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# The politics of immigration policy in Malaysia: What is behind the foreign worker's administration?

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## CITATION

Ajis MN, Mohd Arshad MR, Khairi A. (2024). The politics of immigration policy in Malaysia: What is behind the foreign worker's administration?. *Journal of Infrastructure, Policy and Development*. 8(7): 5345. <https://doi.org/10.24294/jipd.v8i7.5345>

## ARTICLE INFO

Received: 20 March 2024

Accepted: 18 April 2024

Available online: 30 July 2024

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**Abstract:** The formation and implementation of migration policy cannot avoid being influenced by political elements, particularly political actors who have a direct or indirect interest in migration issues. Previous studies show that the influence on the administration and migration policy of a country has created the concept of 'client politics', that is, employers have a certain influence on the administration of foreign workers, especially in western countries. This situation has also created two groups which are pro-migrants consisting of employers, fundamental rights groups and trade unions; and anti-migrants are often associated with bureaucrats, nationalists and others. This study has used qualitative methods and has interviewed the informants consisting of government agencies, academics, employers, trade unions and NGOs. The results of the study show that those actors have a certain influence on the management of foreign workers including in the aspects of policy making and implementation. The concept of 'client politics' is seen to only apply to certain sectors, especially the manufacturing sector. Therefore, practically in Malaysia it is considered as 'sectoral client politics'. In conclusion, the influence of both groups is not pursuing the interests of the country but rather on the interests of their respective sectors and entities.

**Keywords:** policy; state actor; client politics; migrant worker; Malaysia

## 1. Introduction

According to Hollifield (2000), in the early stages of theory and research on migration, many were dominated by the fields of economics and sociology, especially in looking at economic imbalances and social networks. Analysis is also heavily focused on pull-push and cost-benefit factors related to post-classical economics. However, in the 1980s and 90s, studies in the field of political science began to examine migration-related issues known as international migration politics. He believes that other fields, especially economics and sociology, need to be included in the study of international migration politics because they are interrelated and interdependent.

Studies on politics in international migration focus more on aspects of policy, administration, power and so on. Therefore, Hammar (1985) argues that migration policy is divided into two, namely immigration control policy and immigrant policy. First, the former refers to the rules and procedures that manage the selection and entry of immigrants whether for the purpose of work, travel, study, health treatment and so on. Meanwhile, the later refers to the conditions provided to immigrants living in a receiving country such as jobs, housing, social benefits and social services,

educational opportunities and language classes, field activities, volunteer associations, opportunities to join trade unions and practice their own culture. This policy can have direct or indirect implications of migrants. Direct impact is when public policy made in the receiving country affects the migrant group either socially, economically and politically. As for the indirect effects define when the policy is discriminatory on migrants' rights such as reduced medical care, social benefits, voting rights and others. The situation occurs due to maintain the relationship between the government and local residents such as civil society groups, employers, trade unions, representatives of the people and individuals. Empirically the article would not focus on how the impact or influence of migration in a democratic country such as political freedom, joining trade unions, eligibility to vote and so on. But this article will shed light on how the influence of political groups, whether state or non-state actors, affects the management of migration, especially on foreign workers in Malaysia especially on how 'client politics' concept being imposed. The discussion will involve views from various parties and agencies that are pertaining to the management of foreign worker in Malaysia. Therefore, the article is organized into three parts. The first part presents a discussion of literature which highlights the nexus of politics-migration policy particularly the parties who involved in policy process. The categories of political groups also being discussed by scholars in influenced migration policy. The second part presents the methodology to collect and analyses the data. The research design that has been imposed in this article is qualitative approach which interview with bureaucrats, employer associations, trade union, NGO, academicians etc. The last part presents the finding and discussion of the article objectives. This is followed with a conclusion where the authors have improvised the term of client politics based on domestic situation.

## **2. The politics of foreign worker policy: A discussion of literature**

In the context of politics and migration, the main element that wants to looking at on how the certain actors or groups such as bureaucrats, traders, employers, trade unions, academics and NGOs influence foreign worker policies and its implementation. It explains on how migration policy, especially in countries that practice a democratic system, is exposed to the pressure of interest groups and what form of pressure is imposed. As discussed before, international migration is an interdisciplinary, where the political field is discussed and studied relatively late compared to other fields such as economics and sociology. Therefore, there are several academics and researchers who have discussed on politics in international migration such as Cornelius (2005), Cornelius and Rosenblum (2005), Freeman (1995), Geddes (2003), Hammar (1985), Hollifield (2000), Joppke (1998), Jacobson (2011), Kaur and Metcalfe (2006), Leitner (1995), McGahan (2008), Money (2010), Meyers (2000), Massey (1999) and Rudolph (2003).

