

United States Senate

COMMITTEE ON FOREIGN RELATIONS

WASHINGTON, DC 20510-6225

October 15, 2025

The Honorable Scott Bessent
Secretary of the Treasury
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

The Honorable Marco Rubio
Secretary of State
U.S. Department of State
2201 C Street NW
Washington, D.C 2050

Dear Secretary Bessent and Secretary Rubio:

I write regarding the Trump Administration's recent announcement of unprecedented U.S. financial support for Argentina ahead of the country's upcoming midterm elections, specifically the purchase of Argentine pesos in the foreign exchange market and establishment of a \$20 billion currency swap line between Treasury's Exchange Stabilization Fund (ESF) and Argentina's central bank. I understand the strategic importance of supporting a government in our hemisphere pursuing needed economic reforms and closer alignment with the United States. However, the unprecedented scale, timing and lack of transparency or conditionality for these financial commitments using U.S. taxpayer money raise critical questions.

While I support using traditional U.S. assistance tools to help create and sustain stable and open markets around the world, the Administration's proposal for Argentina lacks basic conditionality and oversight of U.S. taxpayer funds. Strict conditionality and repayment assurances have been critical to past Economic Support Fund (ESF) interventions in foreign countries, and the absence of these safeguards here creates a significant risk that ESF funds will be quickly depleted in an unsustainable effort to prop up the Argentine peso, which already appears overvalued. This is a risk that the U.S. should not take lightly given the Argentine government's troubled history of loan defaults, including its failure to resolve over \$39.7 million in outstanding debt with TIG Insurance Company and parent company Riverstone Group, based out of Manchester, New Hampshire.

As you know, this commitment is the first U.S. intervention in the foreign exchange market in more than a decade and the largest use of ESF to bail out a foreign country since the 1990s with Mexico. Yet, the Administration has not been able to justify why they have classified Argentina as "systemically important." The consideration given to Argentina lies in contrast to the Administration's foreign and economic policy toward Brazil—a larger and more strategic trading partner of the United States—that currently faces high tariffs and sanctions. Of note, the U.S. has also maintained a trade surplus with Brazil since 2007.

The timing of the Administration's announcement, mere weeks before Argentina's legislative elections, can be construed to have the objective of interfering in another country's electoral process. A more effective and fiscally prudent alternative that would not raise such suspicions would be to condition the bailout on Argentina meeting key criteria in its current program with the International Monetary Fund (IMF), such as binding targets for foreign reserve accumulation and exchange rate flexibility.

As it currently stands, the Administration's proposed bailout of the Argentine economy will likely prop up a close political ally of the Administration and provide a large windfall for American hedge funds and large investors while U.S. soybean farmers who continue to lose sales to Argentina and U.S. small businesses seeking payment from previous defaults are not prioritized. Going forward, I urge you to work closely with Congress to address these issues and provide a briefing to the Senate Foreign Relations Committee that explains how this aid: a) is part of a comprehensive strategy that advances U.S. national interests; b) outlines clear conditions for repayment; c) promotes sustainable structural reforms in Argentina; and most importantly, d) includes significant safeguards to protect American taxpayers.

Thank you for your time and attention.

Sincerely,

A handwritten signature in blue ink, reading "Jeanne Shaheen". The signature is fluid and cursive, with the first name "Jeanne" and last name "Shaheen" clearly distinguishable.

Jeanne Shaheen
Ranking Member