

Milei's Party Reels as Drug-Trafficking Scandal Overshadows Election Campaign

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The link between José Luis Espert, Milei's top candidate in Buenos Aires Province, and Federico "Fred" Machado—an Argentine national sought by the United States for extradition on drug-trafficking and fraud charges—who allegedly provided \$200,000, thrusts the "libertarian" camp back into a political corruption storm just weeks before the parliamentary elections.



Amid the race for the October 26 legislative elections, La Libertad Avanza (LLA)—the party of Argentina’s President Javier Milei—has plunged into a deep internal crisis. At the center of the political earthquake is the revelation of a link between Buenos Aires Province congressional candidate José Luis [Espert](#) and Federico “Fred” Machado, an Argentine businessman sought by the United States for extradition on drug-trafficking and fraud charges.

The so-called “narco scandal” not only raises concerns about how the far-right party will perform at the polls, it also exposes fractures within the libertarian camp, with prominent leaders publicly demanding that the situation be clarified immediately.

According to forensic accountants in Texas, United States, the La Libertad Avanza lawmaker allegedly received funding from “Fred” Machado, an Argentine accused of drug trafficking and fraud who was detained in 2021 and remains under house arrest in the province of Río Negro pending a final decision by U.S. courts on his extradition. The revelation comes less than a month before the legislative vote, where, according to most polls, the ruling coalition trails Unión por la Patria.

U.S. court records indicate a financial link between Machado and Espert after the libertarian received a transfer of \$200,000 via a trust controlled by Machado.

Financial and logistical support to Espert was reportedly recorded during the 2019 presidential campaign—when he ran for president—and again in the 2021 midterms, which ultimately brought him into the Chamber of Deputies.

In an interview with TN, the libertarian denied having a relationship with Machado and said: “I only saw him once in my life because he offered his help.”

Bullrich breaks ranks and demands explanations

While Milei’s lead candidate in Buenos Aires Province attempts to dismiss the accusations as a “dirty campaign,” Security Minister and fellow libertarian candidate Patricia Bullrich broke with the unified message, issuing statements that sounded like a warning. Far from closing ranks, Bullrich called for full transparency and insisted the situation be “clarified now.”

“We cannot accept conduct from people who have received drug money,” she stated.

She also previewed a formal move by the Executive Branch: “We are going to request explanations about what happened during the presidential campaign of the current La Libertad Avanza candidate for deputy in 2019.”

Bullrich doubled down on the urgency, outlining the mechanisms she believes should be activated.

“It’s important to clarify Espert’s situation now. We need an explanation—this dates back to 2019. We have to see what explanation he gave at the time and what he filed; that’s what we need to know. He may have submitted an explanation to the Electoral Court, which could be valid or not—we need to see it,” she argued, shifting the burden of proof directly onto the candidate.

Even so, the minister floated a possible scenario in which Espert might not have known what was happening.

“It seems like, in the midst of a campaign, someone involved with drug trafficking slipped in,” Bullrich said. She completely avoided answering whether, in her view, the lawmaker should continue heading the LLA ticket in Buenos Aires Province, considered the country’s most important electoral district.

What sparked the firestorm: \$200,000 transfer, private jets and vehicles

The scandal erupted with the release of a U.S. judicial report detailing a direct financial connection between the lawmaker and the accused businessman. According to Texas forensic accountants, the current libertarian candidate received a \$200,000 transfer on February 1, 2020, funds that came from a trust Machado shared with his former business partner, U.S. entrepreneur Débora Lynn Mercer-Erwin, who is also detained and has been sentenced to 16 years in prison for drug trafficking, money laundering and fraud.

Among the most compelling evidence are flights and vehicles that were allegedly made available to the economist during his campaign activities.

This objective record clashes head-on with Espert's public defense strategy. When pressed by reporters, he replies "dirty campaign," yet he has avoided categorically confirming or denying receipt of the funds. In recent appearances, he acknowledged only a circumstantial link: having flown on a plane owned by Machado.

"Obviously, I thanked him," Espert said, before attempting to draw a red line. "Had I known that person was this (an alleged drug trafficker and fraudster), I wouldn't be thanking him to the four winds." That justification—based on claimed ignorance—has not quelled the crossfire or the mounting doubts, including inside his own political space.

Milei downplays the allegations as "salon gossip"

Confronted with the crisis, President Javier Milei moved to minimize the gravity of the accusations, aligning himself with the "dirty campaign" thesis. He dismissed the revelations as "salon gossip" and framed them as a recurring tactic by his opponents, reported <https://www.pagina12.com.ar/862272-la-campana-libertaria-en-crisis-por-espert-y-el-narcoescanda> *Página/12*.

"It's the same operation they pulled in 2019. Six years have passed—they smeared him in 2019, they smeared him in 2021; it's recurrent. It's part of the methodology," Milei said, seeking to shield his candidate and recast the story as political persecution.

Even so, the presidential firewall seems insufficient to calm internal waters. As within La Libertad Avanza, and echoing Bullrich, voices of concern are growing, demanding a clear and forceful explanation just weeks before the legislative elections.

In these critical hours, La Libertad Avanza is gambling more than a candidacy: it is putting the credibility of its project—and the cohesion of a movement that

promised a new way of doing politics—on the line. After the alleged bribery scandal at the National Disability Agency (ANDIS), which implicates key libertarian officials including the president's sister and presidential chief of staff, Karina Milei, the project now faces the shadow of suspected drug-money financing.

Fuente: [El Ciudadano](#)