



THE NATIONAL BLACK CHAMBER OF COMMERCE

October 24, 2007

The Honorable Barney Frank
Chairman
House Financial Services Committee
2129 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Spencer Bachus
Ranking Member
House Financial Services Committee
B371a Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Frank and Ranking Member Bachus:

On behalf of more than 100,000 Black owned businesses, the National Black Chamber of Commerce (NBCC) urges the United States government to work with Argentina to reach a resolution on more than \$3 billion owed to American bondholders. Hard working American taxpayers, small business owners, and investors have incurred more than \$10 billion in direct and indirect costs since Argentina defaulted on more than \$80 billion in sovereign debt obligations in 2001. We call on Congress to do everything in its power to bring Argentina back to the negotiating table and urge them to honor its debt obligations to Americans.

In 2005, the Argentine government imposed an unusually drastic restructuring plan: new bonds were offered worth only 27 percent of the original bonds, as opposed to a typical restructuring offer of 50 percent. In addition, the Argentine government repudiated its debt obligations to bondholders who rejected the offer.

American business owners, taxpayers, and pensioners are owed collectively over \$3 billion. Argentina's economy has experienced average annual growth of 9 percent since 2003. They also have a trade surplus over \$11 billion, and hold more than \$42 billion in international reserves. Clearly, Argentina can afford to meet its unpaid debt obligations.

Argentina's upcoming elections present an opportunity for the US government to revisit negotiations for American bondholders. The State Department took a positive step when they adjusted Argentina's background note to call for Argentina to resolve its debt crisis. Nevertheless, the US government, led by Congress must escalate its efforts to resolve this issue once and for all.

The National Black Chamber of Commerce strongly encourages Congress to take action on this issue in the coming months. A united approach from our country's elected officials will send a strong message to Argentina that our government will not stand idle while the Argentine government deprives Americans of hard-earned money. We look forward to your response.

Respectfully,

Harry C. Alford
President & CEO

Cc: House Financial Services Committee; The Honorable Henry Paulson, Secretary of Treasury