

Critics Challenge Terms and Intentions of Argentina's Debt Deal

ATFA says to Argentina: Stop Pretending

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WASHINGTON, Dec 13, 2010 (BUSINESS WIRE) -- American Task Force Argentina (ATFA), joining a growing chorus of officials and stakeholders, expressed concern over the special treatment that Argentina has demanded, and in some instances continues to receive, with regard to over \$6 billion in outstanding sovereign debts owed to France, Germany, Italy, Japan, Spain, and the United States.

Despite its repeated refusals to abide by international covenants in restructuring its outstanding debts with the member-nations of the Paris Club, Argentina has been permitted to by-pass a mandatory IMF consultation. In its latest attempt to write its own terms, the Argentine government has rejected the Paris Club demand that the debts be repaid over no more than 18 months, while Argentina continues to insist on a six-year repayment schedule.

These demands have produced mounting suspicions over Argentina's real intentions in its Paris Club negotiations. U.S. Congressman Russ Carnahan sent a letter to Secretary of State Hillary Clinton expressing his concern that any special treatment afforded by the Paris Club to Argentina will affect its repayments of debts owed to U.S. citizens still holding defaulted Argentine bonds. Italian Member of Parliament Sandro Gozi released a statement urging Italian Minister of Foreign Affairs Franco Frattini to intervene and to demand that Argentina to repay its Paris Club debt in full -- without shortcuts.

"Argentina is the great pretender on the world stage. In September 2008 and again in September 2009, Cristina Kirchner formally declared that Argentina would move to repay its debts. Then, of course, nothing happened," said ATFA co-chair, Dr. Robert J. Shapiro. "This is great theatre, but bad diplomacy. Now, it's 2010 and the Kirchner government has promised once again to make its Paris Club creditors whole. Yet, instead of being received with the skepticism it deserves, Argentina is largely given a free-pass by the international community.

Unfortunately, we've heard Mrs. Kirchner's empty promises before, and, no doubt, we'll hear them again." "The Kirchner government's refusal to meet its bilateral treaty obligations and to acknowledge over 100 U.S. court judgments and dozens of ICSID court judgments arising from its repudiation of billions of dollars of debt demonstrates its contempt for international covenants and the rule of law," said Shapiro. "This behavior must be challenged." Made up of an alliance of 37 taxpayer, investor, educator, Latino and agriculture organizations, ATFA's leadership includes Executive Director Robert Raben, a former Assistant Attorney General at the U.S. Department of Justice, and is co-

chaired by The Honorable Robert J. Shapiro, former Under Secretary of Commerce for Economic Affairs in the Clinton Administration, and Ambassador Nancy Soderberg, Ambassador at the U.S. Mission to the United Nations in New York from 1997 to 2001.

For additional information on ATFA's activities, please visit www.atfa.org, or contact media@atfa.org, or +1-888-662-2382.

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