CHAPTER I
INTRODUCTION

A. Background

The new immigration policy renewal in Brazil was announced in 2014 when Brazil's Congress approved the Senate bill 288/2013, which is the foundation of Brazil's new immigration policy. Moreover, the main characteristic of the proposed policy is the openness. Thus, Brazil announced its new immigration policy an open immigration policy (Stuenkel, 2011).

It replaces the old foreigner statute, which is a dated policy back from 1980. The dated policy was inspired and made during the military dictatorship era of Brazil, which also reflected on the closeted foreigner statute articles. The policy is stricter and inflexible for immigrants. The old policy contains articles that disregard the status of an immigrant as lower than the local Brazilian. The refugee's rights to claim human needs such as housing, education, and healthcare is also cumbersome (Stuenkel, 2011).

The new proposed immigration policy mostly improves on bureaucracy for the immigrants and abandoning the traditional restrictive attitude. It will be installed as significant changes in the way Brazil treat new immigrants. In broad outline, the new policy focuses heavily on the aspect of human rights and social access to all foreign citizen. The access includes equal opportunity to all new immigrants, including the opportunity to find a job and equal access to all social facilities, and other facilities embedded within the human rights, such as education, health, housing, security, etc (Ferreira, 2015).

The new proposed policy will make it easier for the new immigrants who would like to keep their visa and plan to stay for a long time. Since they will have near to equal opportunity and rights with the Brazilian itself. They will also gain guaranteed security from the government (Ferreira, 2015). Considering the added benefits and easier bureaucracy, Brazil

is finally ready to leave its previous immigration law and ready to pamper refugees from countries with conflict, such as Syria, a country whose war sends hundred thousand refugees which spread around the globe (Associated Press, 2015).

On paper, Brazil is an emerging market with an economic powerhouse. It has various valuable natural resources, such as high oil reserve and Amazonian forest. It is also a powerhouse in population as Brazil has over 200 millions citizens. However, in reality, Brazil is a unique mix of instability and growth. Brazil's prime is filled with high GDP growth, stable household income, and it is often highly regarded as a potential stock market for the investor (Biller, 2017). Brazil had an economic boom during three years of 2013 to 2014, peaking to 4% GDP growth in 2013 (IECONOMICS INC, 2017). This economic boom drives Brazil to create an open immigration policy to boost the economic boom even further because they expected high-quality immigrants to contribute on the economy of the country (Macardo, 2014).

However, two years before the ratification, the flock of unexpected immigrants keeps coming into Brazil with ease, such as from Syria and Venezuela (Martin, 2017). Syrians came earlier because of the crisis inside their country and Venezuela experienced a severe political and economic crisis which continuously drifting its citizen to another country, mostly to other Latin America countries. Brazil is the most targeted by Venezuelan. Therefore, the unexpected rise of immigration rate brings trouble to Brazil itself.

Then, the ratification of the new immigration policy happened in 24 may 2017, which is renamed as *lei de Migracao* or Migration Law (Goncalves, 2017). However, Brazil's president, Michel Temer vetoed the proposed senator bill 288/2013 thirty times before ratifying it into new immigration law, revising and rejecting many of the critical articles inside the proposed immigration policy (Melito, 2017). This sudden turn of vision created a controversy for the new immigration policy because the president vetoed many of the articles that define the openness of the new policy. Thus, it raised a question

on what drove the government to overhaul the new immigration policy from the approved senator bill 288/2013 by the Congress.

B. Research Question

Why did Brazil's government decide to overhaul the proposed new immigration policy before the ratification?

C. Theoretical Framework

In an attempt to analyze the shifts of Brazil's new immigration policy, I use two theories. Those are the prospect theory as the central theory, which explains the intention behind the immigration policy changes, and constructivism as a secondary theory to help to explain the socio-economy changes inside of Brazil after refugee resided.

1. Prospect Theory

Daniel Kahneman and Amor Tversky developed this theory in the 1980s in their published article 'Prospect theory: An Analysis of Decision under Risk,' which explains that a subject or the person in charge would likely prefer a risky choice with bigger possibility and more significant wins rather than the safer and more obvious one. A subject would take a risk toward the specific amount of expected wins and loses. Which means they expect a bigger win, but also considering the probability of losing the expected amount of resources, e.g., Money and property. The shifts of preference would happen if the expected result of the prospect were not fulfilled in the long run. A shift of preference happens when a subject is already adapting for the previous loss of the same choice, either by experiencing or observing (Kahneman & Tversky, 1979, pp. 286-288). For example, the prospect of +4 benefits and probability of -4 loss would be preferable to the subject. However, if the loss already occurred, the subject would hesitate to pick the same prospect, even though the fixed amount of benefits and losses does not change. Thus, if the same prospect already bestows -4 losses twice, the subject might want to abandon this prospect in search of better optional choice that

would secure the remaining resources it has or to pick the same choice but reducing the cost that will be used on it.