In discussing migration policy, Hammar (1985) has divided the policy into two categories, namely immigration control policy and immigrant policy. Money (2010) has also used the definition introduced by Hammar in comparing migration policies between countries. The influence of politics in the administration of migration policy in democratic countries has been intensively discussed by Freeman. He has

successfully promoted the concept of 'client politics' in the study of politics and migration. What he focuses in this concept is how migration policies in countries that practice a liberal democratic system are exposed to the pressure of interest groups. He has developed the concept of 'client politics' borrowed from John Q. Wilson in his article *The Politics of Regulation* which considers the interest groups to be very influential entities doing checks and balances in the making of immigration policy. However, Massey (1999), Money (2010) and Hollifield (2000) have comprehensively and critically elaborated the concepts introduced by Freeman. For example, Money (2010) considers any suggestions of the actors such as employers, businessmen and trade unions will often be filtered by the political institutions or bureaucrats of a country. Of course, it is difficult for a government to understand all the needs of that particular groups unless there are any issues threaten their interests that leading to the formation of migration policy. However, any proposal or suggestion made by any party will be evaluated by the relevant government agencies to ensure it leads for national interest. Meanwhile, Joppke (1998) has proposed modifications from the model brought by Freeman so that the model is more realistic. This is because not all democratic countries are included in the concept of 'client politics' in the aspect of migration administration, and if this concept is adopted, as if all the democracy countries are considered weak in managing migrants. However, Hollifield (2000) has in line with the view of Freeman's that the government is very easy to be influenced by interest groups in the determination of migration policy. Besides, he argues that migrants will get certain rights in a receiving country and eventually the country has lost control over foreign immigrants as a result of liberal immigration policy and regulation. In many times the policy of foreign workers is led by business orientation. It becomes a dilemma in managing foreign workers in many receiving countries. Where most developed countries need foreign labor to help their economic aspects. The contradiction between the economic demand for more open in hiring foreign workers and political calls for more careful has made conflict of interest (Lavenex et al., 2023).

The approach brought by Freeman is also seen very contrary to the institutional theory. The theory describes the government is a weak entity if it can be influenced by certain political actors. Obviously, the institutional theory has put a government with prerogative power in making policy. This refers to the view of Samuel Huntington (1965) who thinks one of the dimensions to assess the level of institutions is autonomy, which is the ability of an institution to make and implement its decisions. It shows that organizations in the state's political system such as bureaucrats will move freely without being influenced by the interest groups and not dependent on other institutions or organizations in implementing a policy. However, when we focus on the element of autonomy in the government, the question arises whether a democratic government is fairly open in discussing immigration policy? This question is important because most democratic countries that have autonomous powers often hide migration issues from the public, especially when there is pressure from interest groups. Reginald Whitaker (1987) describes how the policies and practices related to migration security are deliberately hidden by the Canadian government from the knowledge of the general public and the media which are considered as matters they do not need to know. Likewise, Geddes (2003) also

agrees that most governments in the world claim to be able to control and manage migration well. The allegations are seen as purely political because most countries only want to show their capabilities and the power to the public in controlling the country's borders. But most countries do not know that migration trends are always changing as a result of changes in migration policy made by a country particularly in receiving country and in the end the illegal immigrant issue still cannot be resolved.

### **3. Discourse on interest group role in migration context**

As discussed before, when talking about the political element in international migration, then we cannot avoid discussing the role of interest groups in the migration policy of a country. This situation explains that migration policy is often influenced by certain groups in a country such as interest groups and political parties. Interest groups or pressure groups will try to force the law makers or administrators to adopt certain policies and the outcome will only represent a certain small group in a country. This situation is different from political parties who often think that a policy should represent the majority of society in a country and not in favour for certain groups (Meyers, 2000).

According to Birkland (2005), there are two categories of actors involved in policy making which are official actors and unofficial actors. Official actors are involved with public policy making because they have been mandated by existing statutes or constitutions such as executive, legislative and judicial bodies. Meanwhile, informal actors are also considered as groups that play an important role in the policy-making process even though they do not have a written mandate to participate. In the national context, interest groups are categorized as informal actors in the decision-making process. Interest group has been categorized into two parts which are private or economic and public. Economic groups are those who fight for or protect their rights in the form of profit or finance against their members such as trade unions, employers' associations, traders and others. Public groups fight for matters of public interest such as the environment, welfare of life, security threats and others. They are made up of bureaucrats and politicians. Nevertheless, the comparison between the two forms of the group is considered rhetorical as each always thinks that what they are fighting for is in the public interest.

