

*The President.* No. I think it's a good omen, because—keep in mind this agreement was not just about the Hebron redeployment. It was about a timetable for further redeployment. It was about other arrangements that would shape their future working relationship. So this is—there's much more in this agreement now. And Mr. Berger can answer more questions about it.

NOTE: The President spoke at 8:27 p.m. in the Briefing Room at the White House. In his remarks, he referred to Prime Minister Binyamin Netanyahu of Israel; Chairman Yasser Arafat of the Palestinian Authority; King Hussein I of Jordan; and President Hosni Mubarak of Egypt.

## Remarks on Mexico's Repayment of Loans From the United States and an Exchange With Reporters

*January 15, 1997*

*The President.* Good morning, and welcome. Ambassador Silva Herzog, Chairman Greenspan, Secretary Rubin, Deputy Secretary Summers and other members of the administration, Mr. McLarty, Mr. Berger, Congressman Richardson, Congressman Matsui, Congressman Frank, ladies and gentlemen. Just a few moments ago, President Ernesto Zedillo of Mexico called me to tell me that Mexico had issued instructions to repay the remaining \$3.5 billion of the \$13½ billion the United States loaned to Mexico 2 years ago in the wake of the peso's collapse.

In 1995, when my administration put together this emergency support package, Mexico was in crisis. Today the United States is being repaid more than 3 years ahead of schedule. We have earned more than half a billion dollars on our loan. Our exports to Mexico are at an all-time high, and the Mexican economy is back on track.

Two years ago, helping our friend and neighbor in a time of need was quite controversial. Some said that we should not get involved, that the money would never be repaid, that Mexico should fend for itself. They were wrong. Today the American people can be proud that we did the right thing by Mexico and the right thing for the United States and the right thing to protect global prosperity.

The financial crisis in Mexico was also America's problem. We had to act to prevent the crisis from destabilizing our third largest trading partner, spreading to other emerging markets from Latin America to Asia, and threatening the sales of goods and services that generate jobs for American workers. By taking action, we protected a strong and growing market for

American products that supports 700,000 jobs here. We helped Mexico to sustain its program of democratic reform and economic growth. And we helped to give the Mexican people renewed hope for a more secure future.

I want to thank Secretary Rubin and his team at Treasury, Deputy Secretary Summers and Under Secretary Shafer, for the remarkable job they have done. I want to thank Chairman Greenspan for his support of this course of action and for the close cooperation that he offered the Treasury Department in working through this. Together they put together an emergency \$20 billion loan support package that allowed Mexico to work itself out of the crisis while working itself back to financial and economic health. We also led an international effort to make available up to \$50 billion in emergency support from international financial institutions.

For its part, Mexico put in place a tough adjustment program to get its economic house in order. Today, in thanking President Zedillo for the good news we have received, I also want to applaud him and his team for the skill and courage they have demonstrated in sticking to their program of reform and reviving Mexico's economy. The Mexican economy grew by over 4 percent in 1996. The exchange rate has stabilized. Inflation has been cut nearly in half. Close to one million new jobs have been restored to Mexico since the crisis bottomed out. And Mexico has regained the confidence of international investors. This is a remarkable turnaround. Following its 1982 financial crisis, it took 7 years—7 years—for Mexico to return