

More retirees are opting to spend their golden years thousands of miles from home, thanks to the Internet, budget airlines, and government enticements.

By [Frederik Balfour](#)

After John Barclay sold his Glasgow-based [Levis](#) jeans franchise in 2005, he and his wife, Lorraine, knew they didn't want to spend their [retirement](#) braving the local weather. "We always said we didn't want to be old and cold in Scotland," says Lorraine. "I wanted to be warm all year round." They spent the next two years doing reconnaissance trips to Malaysia, which offered an enticing package aimed at foreigners over 50. But their plans to move to Malaysia evaporated on the strength of just one idyllic weekend in Bali. "We were blown away by it," Lorraine remembers.

Three months later, they had purchased a villa and were ensconced in the Indonesian tropical island. Life is good—and inexpensive. In Bali, Lorraine's monthly hair coloring bills are a third of what she used to pay in Scotland, and she and John can easily afford to employ a couple of cooks and a driver. Gasoline is dirt cheap, too, thanks to government subsidies.

The Barclays are part of a small but growing number of people opting to spend their [retirement](#) thousands of miles from home. Now thanks to the Internet, budget airlines, and rapid improvements in infrastructure and health-care services in many countries, the dream of spending one's latter years in an exotic locale is easier than ever and surprisingly affordable. With a monthly income as low as \$2,500, you could be snorkeling the luminous coral reefs on the Philippine coast, breathing the fresh mountain air of Costa Rica, or enjoying the Mediterranean breezes of Cyprus.

Several countries are actively wooing retirees to their shores with special visas and discounts for retirees. The Malaysian government, for instance, has aimed its Malaysia, My Second Home campaign at people over 50; it provides renewable 10-year visas, duty-free auto imports, and the right to purchase property. Panama offers seniors an income tax exemption, a 20-year property tax holiday, and discounts on everything from movie tickets to physician visits. Belize has a formal program for seniors called Retired Persons Incentive Program.

With virtually the entire globe to choose from, retirees can find something to cater to every taste. Golfers will find plenty of fairways fringed with tropical vegetation in Thailand and Malaysia, epicureans can revel in the local cuisines of Provence in southern France or Tuscany in northern Italy. Lovers of New World wines might choose Australia, while New Zealand, South Africa, and Croatia offer stunning natural landscapes. Israel is a natural draw for Jews in search of sunshine.

Weighing Safety, Language, and Health Care

Whatever one's leisurely pursuits, there are several important considerations one must weigh when contemplating retiring overseas. According to [Mercer](#), an international human resources consultant, the cost of living in South Africa may look extremely cheap; it is ranked as the least expensive among 22 potential retirement destinations chosen by *BusinessWeek*, based on a cost-of-living index including housing compiled by Mercer. But the country ranks poorly on the safety scale: It has a score of 116 according to the Global Peace Index, a ranking compiled by Sydney-based NGO Vision of Humanity that rates countries based on their safety and political stability.

(A high score corresponds to high risk.) By comparison, Auckland, New Zealand, is the ninth cheapest place to live but has a Global Peace Index score of 4.

Naturally most people will choose to resettle where language isn't a problem. In addition to English-speaking destinations like British Columbia, Ireland, New Zealand, and Australia, English is also the first language in the former British colonies of Belize, Malaysia, and Singapore. The Philippines, an erstwhile U.S. colony, still shares an immense cultural affinity with the U.S., while Brits feel very much at home in the self-ruling colony of Gibraltar, where the weather is a lot better than what they left behind in Britain.

Health care obviously matters hugely, too. The low cost and high quality of medical service is [a big selling point](#) for Singapore and Thailand, which have heavily promoted [medical tourism](#) in recent years. Hospital costs are as much as one-half what they would cost in the U.S.

Finding housing can be relatively easy in places like Spain, Portugal, and Costa Rica thanks to a proliferation of property agents and developers catering to expatriates looking to spend their golden years abroad. While many Web sites may be somewhat self-serving, they do usually contain valuable information on relocation. A good place to start is [Internationalliving.com](#), which comes up with its own yearly ranking of the best places to retire.

[Balfour](#) is Asia Correspondent for *BusinessWeek* based in Hong Kong.