According to Cornelius and Rosenblum (2005), in the context of migration policy, often economic groups such as employers, traders, nationalist groups, ethnic leaders and trade unions are seen to pay more attention to immigrant issues. Basically, the pro-migrant economic group is made up of employers and traders because they think that these groups can provide certain benefits to their interests. Economic groups that are anti-migrant are trade unions because they think that migrant groups can pose a job threat to the local working class. For example, in Australia, where employers in the tin industry opposed restrictions on the entry of foreign workers from China and how trade unions in Australia opposed the entry of Italian immigrants in the 1920s to 30s even though many employers supported it (Meyers, 2000). According to Helga Leitner (1995), most trade unions become anti-migrant because they believe that the present of foreign labour can affect their wages system and the working environment. This is because the influx of foreign workers

will keep a country as intensive low-income. However, some trade unions in the United States and Europe have become pro-immigrant and open membership to them to join the union. Freeman (1995) argues that trade unions have traditionally been considered a very influential group in opposing liberal policies towards immigrants. But, nowadays some of them have supported and defended immigrants particularly on the human rights issue in employment sector that dominated by foreign workers like plantation, services, construction, etc.

Haus (1995) views that union action that supports migrants is part of the organization's strategy. Each of these strategic changes has a particular importance, especially to increase the membership of the union. In this way, a union is seen stronger if it has huge and collective members. In addition, there are non-economic groups that become a pro-immigrant, especially human rights groups. As in the United States, human rights groups have supported immigration policies to allow immigrants to participate in the electoral process, i.e., become voters (Cornelius and Tsuda, 2004). The same goes for politicians, where the issue of immigration can determine for their election victory. For example, the issue of immigration became the main focus in the presidential election of the United States in 2016 and after, when the president Donald Trump introduced anti-migrant policies such as the issue of illegal immigration, the construction of the border walls and Syrian refugees. The Brexit vote in the United Kingdom and recent political elections in Germany (2017) and Italy (2018) have highlighted the controversial political role of immigration and the electoral success of anti-immigration sentiment. This situation shows that immigration has an impact on political outcomes as explained in academic literature (Mayda et al., 2018). From the discussion above it can be said that employers, politicians, trade unions and bureaucrats have a certain influence on migration policy. The influence often depends on the government system practiced by a country and the party that involved in making the migration decision. However, in most democratic countries in the world, the influence of employers and industry is seen to be very strong in influencing foreign worker policy. Apart from the system of a country, the strength of influence also depends on the extent to which the issue of foreign workers is played by stakeholders until it becomes a pressure to the policy makers.

#### **4. Research methodology**

This study was conducted using qualitative methods. In addition, this study uses primary and secondary data collected through several methods. Secondary data collection was done through research in the library on academic reading materials, newspaper clippings, agency publications and legislation related to migration policy, especially those related to foreign workers. This method is used to obtain concepts and previous studies related to the administration of foreign workers. Meanwhile, the collection of primary data is done through interviews with relevant parties who have an interest in the issue of foreign workers. The unit of analysis to be studied also involves various parties that include regulatory agencies consisting of bureaucrats in related ministries, trade unions, authorities, employers, foreign workers and academics. Among the respondents interviewed were ministries, the Malaysian

Employers' Federation (MEF), the Malaysian Trade Union Congress (MTUC), the Malaysian Immigration Department (JIM) and Non-Governmental Organizations (NGOs). Among ministries and government agencies who become informant in this research are Ministry of Human Resource (MHR), Ministry of Domestic Trade, Corporation and Consumerism (MDTCC), Construction Industry Development Board (CIDB), Ministry of Plantation Industry and Commodity (MPIC) and Ministry of International Trade and Industry (MITI).

In this study, we refer to the "elites" as groups of stakeholders with an essential voice, including their influence and space to raise and negotiate their interests and ensure such interests are withheld. They have the ability to directly influence the design and implementation of a certain policy, and they go beyond the circle of bureaucrats. Hence, we categorized the elites group as state actor which related with government sector such as ministries and enforcement agencies in migration issues. Meanwhile, the "interest groups" as a group of people who have or share common interests and objectives. This interest group may engage in some forms of lobbying, campaigns, and political activities, with the aim to influence policy or legislation on the basis of a particular common interest (Dye, 1995; Birkland, 2005). In this study, we perceive interest group as non-state actor and broaden its term to the employer group, employee's representation, academics and NGO particularly who engaged with the hiring process of foreign worker. A total of 10 key informants interview sessions were conducted both physically and virtually. Six sessions were conducted with the elites, including relevant government ministries and agency. Four others were conducted with the interest groups, consisting of employer association, academician, employee's representative and local NGO.

The main instrument used in this study is a semi-structured interview. The purpose of this instrument is designed in such a way that the researcher obtains in-depth and comprehensive information from the interviewed respondents. Questions may be modified in terms of the order and way of questioning is more flexible. Complete information that is expected to be obtained, in addition to having the opportunity to examine and study other matters that are indirectly related to the purpose of the study in depth. All the data and information obtained are processed and analysed using a descriptive and analytical report, where the important things obtained in the interview will be collected and arranged according to the thematic analysis based on the article objectives. These important contents are then presented through writing reports supported by facts and comprehensive discussions involving primary data and secondary data. The thematic analysis proposed by Braun, Clarke, Braun et al. (2019) has been performed to analyse the data. Firstly, the collected primary and secondary data have been familiarised. Secondly, keywords and initial codes have been generated from the collected data. Thirdly, the four key themes have been sought and formulated. Fourthly, these themes have been identified and reviewed, so as to clarify their overlaps and interconnection. Fifthly, the names of these themes have been identified. Finally, an elaborated report has been prepared.

