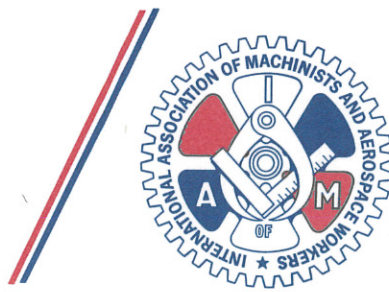


**International
Association of
Machinists and
Aerospace Workers**



9000 Machinists Place
Upper Marlboro, Maryland 20772-2687

Area Code 301
967-4500



OFFICE OF THE INTERNATIONAL PRESIDENT

July 23, 2012

RE: Russia PNTR

Dear Representative,

The International Association of Machinists and Aerospace Workers (IAM) opposes the admission of Russia to the World Trade Organization (WTO), including any waiver of Jackson-Vanik, a technical law motivated by Russia's numerous human rights violations. The U.S. government should require substantive improvements in Russia's human rights record before even considering extending trade benefits.

It is truly remarkable that the WTO provides strict protection for property rights yet no protection for the people whose labor creates economic prosperity. Russia's labor code fails to secure fundamental labor rights and its application is worse; human rights leaders have been brutally assaulted and union communications censored. In addition, journalists, lawyers, and human rights activists have been jailed without due process and even killed.

If Russia receives Permanent Normal Trade Relations (PNTR) status and joins the WTO, it will be a repeat of our devastating experience with China. Since China joined the WTO, our trade deficit just with China has ballooned to nearly \$300 billion. For American workers this has meant the loss of 1.9 million manufacturing jobs and stagnate wages.

Despite our demands, there still has been no review of the job impact that Russia's succession to the WTO would have on U.S. workers. Given our unemployment rate and the millions of jobs that have been lost since 2007, undertaking a thorough examination of the potential job impact on our industrial sector that could occur if Russia receives PNTR makes simple common sense. If experience is any indication, admission of Russia into the WTO could cost the U.S. a significant number of jobs.

Russia's industrial policy continues to focus on the growth of its heavily subsidized aerospace industry—one of the few sectors where the U.S. has a positive balance of trade. Like China, Russia continues to demand transfers of technology and production in return for market access, while requiring more local content for its manufacturers. Among other things, there are serious concerns whether Russia will reduce its tariffs on U.S. machinery, electronics and aerospace products in any meaningful fashion. Moreover, there is also concern over whether Russia's aerospace

industry and research and development will receive, in effect, a waiver over prohibited subsidies.

There are additional doubts about whether Russia will provide reciprocal market access. The United States already runs an enormous deficit in trade with Russia. American exports are subject to a wide range of tariff and non-tariff barriers and are frequently subject to arbitrary exclusions as has occurred in China. Russia's implementation of stronger local content requirements in its manufacturing sector offers little support for the notion that these requirements will be lifted if PNTR is granted.

Questions whether or not Russia will follow the same path as China when it comes to honoring WTO rules should be answered now, before PNTR is even considered, not after. Ten years after China's succession, the U.S., its businesses, and workers face widespread violations of China's WTO commitments. We cannot afford to repeat the same mistake. We strongly urge that you oppose Russia's accession to the WTO.

If you have any questions, please contact Legislative and Political Director Matthew McKinnon at (301) 967-4575.

Sincerely,



R. Thomas Buffenbarger
International President