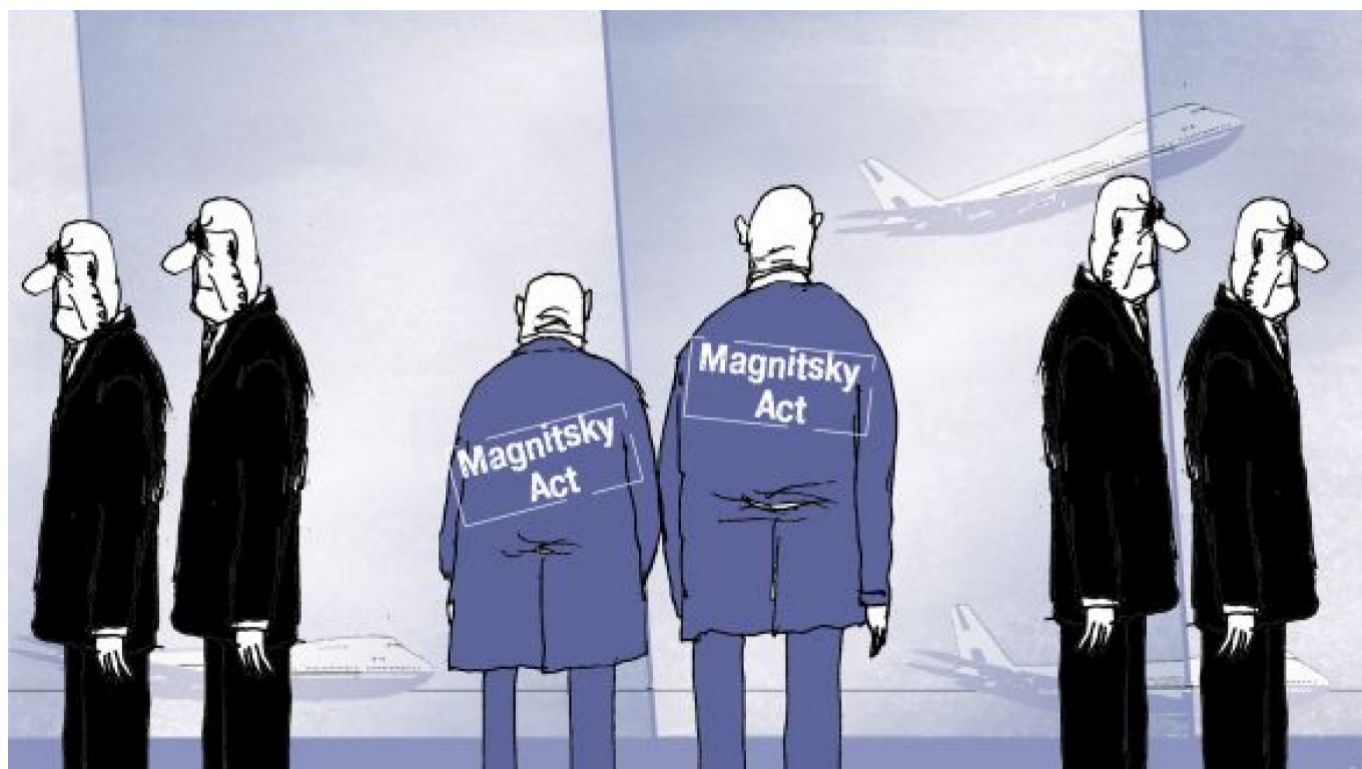


# Why Obama Should Sign the Magnitsky Act

By [Jamison Firestone](#)

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The U.S. House of Representatives approved the Magnitsky Act last week, legislation that would simultaneously sanction Russian officials implicated in human rights abuses and normalize U.S. trade relations with Russia. The dual nature of the bill may seem at cross purposes, but this is not the case. Increasing trade with Russia and investment in Russia requires the rule of law.

For the past four years, under U.S. President Barack Obama, the "reset" policy has delinked questions of human rights, democracy and rule of law from all other areas of U.S. policy toward Russia. In doing so, it has sent a message that the U.S. may talk about these issues but it will not do anything to discourage abuses.

