

Argentine Leader Slams U.S. Allegations

New President Calls Scandal 'Garbage' Intended to Hurt Her

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LIMA, Peru, Dec. 13 -- [Argentina's](#) new president berated the United States on Thursday for alleging that the government of Venezuelan President Hugo Chávez had tried to illegally funnel cash to her recent presidential campaign, labeling the accusations "garbage."

U.S. officials, though, said four men who were charged in [Miami](#) in connection with the case -- and who allegedly conspired to cover up the truth -- had close ties to the Venezuelan administration.

U.S. prosecutors on Wednesday said they had evidence that a suitcase containing nearly \$800,000 seized by Argentine customs officials in August came from the Chávez administration and was destined for the campaign of Cristina Fernández de Kirchner, who was sworn in Monday as Argentina's president.

Fernández de Kirchner, elected by a wide margin in October, responded Thursday with some accusations of her own: The United States manufactured the scandal, she said, to punish her for maintaining friendly relations with the vocally anti-American Chávez.

[Venezuela's](#) influence in [Latin America](#) has long troubled U.S. officials, who have accused Chávez of using oil profits to finance allies throughout the region. This week's allegations marked the first time the United States has tried to prove it.

A senior U.S. official knowledgeable about the investigation said in an interview that the case has shed light on how the Venezuelan government has relied on businessmen close to Chávez's administration to channel money without being detected. Guido Alejandro Antonini Wilson, an affluent businessman in the oil industry and in arms sales, sectors in which the Venezuelan government spends handsomely, was detained Aug. 4 after landing at a [Buenos Aires](#) airport with the money-packed suitcase.

"The modus operandi is the Venezuelan government reaches out to individuals like Antonini Wilson, allowing him to make a lot of money with contracts," said the official, who spoke on condition of anonymity because of the delicate nature of the subject. "And the cost is, when they want him to move money, he moves it, and he moves it to whoever they ask him to deliver it to."

Less than two weeks after the money was seized -- sparking rumors of a government scandal -- a group of Venezuelans traveled to Miami to pressure Antonini to conceal the truth about the cash, according to the criminal complaint filed in Miami. The men told Antonini that Argentine and Venezuelan authorities would pursue him if he denied the funds were his, and that his children could be harmed. Antonini, who cooperated in the

investigation leading to the arrests, holds U.S. and Venezuelan passports and lives in the Miami area.

Among those who prosecutors say pressured Antonini were Carlos Kauffmann and Franklin Duran. Duran is the owner of the arms importer Rubial y Duran, which has provided weapons for police agencies in Venezuela. Duran and Kauffmann are also executives in Industrias Venoco, a petrochemical and oil services company with close ties to the Venezuelan state oil behemoth, Petróleos de Venezuela.

An attorney for the men told the [Associated Press](#) that his clients were innocent. Kauffmann, in an interview in August with *La Nación*, an Argentine newspaper, tried to distance himself from Antonini, though he acknowledged that Antonini had worked as an adviser for Venoco.

According to U.S. officials, the Venezuelans told Antonini that Fernández de Kirchner could lose the election if the truth came out. And they tried to soothe him by explaining that Petróleos de Venezuela would pay for any expenses he might incur for the seizure of the cash.

U.S. officials said it has been a priority for Venezuela's government to ensure that the source of cash sent to other countries never be discovered. "The Venezuelans decided that they would need to create offline capabilities to move money to people they support, and it had to be done in ways that could not be traced to the government," the senior official said.

More than perhaps any other country in the region, Argentina has tried to balance friendly ties with both the United States and Venezuela, which has helped the country recover from its 2001 financial crisis by buying billions of dollars worth of Argentine bonds. During her campaign, Fernández de Kirchner emphasized the importance of strengthening the country's foreign relations, including those with the United States.

On Thursday, discussing the burgeoning controversy, she sided squarely with Venezuela.

"This president might be a woman, but she won't let herself be pressured," she said, drawing cheers from a crowd gathered for an event at the presidential palace in Buenos Aires. "I'm going to continue to strengthen relations with all friendly Latin American nations, including the Bolivarian Republic of Venezuela."

In a thinly veiled reference to the United States, Fernández de Kirchner also complained that some countries wanted others "subordinated" to them. It was an anti-imperialist note that resonates in many corners of Latin America, not just Venezuela.

Riordan Roett, an expert on Argentina at [Johns Hopkins University](#), said the case would worsen already cool relations between the Bush administration and Argentina. Though he is critical of some of the Argentine government's economic policies, Roett said the United States could have handled the case more delicately.

"It was ham-handed," he said. "We have to learn how to deal with Latin America with these kinds of incidents. Someone should have been sensitive to the fact that there's a new administration in Argentina and you want to build new bridges."

The [State Department](#) on Thursday declined to address the specifics of the allegations, but spokesman [Sean McCormack](#) told reporters that the Venezuelan government has been engaged in campaign politics in many countries in the region.

"We have talked about their interference in the affairs of other countries," said McCormack, who specifically mentioned Chávez's support of Ollanta Humala, who lost in his presidential bid in [Peru](#) last year. "They have tried to insert themselves into various elections throughout the region, and in several cases it has backfired."

But some analysts suggested that the U.S. allegations could also backfire if the case that prosecutors eventually present does not offer definitive proof linking Chávez's money to Fernández de Kirchner's campaign.

Ignacio Labaqui, a professor of political science at the Catholic University of Argentina, said the timing of the U.S. court complaint -- in the same week as Fernández de Kirchner's inauguration and the launch of the Bank of the South, a financial institution being championed by Chávez -- naturally brings out skepticism in Argentina. "I don't believe in conspiracy theories," he said, "but I would say the timing is quite suspicious."