



One Hundred Fourteenth Congress
U.S. House of Representatives
Committee on Foreign Affairs
2170 Rayburn House Office Building
Washington, DC 20515
www.foreignaffairs.house.gov

November 23, 2015

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

We write to urge you to prioritize U.S. – Argentina relations over the next year. The United States and Argentina should be natural partners. We both have highly educated populations, diverse economies and vast natural resources. As a renewed partnership would be a win-win for the two countries, we respectfully urge you to consider the following actions with the aim of revitalizing the bilateral relationship over the coming months:

- **Increase Public Diplomacy:** Public opinion polls in Argentina have consistently found high levels of anti-Americanism and opposition to U.S. policies around the world.

We urge the Under Secretary of State for Public Diplomacy to develop a new public diplomacy strategy for Argentina and to coordinate a series of high-level U.S. executive and legislative branch visits along with cultural diplomatic exchanges.

- **Initiate a U.S. – Argentina High Level Economic Dialogue:** Argentina has the third largest economy in Latin America with a GDP of \$540 billion. In 2012, United States bilateral trade with Argentina was \$23 billion. There is potential for this commerce to grow significantly in the coming years, particularly in the energy field.

We recommend that the two governments initiate a U.S. – Argentina High Level Economic Dialogue, similar to the dialogue with Mexico. A U.S. government-sponsored trade mission could also be very useful. These activities would reposition economic engagement at the center of the bilateral relationship.

- **Provide Technical Assistance on Economic and Trade Issues:** The Argentine National Institute of Statistics and Census (INDEC) was long considered the region's gold standard for key economic data. However, in recent years there have been serious concerns about the credibility of Argentina's statistics on inflation and economic growth. In addition, the U.S. Trade Representative remains concerned with Argentina's lack of intellectual property rights enforcement and high levels of piracy and counterfeiting.

We recommend that the United States offer technical assistance to the new Argentine government to revamp statistical institutions and to better enforce intellectual property rights. Technical assistance could be helpful in making import regulations WTO-compliant. The Inter-American Development Bank and other international financial institutions could potentially play an important role in providing technical assistance.

- **Support the Resolution of Arbitration Claims and “Holdout” Bondholders:** While some arbitration claims from foreign companies have been settled in recent years, a number remain outstanding. Separately, reaching a settlement with “holdout” private bondholders could help Argentina gain access to international credit markets, helping Argentina’s economy.

The U.S. should continue to support a timely resolution to outstanding arbitration claims as well as the completion of private negotiations between the Argentine Government and “holdout” bondholders.

- **Encourage Regional Leadership:** Given its highly educated population, diverse economy and vast natural resources, Argentina could again play an important leadership role in South America. The painful memory of the 1994 bombing of a Jewish community center gives Argentina a powerful reason to play a leadership role in combatting terrorism.

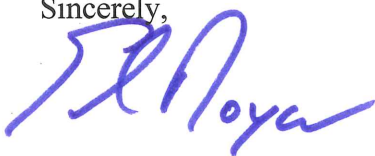
The United States should promote and encourage positive regional leadership from Argentina which could potentially play a much larger role at the Organization of American States in the coming years. The U.S. should also work to reestablish liaison relationships with the new government to confront terrorism and transnational criminal organizations in the Americas.

- **Improve Counternarcotics Cooperation:** According to the State Department’s 2015 International Narcotics Control Strategy Report, many Argentines believe drug-linked violent crime is increasing. The cocaine based drug known as “paco” is a particular problem among the country’s poor.

We recommend that the Director of the Office of National Drug Control Policy start a bilateral working group with Argentina. This working group should not only focus on law enforcement cooperation but also should share with the Argentine government our most successful models in treating drug addiction in the United States.

Thank you for your consideration of these recommendations. We look forward to working with you to prioritize the U.S. – Argentina relationship in the coming year.

Sincerely,



EDWARD R. ROYCE
Chairman



ELIOT L. ENGEL
Ranking Member