## **5. Finding and discussion**

In this section, the discussion of the findings of the study has been made based

on three categories of political groups, namely bureaucrats, trade unions, academics, NGOs; and employers. This division is important in the discussion because it will provide a better understanding and clear picture on how the actors influence in the management of foreign workers in Malaysia differently:

### **5.1. Bureaucrats and foreign worker policy**

The role and influence of bureaucrats is very important either in the aspect of formation or implementation of the policy of foreign workers. The bureaucrats are members of the Cabinet's Special Committee on Foreign Workers and Illegal Immigrants (CCFW-II) which consists of the Ministry of the Home Affairs (MHA), Ministry of Human Resource (MHR), regulatory agencies, the Ministry of Finance (MOF), Immigration Department of Malaysia (JIM) and several related ministries and agencies. This committee is given the mandate by government to form and determine the direction of migration policy including foreign worker's regulation. According to ministry officer, in discussing the country's actors, it needs to go back to our government system. In Malaysia there is indeed overlap between the executive and legislative bodies. In CCFW-II there is a political group where the Deputy Prime Minister as chairman and the ministers as members who responsible in making foreign workers policy. Although the politicians are the parties that govern and become leaders for a country, they do not have knowledge on migration issues, especially foreign workers. With that, politicians will get advice from government officials on an issue related to migration regularly. For example, in a ministry, if the minister changed, then the relevant official will brief the newly appointed minister on the development of the foreign worker policy, especially those involving the problems faced and the goals to be achieved (MHR, 2018, personal communication).

Furthermore, bureaucrats have a strong influence in making migration policy in Malaysia because they are permanent members in the CCFW-II meeting. This stage is a formal stage and the views of other parties (who consider as non-state actor like employer association, employee trade union, etc.) are only a support for them to make a policy (Academician, 2018, personal communication). The role played by bureaucrats in the administration of foreign worker policies can be divided into two categories, namely policy formulation and policy implementation. The former is the responsibility of CCFW-II which will make decisions on matters of foreign workers such as source countries, sectors (and sub-sectors) that can use foreign workers, procedures and conditions for recruiting and employing them. While the latter is under the Foreign Employment Committee which is made up of KDN, regulatory agencies and JIM (Azizah, 2012).

Meanwhile, the regulatory agencies admitted that in Malaysia the bureaucrats have a full power in the administration of foreign workers even though there is sometimes political interference occurred as they asserted:

“The ministry is indeed involved in policy making and considering the approval of applications with certain conditions. The placement of the regulatory agency in the OSC is to determine the actual ratio of demand for each industry so that there is no excess supply. There is no doubt that some employers try to use political influence, but we are always strict with the provisions that have been

set in the red book” (MDTCC, 2019, personal communication).

“In the management of foreign workers in the construction sector, CIDB only approves the applications made by employers based on a stipulated formula or policy. So, if the amount is that much, then the employer needs to plan construction works based on the number of approved only. We are really straight forward even if he goes to see the top people or politicians. We are based on the documents provided. Political intervention does exist but in our construction sector it is based on documents. If you fulfil the requirement, then you are deserved” (CIDB, 2019, personal communication).

“In farming we stick to what we have set and the employer cannot question the amount given because it is based on the stipulations in the ‘red book’. There are also employers who failed in their application then has used political cables ... so political interference does exist but it still under control because the minister will usually return it to the department and we will decide accordingly” (MPIC, 2019, personal communication).

From the above discussion, it is clear that the foreign worker control in Malaysia is dominated by bureaucrats whether from policy making to implementation. Most informants think that political interference does exist in the management of foreign workers but it can still be controlled because they have a strong and clear policy. In this interference, the bureaucrats have to be strong by having a power and autonomy, though most of the ministers are politician as they can put some pressure to fulfil their political interest. In this context, Money (2010) argues the role of the bureaucrats is to filter every request from the employers or the industry against the policies made. The move is aimed to curb the influence of employers and showing the ability of bureaucrats in making policy. In discussing the level of ability of bureaucrats in making policy in a country, Huntington (1965) views that autonomy is an important element in making and implementing decisions. Through this autonomy it allows bureaucrats to make decisions freely without being influenced by certain parties. When bureaucrats have full power in determining public policy, then pressure from interest groups is seen to have no effect and it is in line with the understanding of institutional theory which considers bureaucrats to be a single entity that has autonomy in making and implementing national policy. As in Japan, bureaucrats have autonomy and are not influenced by the pressure of interested parties in hiring semi-skilled and unskilled foreign workers. Although there is the participation of legislator in the making of the policy, but their role is not significant and only considered as puppets. This is due to bureaucrats are not appointed like legislators through elections, they are relatively unaffected by the certain groups pressure, especially from employers and business owners. The demand for semi-skilled of foreign workers is very popular among small and medium-sized (SMEs) industrialists only. However, the SMEs sector is seen to have less impact on the Japanese economy compared to corporations or large companies (Cornelius and Tsuda, 2004).

