

THE OPPENHEIMER REPORT

Argentina's front-runner is no Hillary Clinton

The Miami Herald
Oct. 28, 2007

Argentina's first lady Cristina Fernández de Kirchner, who according to most polls will win Sunday's presidential elections, has been repeatedly described as "Argentina's Hillary Clinton."

She's not.

Before we get into why such comparison is misleading, let's recap what virtually all foreign media -- including The Miami Herald -- have said about Sen. Fernández de Kirchner in their pre-election stories last week.

Like Hillary, the 54-year-old Argentine first lady is a self-described "progressive" senator who met her husband in law school, stood by his side when he became governor of a remote southern state, and later helped him climb all the way to the presidency.

She also became a senator in her own right.

And her husband, like Hillary's, presided over a period of strong economic growth -- in Argentina's case largely thanks to rising world commodity prices and massive soybeans purchases from China.

Judging from what I recall from the one time I met her, Fernández de Kirchner may be an improvement -- at least in style -- over President Kirchner.

Both share the same populist rhetoric and are prime practitioners of Argentina's age-old tradition of blaming international creditors for the country's ills (a friend likes to say that, in Argentina, man's best friend is not the dog, but the scapegoat).

But Sen. Fernández de Kirchner is somewhat less confrontational and parochial than her husband.

The outgoing president lashes out almost daily against real or perceived adversaries, and has managed to antagonize virtually everybody, from President Bush to most independent Argentine business leaders or journalists, since he took office in 2003. Kirchner rarely meets with his country's business leaders, and according to his closest aides, finds foreign policy -- and meetings with foreign dignitaries -- extremely boring.

Sen. Fernández de Kirchner, while also lambasting the International Monetary Fund and rich countries in her fiery speeches, is more willing to talk with those outside the presidential couple's inner circle of provincial yes-men. In recent weeks, she has met with leading Argentine business groups with whom President Kirchner had rarely met.

And she is more interested in the outside world than her husband. In recent months, in addition to Venezuela and Ecuador, she has traveled to the United States, Mexico, Germany, Spain and Austria, meeting with foreign leaders and academics. In New York, she recently addressed the Council of the Americas, a group representing multinationals doing business in Latin America.

When I met the Kirchners at a presidential summit in Mexico three years ago, she struck me as somewhat more open-minded than the president. While he lectured, she came across as a better listener, perhaps because of her years in Congress, and her being used to legislative debates.

While Sen. Fernández de Kirchner would most likely maintain Argentina's close relations with Venezuela, whose narcissist-Leninist leader Hugo Chávez has bought more than \$4 billion in Argentine bonds, she would most likely improve ties with European democracies. And, according to people close to her, it would not be surprising if she were to improve ties with Washington after the 2008 elections, when a new U.S. president will be taking office.

But there are big differences with Hillary. Unlike Hillary, Sen. Fernández de Kirchner is running for president as the wife of a sitting president, who has put his government's massive resources -- including the presidential plane, and massive government advertising - - at her disposal.

According to a report issued last week from the Committee to Protect Journalists (in the interests of full disclosure, on whose board I sit), in the months leading to Sunday's elections, the Kirchner government has spent \$51 million in official advertising -- 63 percent more than last year.

While Fernández de Kirchner became a senator before her husband reached the Argentine presidency, her own rise to the presidency will not be preceded by a competitive primary election: she was handpicked by her husband. And Sen. Fernández de Kirchner has not participated in any presidential debate, where she could have faced direct criticism from her rivals, nor has she given any press conferences during the campaign.

My opinion: Sen. Fernández de Kirchner may be a small improvement over her husband, but I'm not too optimistic about her -- or Argentina's -- future if she continues on the current course.

The Kirchners -- and many Argentines -- are living under the illusion that the country's recent years of strong economic growth are somehow due to a new "economic model," rather than outside factors such as China's appetite for Argentine commodities.

That has resulted in complacency, and has led the country to miss its best opportunity in many decades to modernize, and become a magnet for domestic and foreign investments.

If she becomes president, we will hear a lot more talk about "Argentina's Hillary." But such comparison will only help conceal the less admirable side of Fernández de Kirchner's rise to power.