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More Woes for Argentina's 'New Evita'

By Uki Goni / Buenos Aires

There was more bad news for the embattled government of Argentina's President Cristina Fernández de Kirchner on Monday, when a Miami court convicted a Venezuelan secret agent of attempting to cover up an alleged illegal donation to her 2007 election campaign by Venezuela's leftist President Hugo Chávez. Justice Minister Anibal Fernández accused Venezuelan-American businessman Guido Antonini Wilson, a Key Biscayne resident who collaborated with the FBI to secure the conviction of his former associate Frank Duran in Miami yesterday, of "being paid to say what he says." But that's unlikely to help soften the latest blow to a government reeling from a drastic fall in public approval ratings, and a loss of confidence in Argentina's peso.

Former Chávez associate Antonini Wilson was caught trying to [smuggle a suitcase stuffed with \\$800,000](#) in cash from Venezuela into Argentina last year but was allowed to return to his Miami home by the Argentine authorities, where — the court found — undercover emissaries from Venezuela and Argentina, Duran among them, had tried to threaten and bribe Wilson to hush up a political scandal that threatened the leaders of both countries.

The setback in Miami comes barely a year since Cristina Fernández triumphantly walked away with the presidential elections, taking 45% of the vote against an opposition whose energies were divided among 13 candidates. The press at home and abroad hailed her as [Argentina's "New Evita"](#) and [its "Hillary"](#), and voters believed that Fernández would distinguish herself from the previous administration by repairing the country's relations with the U.S., bruised by close ties with Chávez. She was also expected to improve relations with her domestic opposition.

The negative legacy that she was looking to repair, of course, was that of her husband, former President Nestor Kirchner, who had chivalrously stepped aside for his wife to stand for office. Still, Fernández was known for her independent streak and as a political heavyweight in her own right, with a record as a combative senator that convinced many she would not be manipulated by her husband.

But her independent image has taken a battering in recent days, as Argentine media have run a series of stories alleging that it is really Kirchner who now handles major decisions, issuing orders directly to government ministers, while the President has been relegated to ceremonial appearances at school openings and industrial projects.

Many politicians, both pro and anti-Kirchner, concur with that assessment. "He is the one definitely calling the shots," says Maria Eugenia Estenssoro of the centrist Civic Coalition Party, which came in second in last year's elections. "It is a big disappointment," says another legislator from Fernández's camp, who requested anonymity. "Kirchner is now in charge again."

Kirchner is referred to ironically as "the former President in office" by Joaquin Morales Sola, the leading columnist in the conservative daily *La Nacion*, who has stated that Cristina Fernández "is the democratic President with the quickest loss ever in popular support."

According to the pollster Datamatica, Fernández's approval rating has plummeted to only 25%. "Their dream of a dynastic democracy based on the nearly 80% popularity they once enjoyed is shattered," says Senator Estenssoro.

Apart from the embarrassing revelations in the Miami courtroom, Argentina's lengthy economic bonanza seems to have been abruptly ended not by the recent worldwide financial meltown but by a series of drastic economic initiatives apparently micromanaged by Kirchner, who now serves as president of the Peronist Justicialista Party, the dominant political force in the country.

The latest of these economic measures is a bill that will be presented to Congress this week, which would nationalize the private funds in which many Argentines keep their pensions — a move that should swing some \$30 billion from private individual pension accounts into state coffers. The announcement sent Argentina's stock market plummeting, while the rush of depositors to convert their savings into dollars resulted in a 7% devaluation of the peso. The financial earthquake caused by the initiative has put the Argentine economy "in intensive care," says columnist Morales Sola.

Fernández has defended the move, saying retirement savings are safer in state hands, while private economists see it as a clumsy attempt to salvage the country's finances in the face of large foreign debt payments that fall due in 2009.

Resistance to the nationalization of pensions is strong, but it may not rise to the fever pitch of this year's running battle between the nation's farmers and Fernández over a hefty tax hike on soy exports. A four-month farm strike ended in a humiliating defeat for Fernández when her initiative was killed by a deciding vote cast in Congress by her own Vice President, Julio Cobos, whose approval rating shot up to 67% in opinion surveys as a result.

But Fernández and Kirchner retain the support of the strong Peronist Party structure, while the opposition remains as divided now as it was during last year's elections. Peronist Senator Eric Calcagno sees the President's current troubles as a backlash from Argentina's business establishment against her stated aim of more evenly distributing Argentina's wealth. "After the economic crisis in 2001, the Argentine establishment accepted becoming a minority partner in a political project it doesn't really agree with, but now that the economy has been solved, the message is: We want you out," says Calcagno.

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