## **5.2. The influence of employers or industry on foreign worker policy**

Based on previous literatures and studies, employers are one of the interest



groups that can influence the administration of a country's migration policy. Often people who make policies or laws such as bureaucrats will work with these people to obtain information in making policies. Therefore, interest groups, especially employers, are considered to be the most suitable entities to be involved in policy making because of their ability to identify problems and propose effective solutions (Howlett and Ramesh, 1995). In the concept of 'client politics', Freeman (1995) argues employers and traders have the ability to influence and manipulate the government's foreign worker policy process. Migration policy is considered to have a large bias because the interest groups who gain benefit from migrants will persuade the policy makers to produce a liberal migration policy.

According to Massey (1999), if Freeman's opinion is taken into account, then it shows that a democratic government is vulnerable to the influence of interest groups and the political process has been eroded as a result of the concentration of economic aspects. In fact, it also considers business actors to have a such strong influence that the role of agencies and the interaction of other actors are marginalized. This model also describes the government as a problematic entity in managing migration policy because it seems to have no autonomy to make decisions. Eventually the public will see the government as a weak entity instead of interest groups as a strong entity. Geddes (2003) argues that the benefits obtained from foreign workers are usually enjoyed by employers but the costs have to be borne by the public nor consumer. With that, employers are seen to put on effort to influence policy and create good relationships with government officials who manage foreign workers.

In Malaysia, based on research, it was found that employers do have an influence on foreign worker policy, but that influence is limited. According to government official, there is pressure from interest groups, especially employers, on the policy-making process, but it has little influence. This is so because the government determines the foreign worker policy, and the opinions of other groups are simply considered incidental. However, before any policy is put into place, the opinions of the business community and the workers' union are also taken into consideration. The effectiveness of a country's foreign worker policy typically hinges on how frequently employee unions and employer associations have conducted industrial action there. As he said:

"The picketing among employers that happened in Malaysia was also less and if I'm not mistaken there was only one that day in Putrajaya which was the furniture employers' association regarding the implementation of the minimum wage of RM900 but received less response" (MHR, 2018, personal communication).

The view is also agreed by the ministries and other policy-maker entities regarding the influence of employers in foreign worker policy in Malaysia:

"In agriculture, the employer's influence is not really strong. If they are not satisfied, they will only send a memorandum and there will be no demonstration. It often becomes a conflict with employers when they want foreign workers from source countries that are currently not allowed, such as Bangladesh." (MOA, 2018, personal communication).

"So far the relationship between the ministry and employers is good and if they are not satisfied they will write a letter. In plantations, the influence of

employers is not strong because the plantation sector is not a high-performing sector. Therefore, there was no pressure from the employers until the ministry had to change the policy or amend the decision. For example, for the nursery that we want to review now because the employer says there is a lot of work. So, when we went to do a study and went to the field, we found that it was suitable with a ratio of 2 people: 1 hectare, but the employer asked for 4:1. But when we presented the results of the study to the employer, they finally agreed with the ratio of 2:1.” (MPIC, 2019, personal communication).

However, the MEF believes that industrial player or entity continue to have a strong and considerable effect on the formulation and execution of migration policy, particularly from an economic standpoint. In reality, the influence of this employer also occurs in some other countries in the world (MEF, 2019, personal communication). For example, in Taiwan, the Council Labor Affairs (CLA) was once given discretionary authority to determine the quota of foreign workers required to the National Industrial Association (NIA) which was previously determined entirely by the government (Tseng, 2004). Meanwhile, in South Korea at the insistence of the Korean Federation of Small Business (KFSB) to hire foreign workers, the government had to introduce the Industrial Technical Training Program (ITTP) to hire semi-skilled workers on a large scale from foreign countries (Dong-Hoon et al., 2002).

Initially, the government does respond to economic aspect in hiring foreign worker. Due to some pressure especially from the public, security considerations have become a priority and that is why the migration issues have been used to be politicized by certain parties. Actually, employers do not regard the safety and security issue of the presence of foreign workers are not important but the migration policy needs consider to all aspects so that it can bring a good to all parties. Therefore, in order to protect the rights of the employers, they always put pressure on the government if the policies are not practical and cause hardship to the industrialists. This pressure takes place after considering an issue and a series of discussions with stakeholders be held (MEF, 2019, personal communication).

