Congress of the United States
Washington, DC 20515

October 20, 2025

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

Dear Secretary Bessent:

We are writing to request additional information regarding the Trump Administration's plan to extend approximately $20 billion in support to Argentina through the U.S. Department of the Treasury's Exchange Stabilization Fund (ESF). Public reporting indicates that this package may be structured as a swap line, though the precise mechanism remains unclear.[1] Regardless of its form, we are deeply concerned that the ESF—funded by American taxpayer dollars—is being used to provide extraordinary financial assistance to President Javier Milei's government for political ends, exposing taxpayers to financial risk, without clearly stating the reason it is in the U.S. economic interest or engaging in prior Congressional consultation.

At a time when tariffs, rising prices and cuts to essential domestic programs are straining American families and businesses, it is troubling that U.S. taxpayer-backed funds are being deployed to stabilize a foreign government's currency, seemingly to advance partisan objectives, rather than to meet urgent needs at home. The Milei Administration's extreme austerity program has caused spending on utilities to rise from 6 to 15 percent of the average salary,[2] while failing to achieve its purported goal of macroeconomic stabilization. The recent provincial election results in Argentina's underscore widespread dissatisfaction with these policies and the severe social costs of Milei's experiment.[3]

Moreover, it is highly unusual for the ESF to extend such large-scale, unconditional support. Historically, ESF interventions, such as those for Mexico in 1995 and for Asian economies during the 1997 crisis, were accompanied by a defined policy framework which often include repayment schedules and congressional notifications to limit US taxpayer risk. The absence of comparable safeguards or transparency in this case raises serious questions about the rationale, legality, and fiscal prudence of the Administration's actions.

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[1] Cox, Jeff. *The U.S. Has Stepped in with an Extraordinary Bailout of Argentina — Here's What It Means*. **CNBC** (Oct. 13, 2025).

[2] Area Fiscal Y Politicas Publicas Del IIEP. *Reporte De Tarifas y Subsidios #16*. (Julio 2024).

[3] The Guardian. Argentinians Deliver Electoral Blow to Milei's Scandal-Rocked Government. (September 8, 2025).

According to reports,[4] several major U.S. investment firms, including Fidelity, Pimco, and Discovery Capital Management, stand to benefit directly from this intervention due to their exposure to Argentine bonds.[5] This would appear to indicate that the ESF may be serving private financial interests at significant public expense.

Moreover, there are strong indications that the agreement also serves political objectives — namely, to bolster an ideological ally of the Trump administration amid waning domestic support ahead of legislative elections later this month. You appeared to imply this during a CNBC interview on October 2, stating,

> *Many of the governments [in South America] moved from far left to center right. We did not support them. And then they took a hard lurch to the left. And now, Argentina is a beacon down there. ...And I am sure that when we see the elections this month that [Milei is] going to do well, his party will do well.*[6]

If it is indeed the case that this agreement is intended to serve the political objectives of the Trump Administration, we object to using US taxpayer funds in order to influence a foreign election and improve the political fortunes of a foreign government, particularly one that has been mired in corruption scandals. President Milei and several of his closest allies — including his sister and Chief of Staff, Karina Milei — are currently under investigation for allegedly accepting bribes to promote a cryptocurrency scam.[7] In addition, a leaked audio recording of the then-head of Argentina's disability agency described members of the government, including Karina Milei, receiving kickbacks for health contracts.[8] Meanwhile, José Luis Espert, a former leading candidate for Milei's party in the legislative elections, has admitted receiving $200,000 from an Argentine businessman who is facing extradition to Texas on drug trafficking, money laundering and wire fraud charges.[9] Amid the public outcry that ensued, Espert was forced to resign his candidacy on October 5th.

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[4] Zeballos-Roig, Joseph. *Trump's Treasury Chief Bessent Is Planning a $20 Billion Bailout for Argentina's Javier Milei*. **Quartz.** (Oct. 2, 2025).
[5] Setser, Brad & Stephen Paduano. *Other People's Money, and the Problem with Mileism*. **Fin. Times.** (Sept. 30, 2025).
[6] CNBC. *CNBC Transcript: U.S. Treasury Secretary Scott Bessent Speaks with CNBC's Squawk Box Today*. (Oct. 2, 2025).
[7] Nicas, Jack & David Yaffe-Bellany. *Argentina Crypto Scandal Tests New President*. **N.Y. Times** (Feb. 28, 2025).
[8] Rey, Debora. *Argentina Investigates Alleged Kickback Scheme Entangling President Milei's Inner Circle*. Associated Press. (August 22, 2025).
[9] Associated Press. *Argentina to Extradite to US a Suspected Drug Trafficker with Ties to President Milei's Ally*. (October 7, 2025).

Significant American investment of this nature demands consultation and oversight from Congress. Historically, deployment of the ESF—like for Mexico in 1995— has come with substantial consultation and collaboration with Congress[10] and transparency into the ESF's operations.[11] We expect the Treasury Department to provide Congress and the American people with information concerning the actions taken through ESF to strengthen the Argentinian peso and stabilize Argentina's economy. Among other issues, we are concerned that Treasury could commit the ESF's entire pool of liquid foreign exchange reserves to this risky arrangement without timely Congressional notification, effectively bypassing oversight of taxpayer-backed resources.

