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ROMANIA BREAKS ITS BARGAIN WITH THE U.S. ON TRADE FAVORS

(Updating <u>Backgrounder</u> No. 441, "Why Romania No Longer Deserves to be a Most Favored Nation," June 26, 1985.)

Each summer the U.S. reviews its decision to grant Romania "Most Favored Nation" (MFN) trade status. This privilege has proved very lucrative for Romania, which last year sold the U.S. \$928 million in goods but bought only \$203 million in American products in return. Romania's MFN status is always under scrutiny because the Jackson-Vanik Amendment of 1974 prohibits granting such status to nations denying their citizens the right or opportunity to emigrate and/or impose more than a nominal tax on citizens who wish to emigrate. The President may waive the prohibition annually, subject to congressional approval, if it appears that liberalized emigration and human rights policies may result. Presidents and Congresses have waived the ban on Romania since 1975. Romania's totalitarian regime, however, consistently has broken its part of the bargain.

This year the time at last has come to declare Romania in violation of the Jackson-Vanik conditions and to withdraw from that country its MFN privilege. Romania fails to allow thousands of its citizens to emigrate and harasses who have applied to leave for the West. Many of those who do emigrate to Israel and Germany reportedly have been "sold" by Bucharest, which charges those countries thousands of dollars per person in direct violation of the provisions of the Jackson-Vanik Amendment. Moreover, Romania's human rights record has deteriorated steadily in the past ten years. Examples:

EMIGRATION. "Many thousands of people wish to leave Romania" according to testimony by Nina Shea of the International League for Human Rights on June 10, 1986, before the House Subcommittee on Trade. Merely for requesting permission to leave, Romanians are harassed, often lose their jobs, housing, access to medical care, face public denunciation and even arrest. Many elderly and ill applicants, as well as small children whose parents are already abroad, are denied permission to emigrate altogether. Western diplomats, moreover, confirm that Romanian government officials demand bribes of up to \$3,200 in exchange for emigration papers.

FREEDOM OF RELIGION. Distribution of religious literature "by unauthorized individuals" is punishable by severe prison terms. The Evangelical Christian churches have been treated especially harshly, according to the U.S. Helsinki Watch Committee. Several historic Baptist churches have been demolished. So have several major Jewish synagogues as part of a policy to obliterate Jewish culture. Some 20,000 Bibles sent by the World Reformed Alliance to Hungarian Reformed Church members were confiscated and recycled into toilet paper.

REPRESSION OF THE AGED. According to independent reports by relatives of Romanians in the U.S., in the past year Romania has begun refusing to give medical treatment to those over age 75. A program announced by President Nicolae Ceausescu in September 1985, meanwhile, forces pensioners to "relocate" from cities to the country, which for many of them means intense suffering and even death because of the harsh conditions. The reason for these policies apparently is to reduce government expenses.

TERRORISM. Former U.S. Ambassador to Romania David Funderburk charges many of the 20,000 Arab students in Romania are being trained as terrorists outside of Bucharest. The implicit terrorist link was confirmed officially in 1983 when Romania signed a Friendship Treaty with Libya. And according to the surviving terrorist at the December 1985 Rome Airport massacre, the terrorists who that same December day had attacked the Vienna Airport had received help from Bucharest. Romania also wages a terrorist war against Romanians living abroad. General Ion Pacepa, former deputy director of the Romanian secret service who defected in 1978, has revealed that the Romanian government has a complete, computerized data bank on Romanians in exile, and uses beatings, kidnappings, and assassination to punish those who criticize Romania's communist regime in the West.

Consistently, Romania demonstrates it is no friend of the U.S. Bucharest works closely with Soviet intelligence agencies against Western interests and Romania shares with Moscow defense-related technology obtained from the U.S. At the United Nations, meanwhile, Romania voted with the U.S. last year only 14.6 percent of the time, a more dismal record than even Poland and just a shade better than Soviet Union's 12.2 percent. To make matters worse, Romania increasingly is believed to be involved in promoting narcotics trafficking into the U.S.

One thing is clear, Romania's enjoyment of Most Favored Nation trade privileges with the U.S. has not encouraged Bucharest to temper its repressive policies at home or its anti-American activities abroad. It thus is time for Washington to face the reality and deny Romania its MFN free ride.

Juliana Geran Pilon, Ph.D. Senior Policy Analyst