

Name: Alert ID: TMML2024034818621 BUENOS AIRES (Reuters) - A judicial probe of possible corruption during Argentina's last government is also threatening the new administration as some of President Mauricio Macri's own allies face investigation. Macri, a center-rightist, took over as president in December from outgoing leftist Cristina Fernandez, pledging to root out corruption as well as implement sweeping market-friendly economic reforms. Investigations have already led to the arrest of a Fernandez ally and landed the ex-president in court for questioning. But now questions are also being asked of some close to Macri, threatening to taint his image. Iecsa, a construction firm that is part of the Macri family empire and controlled by his cousin Angel Calcaterra, is one of nearly 100 companies in Argentina being investigated as part of Brazil's growing "Car Wash" scandal, an Argentine judicial source close to the case told Reuters. The source did not provide specifics of the Iecsa case, but the "Car Wash" probe has focused on kickbacks and other irregularities in bloated contracts at state oil firm Petrobras. A source close to Iecsa said the company "has never been notified of any investigation". Government anti-money laundering and anti-corruption officials, newly appointed by Macri, are pushing to investigate corruption under Fernandez's administration. They have encouraged whistleblowers to come forward and offered lighter punishments for wrongdoers in exchange for information. Macri has kept his distance from the probes. "I will permit, stand back and work with it when needed, but justice has to work independently," said Macri this week. Still, Fernandez is portraying herself as the victim of persecution. "They can call me to testify 20 times. They can imprison me. But they will not be able to silence me," she told cheering supporters after testifying about charges against the central bank for selling U.S. dollar futures at below-market rates during her presidency. Daniel Scioli, the opposition leader and Fernandez ally who lost to Macri in the presidential election, has warned against a witch-hunt. "We hope politics does not become judicialised and that the justice system does not become politicized," he told Reuters. 'K MONEY ROAD' Argentine media are closely following the twists and turns of the corruption allegations that have become known as the 'K money road', an allusion to Fernandez's deceased husband and ex-president Nestor Kirchner and their 'Kirchnerista' movement. Prosecutors are probing a complex web of cases linked to property entrepreneur Lazaro Baez, a close ally of both Fernandez and Kirchner. He was arrested last month for questioning after some \$5 million was allegedly deposited in a bank account in his son's name. Fernandez denies any wrongdoing. Associates of Macri, including Iecsa, also have Baez connections. Iecsa joined forces in recent years with Baez's Austral Construcciones in a failed attempt to compete for public works projects. Iecsa is not part of the judicial probe into Baez and the source close to the company said it was not a partner of Austral, but "just worked with it on two bids, as it has with many other companies". The source added that Macri's cousin Calcaterra is trying to sell Iecsa to avoid possible conflicts of interest. Also caught in the probe of Baez is a federal intelligence official, Silvia Majdalani, who was appointed by Macri and is now being investigated for money laundering. Other officials in Macri's government are also being questioned in the dollar futures case. A spokesman for the government said: "The government isn't worried because it is allowing justice to act freely." The Supreme Court has asked judges to push ahead with corruption and drug trafficking cases and legal sources say judges who may have faced stonewalling from security forces or the civil service under Fernandez's government can now count on more collaboration. "There are judges that now feel empowered to investigate the last administration. Before, they couldn't get access to information," a federal court source told Reuters. Yet, there are political risks. When Fernandez went to court to answer questions in the central bank case, huge crowds filled the streets of Buenos Aires in a show of support as she railed against Macri. "They went looking for the K money road," she cried. "They found the M money road."