reforms in the SHP, the MM2H programme was later launched in 2002 as a government-initiated programme to promote Malaysia as a second home destination for affluent foreigners. Thus, the main objective of the MM2H programme shifted from the original intention (focusing on senior citizens and retirees) to attract investors staying in Malaysia for an extended period.

Some scholars argued that the MM2H programme is an inbound migration policy (Wong et al., 2017; Jayaraman et al., 2019), while others claimed the programme as a concept of retirement migration (Ono, 2008; Guan, 2018). Nevertheless, this study stands on the premise that the MM2H programme is part of Malaysian foreign policy as a retirement and investment programme to foster the economy.

1.10 Thesis structure

Overall, this thesis consists of seven chapters. In particular, **Chapter One** provides an overview of the research background and specifies this study's problem statement. Further, a set of research questions, research objectives, scope, the significance of the study, definitions of key terms, and thesis structure are carefully outlined.

Chapter Two presents the literature review on politics, policymaking, public policy, and policy transfer approach. This chapter also narrates the overview of the ageing population, the retirement programme, and the MM2H programme in detail. Also, theories related to the concept of retirement abroad and policy transfer, such as Maslow's Hierarchy of Needs and Bloom's Revised Taxonomy, are presented to guide this study's analytical structure.

Chapter Three discusses the rationale of the study's research methodology, details of research duration and data collection progress in conjunction with the outbreak of Coronavirus 2019 (COVID-19). Further, detailed data analysis procedures are also discussed accordingly.

Next, **Chapter Four** presents the MM2H programme overview as a result of developmental changes over time and narrates in-depth discussions on the changing nature of the programme from the SHP to MM2H. Exclusively, this chapter offers the complete list of the policy actors involved in the MM2H

programme conceptualisation, justifies their roles, and elaborates the reasons for transferring the programme from elsewhere.

Meanwhile, **Chapter Five** highlights the process of policy transfer in the MM2H programme. The analysis also focuses on the progress of the MM2H programme by evaluating programme achievements and challenges. Moving on, **Chapter Six** outlines future plans or recommendations to improve the MM2H programme.

Finally, Chapter **Seven** offers concluding remarks and findings are summarised to reflect that the MM2H programme is indeed an outcome of the policy transfer approach. This chapter also elaborates on the study's limitations, contributions, and implications to the relevant stakeholders. This chapter concludes the thesis with avenues for future research.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This chapter begins with an overview of policy concepts: Politics, policymaking, public policy, and policy transfer. Then, with the existing literature as a reference, the analysis of the ageing population and retirement programme from a global perspective is presented. Subsequently, the focus will be directed towards the overview of the retirement programme in the Asian context.

To this end, a general idea of the Malaysia My Second Home programme (MM2H) is discussed to elucidate the specific structure of the retirement programme in Malaysia. Finally, this chapter ends with the underpinning theories related to the retirement programme and policy transfer, namely; Maslow Hierarchy of Needs and the Revised Bloom's Taxonomy. The details of these theories and in what way they guide this study are elaborated accordingly.

2.2 Politics, policymaking, and public policy

Many researchers define policy concepts differently depending on the research context, field of research, type of publications, and sometimes subject to a certain degree of political agenda. Nevertheless, understanding these concepts is crucial to grasp the core concepts of actual policy transfer practice.

In essence, politics is a process of social activity reflecting the governance of a country in determining the way power and resources are distributed in society (Leftwich, 2015; Barbour & Wright, 2020). Meanwhile, policymaking involves a technical and political process to solve societal problems, which will be translated as a public policy (Knill & Tosun, 2008; Howlett & Cashore, 2014).

In democratic countries, public policy is formulated by the elected representatives embodied in the Parliamentary political systems, which describe the causes and consequences of government activity (Dye, 2017; Toshkov, Mader, & Rasmussen, 2020). The policies can be in the forms of law, regulations, rules, executive orders, and court decisions, among others (Knill & Tosun, 2008; Weible et al., 2020). The elected representatives have the authority to form a government, whereas the public has the right to participate through elections (Romeijn, 2020).

Going back to the classical definition of politics, Lasswell (1936) defined politics as "Who gets what, when, and how?". Most often, 'who' refers to either the politicians or the citizens, while 'what' refers to power and resources. The author had captured the gist of political behaviour by intertwining the focus on (i) the vested interests of the politicians or (ii) the needs of the citizens. Further, the question of 'when' and 'how' is contingent upon society's needs, but most importantly, politics reflect the struggle of power between the politicians and populations (Verkuyten, 2018).