

## McFaul Pushes for Trade Status

By Ken Martinez

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The Obama administration will not support any human rights or democracy legislation in exchange for Congress repealing the 1974 Jackson-Vanik amendment, the U.S. envoy to Russia said in Washington on the eve of a gathering of U.S. ambassadors Tuesday.

U.S. Ambassador Michael McFaul spoke about relations with Russia, telling scholars at two think tanks that refusing to lift Jackson-Vanik would not make Russia more democratic.

"If you don't believe me, ask Navalny," Ambassador Michael McFaul said, referring to an open letter <u>published</u> on the blog of Vladimir Milov, leader of the Democratic Choice movement, on Monday evening. The letter, which was also signed by Alexei Navalny and other key opposition figures in Moscow, urged the United States to remove the largely symbolic Cold War trade restriction.

The signatories included organizers of demonstrations against President-elect Vladimir Putin who recognize the lagging enthusiasm of protesters but have found it nearly impossible to unite around a common policy agenda.

The opposition leaders criticized U.S. politicians who argue that the repeal of the 1974 Jackson-Vanik amendment should be tied to improvements in human rights and that Putin and his "cronies" would be the main beneficiaries of a repeal.

"Although there are obvious problems with democracy and human rights in modern Russia, the persistence on the books of the Jackson-Vanik amendment does not help to solve them at all," the letter said.

The group of opposition leaders wrote that trade restrictions imposed under the amendment inhibit Russia's competitiveness on international markets, discourage diversification from oil and leave Russia "hanging in a petro-state limbo." They argue that this model of development prevents the emergence of an independent middle class that would demand democratic political changes in the future.

"Jackson-Vanik is not helpful in any way — neither for the promotion of human rights and democracy in Russia, nor for the economic interests of its people," the group said.

"[The amendment] is also a very useful tool for Mr Putin's anti-American propaganda machine," the writers added, "it helps him to depict the United States as hostile to Russia, using outdated Cold War tools to undermine Russia's international competitiveness."

Some in Congress support linking the repeal of Jackson-Vanik to the Sergei Magnitsky Rule of Law Accountability Act of 2011 — legislation proposed to promote human rights and named after an anti-corruption lawyer who died in prison after being beaten, tortured and denied medical care that experts said would have saved his life. The legislation would include visa bans and the freezing of financial assets for a wide range of officials involved in cases of human rights violations.

The United States did quietly issue visa bans on dozens of Russian officials, but McFaul says going further would be counterproductive for the "reset" policy and offer no additional benefit.

"We believe that we can ban people from coming to this country that do grossly abusive things regarding human rights. And it was strengthened by a human rights executive order last August that we took to give additional authorities. So from our point of view, this legislation is redundant to what we're already doing," McFaul <a href="mailto:said">said</a> at an event on Capitol Hill organized by the Foreign Policy Initiative.

McFaul, former National Security Council senior director for Russia and a key architect of the administration's reset policy, said repealing the amendment is the administration's top trade priority for 2012 and that he sees no reason for it not to happen.

"Jackson-Vanik from our position is a total no-brainer. There's no upside to holding onto Jackson-Vanik right now. Zero. And viewed in human rights terms, there's no upside," the ambassador said.

McFaul instead suggested that U.S. lawmakers advocating for democracy in Russia should authorize an Obama administration proposal for \$50 million to help fund human rights organizations.

The 1974 Jackson-Vanik amendment restricted trade relations as long as policies limiting emigration by Jews and other religious minorities in the former Soviet Union were in place. The amendment still requires an exemption to be granted each year and is now considered to be outdated, as Russia has been in compliance since at least the 1990s.

Jackson-Vanik also contradicts the global trade rules defined by the World Trade Organization, which Russia is set to join.

McFaul's remarks come on the eve of a meeting in Washington to be attended by the envoys of the majority of the United States' embassies, consulates and other diplomatic posts in more than 180 countries around the world.

The signatories of the appeal to rescind Jackson-Vanik include Vladimir Ryzhkov and Boris Nemtsov, leaders of unregistered political party Parnas, State Duma Deputy Ilya Ponomaryov, as well as others who organized a wave of protests against recent parliamentary and presidential elections perceived by many to be widely falsified.

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