Finally, Argentina's repayment capacity remains uncertain. The government's unsustainable spending of billions of dollars of reserves from the Argentine Treasury to prop up an overvalued exchange rate cannot continue, no matter how much it can borrow from the United States government or multilateral institutions. Treasury must explain what reforms or collateral are in place to protect the ESF and U.S. taxpayers from loss.

Given the magnitude and precedent of this action, we request that Treasury suspend any disbursement or implementation of the proposed swap or credit line to Argentina until these issues are fully addressed. We ask for detailed written responses to the following questions and all requested documents no later than October 29 2025:

1. Can you confirm that the structure of the proposed $20 billion arrangement with Argentina is a swap line?
2. What evaluations did the Treasury Department undertake to determine the costs, obligations, and potential risk of loss to U.S. taxpayers with providing $20 billion in financial assistance to Argentina through the ESF? Please provide the results of such evaluations.
    - If no evaluation was undertaken, please indicate by stating "no evaluation was undertaken."
3. Historically, use of ESF investment has come with conditions, clear repayment terms, and strong public reporting requirements. What precedent exists for providing unconditional ESF support of this scale? Why are comparable conditions or terms absent in this particular use of the ESF?

[10] H.R. *Rep. 104-53* (1995).
[11] Fed. Res. Bank of N.Y. *Treasury and Federal Reserve Foreign Exchange Operations: Quarterly Reports*. (Last Accessed: October 16, 2025).

4. Will the Treasury Department commit to making publicly available online quarterly reports describing the operations of ESF resources to Argentina, as the Department has done in prior circumstances?

5. What mechanisms exist to prevent the depletion of ESF's liquid reserves, and how much of those reserves expected to be committed under this agreement?

6. Under what circumstances will the Treasury Department request additional funding from Congress to replenish the ESF once the $20 billion is disbursed or drawn down?

7. What assurances or collateral has Argentina provided to guarantee repayment, and what safeguards exist to protect this support?

8. What domestic economic implications did the Treasury Department consider prior to approving this intervention? During the campaign President Trump promised to put America first. Please explain how an unconditional swap line from the ESF to Argentina puts the American domestic economy and economic interests of American taxpayers first?

9. What measures is the Treasury Department taking to ensure that private financial entities and other market participants that advocated for this bailout do not profit directly or indirectly from its implementation?

In addition, please provide the following documents:

1) All communications between the U.S. government and Argentine officials regarding the timing, structure, and/or political implications of this assistance, particularly in connection with Argentina's October 26 elections, and

2) All communications between officials at the Department of Treasury and persons at Fidelity, PIMCO, and Discovery Capital Management, concerning this use of the Exchange Stabilization Fund.

10. On October 15, 2025, you announced the creation of private debt facility for Argentina, in addition to the ESF's investments. Could you provide details on the structure of this facility, its investors and when it will be officially established?[12]

    1) In announcing the private facility, you also stated continued financial support for Argentina, if President Milei's government pursues "good policies." Please provide details on what "good policies" to which you were referring.

[12] Brown, Courtenay. *U.S. Working on $20 Billion Private Facility for Argentina, Bessent Says*. **Axios** (Oct. 15, 2025).

We appreciate your prompt attention to these concerns and look forward to your detailed response.

Sincerely,

Nydia M. Velázquez Member of Congress	Greg Casar Member of Congress
Jesús G. "Chuy" García Member of Congress	Rashida Tlaib Member of Congress
Pramila Jayapal Member of Congress	Brad Sherman Member of Congress Ranking Member, Subcommittee on Capital Markets
Lateefah Simon Member of Congress	Paul D. Tonko Member of Congress
Delia C. Ramirez Member of Congress	Emanuel Cleaver, II Member of Congress

Veronica Escobar
Member of Congress

Jan Schakowsky
Member of Congress

Eleanor Holmes Norton
Member of Congress

Lloyd Doggett
Member of Congress

Dwight Evans
Member of Congress

Alexandria Ocasio-Cortez
Member of Congress

Steven Horsford
Member of Congress

Suzan K. DelBene
Member of Congress

Eric Swalwell
Member of Congress

Bill Foster
Member of Congress

Sylvia R. Garcia
Member of Congress

Ilhan Omar
Member of Congress

Jonathan L. Jackson
Member of Congress

Al Green
Member of Congress

Judy Chu
Member of Congress

Robin L. Kelly
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Joaquin Castro
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Scott H. Peters
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Juan Vargas
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Alma S. Adams, Ph.D.
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Jim Himes
Member of Congress

MARK TAKANO
Member of Congress

Sara Jacobs
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Yvette D. Clarke
Member of Congress

Diana DeGette
Member of Congress

Jill Tokuda
Member of Congress

Cc:

- Senator Tim Scott, Chairman, U.S. Senate Committee on Banking, Housing, and Urban Affairs;
- Senator Elizabeth Warren. Ranking Member, U.S. Senate Committee on Banking, Housing, and Urban Affairs;
- Rep. French Hill, Chairman, U.S. House of Representatives Committee on Financial Services;
- Rep. Maxine Waters, Ranking Member, U.S. House of Representatives on Committee on Financial Services