

Senators Say Jackson-Vanik Could Stay

By The Moscow Times

October 30, 2011



WASHINGTON — Senior U.S. lawmakers urged President Barack Obama's administration on Saturday to insist that Russia meet high standards in its bid to join the World Trade Organization, saying they worried about an impact on American jobs and businesses.

The Obama administration has said it is committed to helping Russia join the WTO this year. The U.S. Congress cannot stop Moscow's entry, but it could refuse to lift restraints on U.S.-Russia trade that date back to the Cold War.

In a letter to U.S. Trade Representative Ron Kirk, Senate Finance Committee chairman Max Baucus, a Democrat, and three colleagues suggested the restraints, known as the Jackson-Vanik amendment, could remain if Russia did not fix problems with its trade policies.

"A high standard [WTO] accession package will be essential to ensuring support for granting Russia permanent normal trade relations," said the lawmakers who oversee trade legislation in Congress. Senator Orrin Hatch, the ranking Republican on the Senate Finance Committee, Republican House Ways and Means Committee chairman Dave Camp, and Sander Levin, the ranking Democrat on that committee, also signed the letter.

They said they worried about Russia's protection of intellectual property rights; Russia's commitment to duty-free access for information technology; market access to Russia for U.S. agricultural goods; and whether Russia's auto investment policy would disadvantage U.S. auto companies.

"While we recognize that Russia has made progress in opening its economy since 1991, the accession should address the serious problems that remain," they said.

If Congress refused to lift the trade restraints and establish "permanent normal trade relations," Russia could under WTO rules deny U.S. exporters the market-opening concessions it negotiated to join the world trading body.

Russia is closer than ever to joining the WTO after being offered a "take it or leave it" compromise last week by its tiny neighbor Georgia, the last holdout in Moscow's 18-year path to membership.

Georgia, like all WTO members, has an effective veto on Russia's membership, which it has threatened to use unless a dispute with Russia over customs controls was resolved.

Russia said Thursday that it needed several days to review a proposal on border trade with Georgia made by Swiss mediators.

Russian entry to the WTO would be the biggest step in world trade liberalization since China joined a decade ago, and the United States and the European Union have urged all sides to try to settle membership terms by the end of this year.

But there is a lot of sympathy in the U.S. Congress for Georgia, as well as some criticism of Obama's "reset" policy with Russia.

House Speaker John Boehner, a Republican, said last week that Moscow's border dispute with Georgia should be resolved before movement on its WTO bid was considered.

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