

U.S. Republicans Fire Back Over Jackson-Vanik Repeal

By [The Moscow Times](#)

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Max Baucus

WASHINGTON — A U.S. Senate plan to lift Cold War restrictions on trade with Russia drew immediate resistance from Senate Republicans, who said Congress must first address Russia's poor human rights record and existing economic and political policies.

Senate Finance Committee Chairman Max Baucus, a Democrat, on Tuesday introduced bipartisan legislation to normalize trade relations with Russia by repealing the 1974 Jackson-Vanik act, which tied trade with the Soviet Union to Moscow's allowing Jews and other minorities to leave the country.

The repeal of Jackson-Vanik is necessary if U.S. businesses are to enjoy the lower tariffs and increased access to Russian markets that will become available when Russia joins the World Trade Organization this summer. Supporters of normalized trade said it could lead to a doubling of U.S. exports to Russia.

“Jackson-Vanik served its purpose during the Cold War, but it’s a relic of another era that now stands in the way of our farmers, ranchers and businesses pursuing opportunities to grow and create jobs,” Baucus said.

Baucus was joined in sponsoring the bill by Senate Foreign Relations Committee Chairman John Kerry, a Democrat, and Republicans John McCain and John Thune.

But eight Finance Committee Republicans, led by top Republican Orrin Hatch, wrote a letter to Baucus saying that Congress cannot ignore ongoing issues with Russia in moving to normalize trade relations.

“Many aspects of the U.S.-Russia relationship are troubling,” they said, citing the “flawed election and illegitimate regime of Vladimir Putin,” the suppression of public protests, Russia’s support for the Syrian government and its threats to attack U.S.-led NATO missile defense sites in Eastern Europe. The letter also brought up Russia’s theft of U.S. intellectual property and its pervasive problems with bribery and corruption and questioned whether Russia would comply if the WTO handed down adverse rulings on its economic policies.

House Foreign Affairs Committee Chairwoman Ileana Ros-Lehtinen, a Republican, responding Tuesday to reports that Russia was selling attack helicopters to Syria, said the administration’s “string of concessions to Moscow must stop, including the latest effort to repeal the Jackson-Vanik amendment to give Russia preferential trade benefits.”

The Republican senators also warned against any weakening of human rights legislation now moving through both the House and the Senate and likely to be linked to the repeal of Jackson-Vanik.

The legislation, named after Russian lawyer Sergei Magnitsky, who died in a Russian jail in 2009 after allegedly being subject to torture, would impose sanctions such as visa bans and asset freezes on Russian officials involved in human rights violations including the Magnitsky case. The House Foreign Affairs Committee last week approved the bill by voice vote. In the Senate, the main sponsor is a Democrat, Ben Cardin.

The Russian government has voiced strong objections to the bill and suggested that there would be retaliatory measures if it becomes law.

Major U.S. business groups, which say normalizing trade with Russia is a top priority for this year, have also expressed concerns about connecting the trade bill to the human rights issue. The White House, which prefers a clean trade bill, would like to drop a provision in the Magnitsky bill that calls for the naming of rights abusers.

McCain said that while he supports the trade bill, “the extension of permanent normal trade relations status and the repeal of the Jackson-Vanik amendment must be accompanied by the passage of the Magnitsky Act.”

U.S. exports to Russia are now about \$9 billion a year, and economists predict that could double within five years with normal trade relations.

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