Even in certain circumstances the government has to comply with the request and views of the employer. For example, in the issue of levy and accommodation of foreign workers, where since April 2009 the government has ordered employers to pay the levy of workers in their respective sectors. Then the government implemented the minimum wage which is from RM600 to RM900 for all sectors and was implemented on 1 January 2013 but it was delayed until full implementation on 1 April 2014. Therefore, employers feel that this situation has increased operating costs and obviously burdened the industry. The employer agreed to the government’s instructions on this new regulation, provided the workers’ levy was not borne to the employer and after discussion, the Ministry of Finance finally agreed with the employer’s view. Similarly, with accommodation issue where the employer thinks that before the implementation of the minimum wage the workers are given free accommodation and utilities but when the review is done, the employer is proposed to the Ministry of Human Resources to charge RM50 to foreign workers for their accommodation. The employer’s proposal on accommodation charge eventually has approved by ministry after a series of discussions. This shows that in certain

circumstances the government has to comply with the needs of the employers (MEF, 2019, personal communication).

Actually, the influence of employers on migration policy in Malaysia occurred only for certain sectors. The influence of employer and employer association in manufacturing industry in Malaysia is very strong. Although they are not a member of the formal policy making platform but they always put pressure on the ministry for certain issue that relate with their business interest. Basically in the manufacturing sector, this can be divided into two categories namely Small Medium Industry (SME) and Multi National Company (MNCs). SMEs represent 90 percent of businesses under manufacturing sector and their influence is really strong on government policy. Although the contribution of SMEs is seen not very significant to the national economy, but in reality they are the backbone of MNCs as suppliers of goods either for the purpose of research and development (R&D) or export-oriented. As for MNCs, they do have a strong influence on the making and implementation of foreign worker policies. MNCs are international companies and their voices will always be heard by the government. For example, the issue of processing foreign worker applications, originally it was under Ministry of Human Resources jurisdiction but when it has been pressured by MNCs, the Prime Minister has ordered MITI to take over the responsibility of processing foreign worker applications started from 1 August 2012. The pressure from employers can come from two situations either by sector or association. Based on sectors such as clothing, furniture and rubber gloves are sectors that are intensive foreign labour. Similarly, in associations that are international employers' unions that are export-oriented such as the Japanese Chamber of Trade and Industry Malaysia (JACTIM), Associated Chinese Chamber of Commerce and Industry of Malaysia (ACCCIM), British-Malaysia Chamber of Commerce (BMCC) and America Malaysia Chamber of Commerce (AMCHAM). These people always put pressure on the government if the policy of foreign worker does not lead win-win situation based on tripartite approach (which are government, industry and public) (MITI, 2018, personal communication).

Meanwhile, in the construction sector there is indeed an influence of employers on foreign worker policies. For that reason, the government often holds meetings and series of discussions with the industry to gain insight on the current policies of foreign workers. In the meeting, definitely the argument and differences of opinion took place but we try to find the best understanding and solution to each other. As a result, the policy review proposed would not cause any problem as the decision taken by both side (CIDB, 2019, personal communication). Some informant argues that in Malaysia the influence of employers on foreign worker policy is indeed strong in certain sectors. The pressure given by the industry has caused the government to change the policy like in 2010 when the government raised the levy charge, the employers protested because they could not maintain the cost of the product if the levy to be paid was high and finally the government had to review the levy charge. Similarly, during the threat of the H1N1 disease, where the government had to open the recruitment of foreign workers in the manufacturing sector when it came under pressure from the glove industry because the demand for rubber gloves increased in the health sector. However, the employers in the agricultural and plantation sector have no influence on foreign worker policy as the following comment:

“There is no denying that employers in the agriculture and plantation sector put less pressure because most of these industries are monopolized by the government which is government has interest such as Sime Darby, FELDA, Tabung Haji, FELCRA and others. So of course small agricultural and plantation companies cannot do anything because giant companies are owned by the government and usually giant companies have a strong influence on policy.” (Senior Academician, 2019, personal communication).

Although it is seen that employers or industries have a strong influence on foreign worker policy-making in certain sectors, it does not mean that employers do not think about the interests of the country and the rights of workers. They always want the employment sector in Malaysia to be given and dominated by local workers. This matter has been confirmed by the informant as follows:

“Those who say that without foreign workers we cannot developed our country which I think is very self-interest. They are not looking at national interest as a whole. Because sometime foreign workers to me should be limited to certain areas where our own people are not interested like construction or ladang may be. But for the service sector, there’s no reason why foreign workers should be there become cashier or assistant at the hotel or supermarket. To me, that is more like you are taking away the rights of the local to get employment there ... so which I think this kind of thing the policy maker has to really look at this situation and restrict their presence, so that the development of the country actually is more like benefiting to our own citizens” (MEF, 2019, personal communication).

