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**Hearing Statement of Senator Max Baucus (D-Mont.)  
Regarding Permanent Normal Trade Relations with Russia and Repealing Jackson-Vanik**  
*As prepared for delivery*

Catherine the Great once said, "There is nothing . . . so difficult as to escape from that which is essentially agreeable."

Russia joining the World Trade Organization presents a lucrative opportunity for the U.S. economy and American jobs. We can all agree on that. We must embrace rather than escape this opportunity.

Russia is the largest economy currently outside the WTO. It is the sixth-largest economy in the world.

To allow American businesses, workers, farmers, and ranchers to seize the opportunity that Russia joining the WTO presents, Congress must act. We must pass Permanent Normal Trade Relations, or PNTR, to ensure our exporters can access the growing Russian market.

If the United States passes PNTR with Russia, U.S. exports to Russia are projected to double within five years. If Congress doesn't pass PNTR, Russia will join the WTO anyway, and U.S. exporters will lose out to their Chinese and European competitors. These competitors will expand their exports at our expense.

Russia PNTR is a one-sided agreement that benefits American workers and businesses and requires them to give up nothing in return. Unlike a free trade agreement, the United States will not further open its market to Russia. We will not lower any of our tariffs or make any other changes to our trade laws.

Russia, on the other hand, will lower its tariffs and open its market to U.S. exports. U.S. service providers will gain access to Russia's telecommunications, banking and other key markets. U.S. meat producers will secure greater access to the Russian market, including a generous U.S.-specific beef quota of 60,000 metric tons.

And the United States will get new tools for our toolbox to hold Russia accountable to its obligations. These include binding legal enforcement and transparency measures.

But in order for U.S. businesses and workers to benefit from Russia joining the WTO, Congress must pass PNTR and repeal the Jackson-Vanik amendment.

Jackson-Vanik denies normal trade relations to Communist and former Communist countries unless the President determines that the country permits free and unrestricted emigration of its citizens.

Congress originally passed the law in response to the Soviet Union's emigration restrictions, particularly with respect to its Jewish citizens.

Jackson-Vanik served its purpose and helped millions of Jews emigrate freely, but it is now a relic of the past. Every President, regardless of political party, has waived Jackson-Vanik's requirements for Russia for the past twenty years.

When I traveled to Russia last month, I met with Russian and American business leaders, including Ron Pollett who is here with us today. I also met with activists working to improve democracy, human rights and corruption in their country, and I met with leaders of the Jewish community.

The message from all of these activists was clear: the United States should repeal Jackson-Vanik and pass Russia PNTR. In fact, earlier this week, leading Russian democracy and human rights activists wrote two letters calling on Congress to repeal Jackson-Vanik. I'm entering both letters into the record as part of this statement.

One letter from the activists states that today the Jackson-Vanik amendment, "only hinders [the] interaction of the economies and peoples of the two countries and worsens the human rights situation in Russia."

Repealing Jackson-Vanik weakens the ability of the hardliners in Russia to rally anti-American forces. The activists in the other letter explained that Jackson-Vanik is a very useful anti-American propaganda tool.

As they stated, it provides a tool that helps "to depict the United States as hostile to Russia, using outdated cold-war tools to undermine Russia's international competitiveness."

Repealing Jackson-Vanik takes away this tool and opens Russia to U.S. competition, ideas and transparency.

These activists have all raised serious questions about Russia's human rights and democracy record. I share these questions, but like the activists, I believe that PNTR should not be in question.

We owe it to American businesses, ranchers and farmers who are working to increase exports to the growing Russia market. We owe it to U.S. workers, whose jobs depend on those exports. And we owe it to the Russian activists who are asking for our help in their fight for democracy.

So let us embrace this opportunity for our economy and for American jobs. To invoke Catherine the Great, let us move forward with that which we can all agree. And let us work together to pass Russia PNTR.

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