The Magnitsky Act is a recognition by Congress that the reset policy was a mistake. In 1975, after the U.S. Congress passed the Jackson-Vanik amendment, which withheld U.S. trade benefits to certain countries that restricted emigration, the effects were profound. Year after year, the Soviet Union "paid" to obtain U.S. trade benefits by allowing some of its citizens

to emigrate. About 1 million Jews were allowed to leave the Soviet Union, while thousands of other minorities also emigrated. Jackson-Vanik was one of the most successful examples of U.S. human rights legislation. It increased trade and promoted universal human rights.

In August, Russia finally joined the World Trade Organization. According to WTO rules, members may not discriminate against each other, and those members who do are penalized. If the U.S. leaves Jackson-Vanik on the books, Russia can choose to give the U.S. less favorable trade terms with Russia, while U.S. firms that have trade disputes with Russia can be denied access to WTO dispute-resolution mechanisms. That is a situation nobody wants. It's clear that it is time to repeal Jackson-Vanik and for the U.S. to grant Permanent Normal Trade Relations, or PNTR, to Russia.

But the manner in which PNTR status is granted is key. The Obama administration has called for a "clean" PNTR bill, one that would repeal Jackson-Vanik without replacing it with other human rights legislation. Congress has rejected this and will not repeal Jackson-Vanik without a replacement that encourages the Russian government to observe human rights. That is where the Magnitsky Act comes in.

Sergei Magnitsky was a Russian lawyer who discovered and reported a \$230 million theft from the government. After Magnitsky testified that the theft was orchestrated by Russian police officers working with Russian tax officials and organized criminals, he was arrested by the same police officers he testified against. He was held in pretrial detention for almost a year in barbaric conditions. When his health deteriorated and he needed an urgent lifesaving operation, he was handcuffed to a bed, beaten by eight guards with rubber batons and left to die.

The Russian government says Magnitsky was behind the theft he reported. It also says the reason the officials he accused of embezzlement became so wealthy is they receive support from wealthy parents. The police have also said that they can't trace the stolen money because the police truck carrying the bank records exploded. We were also told that Magnitsky died of a sudden heart attack and that there is no evidence of any wrongdoing by officials.

The Russian government has become increasingly corrupt and brazen. It steals money and elections from its own people. It treats those who defend human rights and who fight corruption as criminals. Russian officials have become unaccountable for their crimes. The only time a Russian official ever gets fired or goes to prison is when officials are fighting turf wars for control of things they want to steal. This is terrible for investment, trade and Russians in general. This is where the sanctions in the Magnitsky Act come in.

The Magnitsky Act targets officials who abuse their powers to attack those who defend human rights and oppose corruption. It will bar them from traveling to the U.S., and it will close our financial system to them. At the same time, it will grant Russia PNTR. In the end, U.S. companies get all the benefits of Russia's membership in the WTO, and Russian officials are discouraged from misbehaving. It's win-win any way you look at it.

Soon the U.S. Senate will vote on the Magnitsky Act. It can either accept the House version, which is limited to human rights violations in Russia, or expand it to apply to human rights violators worldwide. If the Senate expands the act, this will delay passage until the House and Senate versions can be reconciled. If the Senate accepts the bill in its current form, it will

then be sent to Obama for his signature.

It is important for the U.S. to extend PNTR to Russia as soon as possible. That is why it would be best for the Senate to approve the House version and send it to Obama for his signature. Once Russia receives PNTR after the Magnitsky bill becomes law, then amendments to the bill can be introduced to expand the sanctions and visa restrictions to human rights violators all over the world, which I believe is the correct thing to do in the long run.

U.S. companies want PNTR and the trade benefits that come with it. The American people want to discourage corrupt officials from committing heinous acts. There is no chance of a veto.

The Russian government says the bill shows no respect for the Russian justice system and has threatened a tough response. But since Russian justice has become an oxymoron, this bill is going viral. Versions of the U.S. Magnitsky Act are being discussed in parliaments in Europe, Russia's largest trading partner. If all of these Magnitsky acts become law, Russian human rights violators will be treated as if they were terrorists — as they should be. There is only one thing Russian officials can do to prevent this: stop committing human rights violations.

*Jamison Firestone is an attorney and Sergei Magnitsky's former boss.*

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