

Tyler Morning Telegraph

Freer trade helped tame Russian bear

December 11th, 2012

We brought the Russian bear to its knees once, with the flagrant use of capitalism. Then, it was the Soviet Union. But we can do it again.

Last week, the Senate voted overwhelmingly to normalize trade relations with Russia, after a similar vote in the House. It only took 18 years of negotiation to get Russia into the World Trade Organization. And now the U.S. will allow it to enjoy its membership by leveling the commercial playing field.

That's a good thing, because it works.

Political satirist P.J. O'Rourke notes that commerce won the Cold War as assuredly as a military build-up did.

"In the end we beat them with Levi 501 jeans," he wrote in "Give War A Chance."
"Seventy-two years of Communist indoctrination and propaganda was drowned out by a three-ounce Sony Walkman. A huge totalitarian system has been brought to its knees because nobody wants to wear Bulgarian shoes. Now they're lunch, and we're No. 1 on the planet."

He meant, of course, that free trade — and the natural human desire for better living conditions — played a major part in the collapse of communism.

Even as chilly winds begin to blow across Russia again, O'Rourke's words are as true now as they were when he wrote them in 1992.

"Trade liberalization is, of course, not a panacea for corruption and official lawlessness in Russia, but it does actually and directly make the people of Russia more free," said the Cato Institute's K. William Watson. "Moreover, a wealthier and more cosmopolitan population is more likely to demand accountability from its leaders. More trade on market terms will connect the Russian people with the world, increasing their expectations and exposing their plight."

In other words, they'll realize (as their forebears did a generation ago) that not all shoes are Bulgarian shoes. Not every country imprisons politically offensive punk rock bands. Increased trade means increased transparency.

"WTO membership will require Russia to be more transparent and enable foreign countries to use law, rather than politics, to pressure Russia to further liberalize its economy," Watson said. "PNTR (trade normalization) will ensure that the United States is a part of that effort. Poking Russian officials in the eye with sanctions is at best merely

emotionally satisfying and at worst counterproductive to helping the Russian people hold their own officials accountable.”

There’s a direct benefit to America as well.

“The administration and economists estimate that U.S. exports of goods and services, now about \$11 billion a year, could double over the next five years if trade is normalized,” the Associated Press reports.

But it’s not a perfect bill. There are still some sanctions, as Cato’s Watson noted. The Magnitsky Act, part of the bill, seeks to “sanction Russian human rights violators by withholding visas and freezing financial assets,” according to AP.

That’s a mistake, Watson said. “Those in Congress wanting to look like they care about human rights could have simply and correctly pointed out the substantial benefits to the Russian people that come from freer trade with the United States.”

He’s right. Free trade works. Ask the Soviets.