From the discussion above, it is clear that the concept of ‘client politic’ by Freeman does not reflect the interest groups, i.e., employers have influenced on the foreign worker policy in Malaysia entirely. We find that the influence of the employer group or industry still exists but it is limited to certain sectors such as manufacturing and construction and the employer group in other sectors is seen to be less influential in foreign worker policy. In addition, the argument on why the plantation sector is less influential is also significant because in Malaysia many giant companies in the plantation and agriculture sector are dominated by government-owned companies such as Sime Darby, FGV, FELDA, Tabung Haji and others.

### **5.3. The roles of trade unions, academics and NGOs on foreign worker policy**

In Malaysia, the influence of trade unions, academics and NGOs on foreign worker policy-making is less significant. This is due to, at the formal level of policy making of foreign worker does not involve these parties and they only participate at the informal platform. Although the government often says that the rights of the workers are not ignored in the making of foreign worker policy, but the views of the working class group and the public are less well accepted in decision making. The government will take the view of these group when it necessary particularly when the foreign workers have been framed as a security threat because it has to balance with economic demands from employers.

According to workers group representative, although they are less influential in

the making of migration policy, but sometimes the government has to comply with the pressure given in some issues such as setting the minimum wage. The government held a meeting with us to discuss the issue of foreign workers, but it was selective, i.e. not comprehensive and consistent. Every matter involving employee issues, whether local or foreign, working class group should be involved especially in management of foreign worker aspects including hiring, documentation, accommodation, salary, etc. In this regard, we have suggested to the government that the management of foreign workers must be done through a G2G basis and recently it has been seen that the government has implemented G2G with Bangladesh. The government should call all parties related to foreign worker affairs so that a comprehensive strategy can be done and the relevant parties can also know what the government wants to do (MTUC, 2019, personal communication).

According to Castle (2004), MTUC is seen to have influence to put pressure on the government on the issue of foreign workers. For example, during the Asian financial crisis of 1997–1999, farm owners put pressure on the government's decision to reduce workers in the plantation sector on a large scale. Therefore, in 1999 the government was in a dilemma when it received pressure from various parties such as the Malaysian Agricultural Producers Association, the construction industry and the state government to bring in more workers. The move has been opposed by MTUC because it can affect the aspect of wages and job opportunities among local people. The union had against to the proposals made by employers since then the government seen very careful in making decisions on the foreign workers matters.

Not only the role of the employee union is limited but other parties such as academics are also seen as somewhat limited. The researcher was informed that the role of academics is the same as a trade union, where they are only involved at an informal level. According to Interest group # 4, the involvement of academics in foreign worker policy-making is only indirect, especially when the current government has created a foreign worker laboratory and their role is only to provide the input required by the government. This is because these academics can be considered middlemen in the tripartite system and often the academics will provide views based on studies, theories, and certain approaches in matters involving foreign workers. However, she hopes that in the future there needs to be the involvement of related parties such as workers, employers and academics sitting together at a formal platform so that the policy output can be implemented more effectively as she said:

“I'll be honest, sometimes I see the policies made by the government have many shortcomings and it's as if those who made them never went to fieldwork. They only take input from us but it is not necessary that they will follow the views given because CCFW-II has the prerogative to make decisions related to foreign workers and illegal migrants” (Senior Academician, 2019, personal communication).

From these comments it is clear that the involvement of relevant parties is very important so that the policies that are made can be realized and create a check and balance on the results of the policies that are formed. For Malaysia National Association of Employment Agencies (PIKAP), which is a non-governmental organization (NGO) that represents employment agencies also voiced the same view

in relation to their role in foreign worker policy making. According to PIKAP (2019), the government used to call our organization when making the foreign worker policy. But PIKAP's role is only to provide relevant input and not to make policy on foreign workers as in CCFW-II. The government should call the bodies that are related to foreign workers more often and not just contributions at the ministry level. This is because the input given to the government is not something that is made without doing research or asking for the opinion of certain experts as they said:

“Usually if the government calls me, I will bring my team and I will not go alone. My team has their own expertise. This is because for me any policy that the government wants to make must be able to be implemented perfectly. But if you make a policy by mobilizing the energy of the relevant parties and end up causing harm to the country, what do you want to do? For example, in the issue of abuse (abuse) among foreign domestic helpers such as non-payment of wages and sexual harassment by employers. The question here is why our policy allows employers who send domestic workers back. If the workers are not paid, who knows. That's why we always stress to Immigration Department and Labour Department that this repatriation matter should be done by the agency that brought them in” (PIKAP, 2019, personal communication).

In fact, the policy of foreign workers is always politicized by the government and it is seen that it is not national interest orientation but rather to the interests of the ruling government because many issues related to migration are not shared with the public (Geddes, 2003). For that reason, stakeholders such as trade unions, academics and NGOs have less influence in the formulation and implementation of migration policy. The government has always said that the country intends to stop hiring foreign workers when it receives pressure from community leaders or certain groups, but until now the need for foreign labour is still increasing and even the government is also conducting an MoU on sending foreign workers with source countries. This matter has been confirmed by the MTUC as follows:

“MTUC has repeatedly stressed to the government to stop or reduce the recruitment of foreign workers and the government has also made many statements that it will stop the recruitment of foreign workers but that is just a political statement. This issue is still going on and MTUC assured that the government will not stop hiring these foreign workers ... now the government is doing an amnesty and regularization program but next year the government has confirmed to take 1.4 million from Bangladesh to come and work in the fields. That's why I said undocumented which even now the government can't be solved but suddenly wants to hire more foreign workers. That's why I emphasize that this is all political nonsense” (MTUC, 2019, personal communication).

