

Argentine first lady now president-elect

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BUENOS AIRES, Argentina --

Cristina Fernandez rode into the presidency on her husband's reputation but now must learn to stand on her own: Argentina's economy is overheating, voters are angry about inflation and crime, and unpopular hikes in utility rates are inevitable.

The first lady takes over from husband Nestor Kirchner on Dec. 10 as Argentina's first elected female president, finishing 22 percentage points above her closest rival - also a woman. Following Michelle Bachelet of Chile, she will become the second South American woman in as many years to take her country's highest office.

Her success was largely due to the accomplishments of Kirchner, who oversaw a recovery from a deep financial crisis with growth rates of more than 8 percent a year. But a quarter of Argentina's 37 million people still live in poverty, 9 percent are unemployed and all struggle with inflation that analysts agree is much higher than the government admits.

"2008 is going to be a terrible year for the lady," said Riordan Roett, director of Western Hemisphere studies at Johns Hopkins University.

"Change has just begun," Fernandez promises. Now she'll have to deliver - not only to the 45 percent of voters who cast their ballots for her Sunday, but also to the 55 percent who didn't.

Fernandez will likely have to hike energy rates. They have been frozen near pre-crisis levels, but an energy shortage makes that untenable. Argentina also still owes \$6.3 billion to the "Paris Club" of wealthy developed nations, and has more than \$20 billion in defaulted loans from the 2002 crisis.

Cristina Mir, a used watch saleswoman who voted for runner-up Elisa Carrio, scoffed at Fernandez's slogan of change.

"If the change has just begun, that means that her husband didn't really do that much," she said. "If she doesn't find a solution to inflation, crime and the problems in the health system, we're on the road to disaster."

Supporters laud Kirchner for spurring an export boom by keeping the peso weak. But now the budget surplus is shrinking as government spending increases. And investors remain wary of Argentina after the tough renegotiation of its \$100 billion debt default.

Perhaps most critical is inflation. Kirchner imposed price controls, but still watched inflation rise to 8.6 percent by the official count - and at least double that by any private one.

On the pampas, farmers chafe that the government places high taxes on grain and limits beef exports, eating at their profits to fund social programs. Fernandez has said she will continue to do so.

"Kirchner hasn't let the countryside grow like it should, and we don't have expectations that things are going to improve with Cristina," rancher Juan Carlos Salas said in the southern town of Gandara.

Fernandez also will need to address soaring crime: Shootouts, home invasions and attacks on the elderly are common.

Abroad, Fernandez shows more interest in international diplomacy than her husband, and could seek improved ties with Washington even as she maintains close relations with socialist Venezuelan President Hugo Chavez and other leftists.

Chavez called to congratulate her, saying: "This is a triumph of the women of Latin America, because women are going to save the world," according to Venezuela's state-run Bolivarian News Agency.

Bachelet, across the Andes, also called to wish her luck, and U.S. State Department spokesman Sean McCormack offered congratulations from Washington.

Argentina has regulations to encourage women's participation in politics, including a 1991 law stipulating that one in three candidates nominated for legislative races must be women. Many Argentine women said Fernandez's election was a major milestone.

"She will serve as an example for other woman," said Lucia Brambi, a 24-year-old lawyer. "It opens the doors for more women in politics."

And what about Kirchner? Her closest adviser, he joked of becoming "first gentleman." His cabinet chief, Alberto Fernandez, told Radio America on Monday that "no way" will Kirchner try to run a joint presidency.

But Kirchner made clear he won't shy away from the presidential palace either. Every day, he said, he'll fly with her by helicopter to work.