

## **Mexico Said to Promise Some Political Steps to Get U.S. Loans**

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### **Body**

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Despite the insistence of Mexico that it would not accept any political conditions on \$20 billion it is to receive in loans and loan guarantees from Washington, officials said today that it did agree to sweeten the deal with new measures to control undocumented immigration into the United States and drug trafficking.

Mindful of the sensitivity of Mexico to the notion that it acted under American pressure, United States officials noted that its commitments grew out of discussions begun before the loan talks and reflected longstanding concerns of President Ernesto Zedillo.

But the Americans also acknowledged having pressed Mexico for quick results -- first to avoid more stringent political conditions on a \$40 billion plan that the Administration ultimately abandoned, then to try to mollify Congressional opposition to the \$20 billion agreement signed on Tuesday.

"There was clearly a commitment by the Mexicans before the financial crisis to work in these areas," one American official said. "But we've definitely made an effort to get some of these things more quickly and in writing."

In at least some areas, Mexico's promises appeared to be neither binding nor particularly specific. For instance, while the Zedillo Government pledged to crack down on the leaders of a notorious cocaine-smuggling organization, the so-called Gulf Cartel, American officials said their private agreement included few details about how Mexico would do so.

Still, the accords were focused deliberately on some of the most contentious issues on the bilateral agenda. And officials said the Administration had already begun presenting them to legislators who have complained for weeks that the United States was getting little in return for its sizable efforts to rescue Mexico's economy.

"There's a lot of politics involved," the United States Ambassador to Mexico, James R. Jones, said in an interview today. "A lot of U.S. congressmen wanted to claim credit for forcing Mexicans to do things that they didn't want to do. I always felt that if you put these things into a package, it would undermine what we are trying to do."

Under draft legislation proposed last month by the House Banking Committee, part of the package called for Mexico to halt the debt-for-equity swaps under which the Government has forgiven hundreds of millions of dollars in Cuban debt in exchange for equity given to Mexican investors in Cuba, said officials who saw the draft.

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A senior Mexican official said such conditions were rejected as "totally impossible."

Yet the accords that were finally reached appear to overlap closely with proposals that the State Department made to Mexico as part of a side letter that was intended to keep political conditions out of the loan-guarantee legislation itself.

Steps that Mexico agreed to take on undocumented immigrants included new measures to break up immigrant-smuggling rings, the expansion of a border anti-crime force and a promise to shut down a network of water tunnels in Nogales that are often used for smuggling immigrants.

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