Prospect theory deals with the way people frame decisions and people's attitude toward risk (Kahneman & Tversky, 1979, p. 266). This theory correlates with the choice that Brazil took when creating the open immigration policy. Although, the risk of people sabotaging the openness of the policy is high, and economic and social welfare will be at stake after this policy implemented, Brazil still want to publish this policy. Brazil has intent to practice the new policy as an approach to economic development after three great years during 2013-2015 periods and expecting a bigger economic boom for the years ahead (Biller, 2017).

2. Constructivism

Constructivism is a theory originally developed by Nicholas Onuf, but the most well known social constructivist is Alexander Wendt with his constructivism article in 1992, 'Anarchy is What States Make of It: the Social Construction of Power Politics.' This theory explains that the social norms and ethics of a subject can be adjusted and might or might not be accepted. The justification could happen if the grounded foundation of a norm or a principal is infused with some new reasoning (Roberts, 2007, p. 2). Constructivism will explain the changes socio-economy principal and norms adjustment of both Brazilians and Brazil's government, as the refugee should adapt with the locals and the new environments. The government policy would also undergo few modifications during the process, social and economic changes would happen during the course, whether it is a good change or not.

D. Hypothesis

According to Daniel Kahneman and Amor Tversky's prospect theory in their 1980 article 'Prospect theory: An Analysis of Decision under Risk', shifts of preference would likely to happen if the result does not meet the expectation.

1. The high inflow of immigration rate has a negative impact on Brazil's socio-economic life. Thus, the

lower house of Brazil's government overhauls the policy to be more exclusive and restrictive.

2. The high inflow of immigration rate creates tenses between the locals and refugees. Thus, the locals refuse to accept the open immigration policy

E.   Research Method

I use the descriptive qualitative research method to analyze the case. As stated by Glass and Hopkins, descriptive research involves gathering data that describe events and then organizes, tabulates, depicts, and describes the data collection (Glass & Hopkins, 1996).

Unlike the descriptive quantitative method that uses statistic and mostly numerical data, the descriptive qualitative method uses collected information or raw mass data, observation, document review and case analysis. Descriptive qualitative focus on in-depth analysis and ultimately produces a descriptive summary of the event studied (Lambert & Lambert, 2012). The descriptive qualitative research method is used to explain the effect of high immigration rate on the shifts and overhauls of the new immigration policy.

F.   Research Purpose

The main purpose of this research is to analyze the effect of high immigration rate on Brazil, mainly on its socio-economy aspect, to the shifts from the old immigration law to the new one.

The purpose of this research is to fulfill the requirement for undergraduate thesis as the last requirement to complete the undergraduate bachelor degree in politic science study. This research is also intended to increase my knowledge about case and politics inside Latin America as the subject of interest.

G.   Scope of Research

This research focuses on the effect of high immigration rate on the shifts of Brazil's new immigration policy. I would mainly focus on the socio-economy changes in the country that affecting the shift.

I also cap this research in order set the specific amount of time. I collected data from 2014, where the new immigration policy passed by the Congress to the lower house, until mid-2017, when many overhauls happened to the policy before the ratification.

H. System of Writing

I, as the writer, stretch the paper into five chapters.

Chapter I contain an introduction, which will be divided into the background, research question, theoretical framework, hypothesis, research method, the scope of research, research purpose and system of writing.

Chapter II consists of the old foreigner statute of Brazil and Brazil's plan for immigration.

Chapter III consists of the difference between senator bill 288/2013 as the proposed law and *Lei de Migracao* as Bazil's new immigration policy. This chapter also consists of the high immigration inflow rate in Brazil during 2015-2017.

Chapter IV consists of the negative changes of socio-economic Brazil's locals after the high inflow of immigration rate, and also Brazil's government reaction to the effect of the immigration inflow and their effort to overhaul many articles inside the proposal of new immigration policy before the ratification represented by president Michel Temer.

Chapter V contains conclusion of this research.