According to Azizah Kassim, if you look at the objective of our foreign worker policy, it is to encourage the employment of foreigners legally. This shows that dependence on foreign labour is inevitable and that is why the government is more responsive to economic demands in making foreign worker policy. Although, we see that the government always reviews and tightens the policy of foreign workers but it does not actually have an effect to meet the demands of employers. For that reason, the pressure and calls made by other groups such as workers, academics and NGOs

in Malaysia against foreign worker policies made by the government are less effective (Senior Academician, 2019, personal communication). Freeman (1995) considers trade unions as interest groups that often oppose migration policies in developed countries because they want to defend the rights of local workers. But there are also trade unions that have supported and defended immigrants from the aspect of rights and hiring foreign workers. The study by Jacobson (2011) found that the AFL-CIO which is a trade union in the United States. Where in the 1970s the AFL-CIO supported the implementation of sanctions against employers who hire undocumented workers but in 2000 they withdrew the sanctions by sending a resolution to the government. The action is due to attract membership among foreign workers. This supporting action sometimes depends on the agenda and goals of interest groups because it will determine the direction of the group's struggle.

## **6. Conclusions**

Based on the findings and discussion above, it shows that there are political elements that always influence the management of foreign workers. The pressure and influence of political elements come from interested groups such as employers, trade unions, NGOs and academics on the policy of foreign workers. The policy gap occurs as a result of pressure from stakeholders to create a flexible and liberal foreign worker policy. The influence exerted by those groups can be seen either at the level of policy making, policy implementation or both. Nevertheless, in Malaysia bureaucrats are seen to have a strong influence in the making and implementation of foreign worker policies. This is because they are permanent members of the CCFW-II and this committee is the formal stage in making any policy related to foreign workers and illegal immigrant. Although the input discussed in the committee comes from stakeholders such as employers and employee associations but it is only as secondary and they have the prerogative to reject it.

However, employers are seen entity who have a certain influence in foreign worker policy in Malaysia. This is known as 'client politics', which means employers or traders have the ability to influence the making of a country's migration policy so that a liberal policy can be formed. From the analysis of the study, it was found that employers in Malaysia have an influence on the policy of foreign workers in certain sectors only. For example, in the plantation and agriculture sector, employers are found to be less influential than in the manufacturing sector. This is because most of the major companies in the plantation and agriculture sector are government-owned subsidiaries (GLCs) such as Sime Darby, Tabung Haji, FELCRA, FELDA, FGV and others, where small companies are difficult to put pressure on government. In addition, those sectors are seen to have less impact on the country's economic performance compared to the manufacturing sector which is based on high technology and exports orientation. On the other hand, the manufacturing sector is undeniably that has a strong influence on foreign worker policies. If you look at the many incidents where the government had to make and amend foreign worker policies when they had pressured from employers. Normally, the pressure come from employers in this sector can be divided based on two aspects, which are industry and association. There are certain industries in

manufacturing that are very influential, especially those that are export-oriented such as gloves and electronics. Likewise, employers' associations that have links with international associations are very powerful in influencing government policies such as JACTIM and AMCHAM. Thus, the influence of employers on foreign worker policy in Malaysia based on sectoral, where it is very influential on certain sectors only, especially those that impact the national interest. Therefore, the use of the concept of 'client politics' in the case of Malaysia needs to be changed to 'sectoral client politics' as its just influence for certain sector only. In this context, the 'sectoral client politics' defines the employer influence in certain economic sectors in terms of migration policy like foreign worker affairs. Based on the findings shows that in Malaysia employers' influence is only effective in the manufacturing and construction sectors but not the other sectors, especially plantation. This is due to the 'big boy' companies in the plantation sector being owned by Government Link Companies (GLCs) like Tabung Haji, FELDA, Sime Darby and FGV which are bound by government. They also cannot afford to dispute or put some pressure to the government on policy related to their sector.

**Author contributions:** Conceptualization, MNA and MRMA; methodology, MNA; software, MNA; validation, MNA, MRMA and AK; formal analysis, MNA; investigation, MNA; resources, AK; data curation, MRMA; writing—original draft preparation, MNA; writing—review and editing, AK; visualization, AK; supervision, MRMA; project administration, MNA; funding acquisition, MNA. All authors have read and agreed to the published version of the manuscript.

**Conflict of interest:** The authors declare no conflict of interest.

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