

- modernization of telegraph services;
- expansion of access to private telephone lines for greater utilization of telex services;
- improved quality and greater access to data transmission services;
- increased facilities for computer networks;
- improvements to radio stations;
- diversification and expansion of television broadcasting;
- improvement of postal service;
- modernization of the legal framework for telecommunications in order to encourage new services and increased competition.

The Program for the Modernization of Telecommunications published at the end of 1989 sets six basic objectives:

1. Improving the quality of telecommunications services in order to be internationally competitive;
2. Increasing service coverage in rural and urban areas to link Mexico's population both internally and internationally;
3. Diversifying and modernizing services;
4. Setting competitive tariffs and attaining financial selfsufficiency and reducing telephone taxes;
5. Fostering increased private investment participation and competitiveness and reducing state participation in order to attract new investments and reduce government spending in this sector;
6. Modernizing the regulatory framework in order to allow for increased competition by allowing private companies to provide telecommunications services, while the federal government retains planning, regulation and supervision functions.

This program calls for a one billion dollar investment during the 1989-1994 period. This amount is to be directed toward the satellite network (30%), data communications (8%), telegraph, the federal microwave and optic fiber network (54%) and special services. Private investors will have an increasing participation in telecommunications, particularly in areas such as private networks for data transmission, installation and operation of earth stations, cellular telephone services, paging systems, fax and electronic mail. Foreign and national private investors are expected to invest approximately \$30 billion in the telecommunications sector in the next ten years.

The government continues to operate the basic telecommunications network through a new decentralized office called Telecomunicaciones Nacionales de México. It operates the basic network, satellite earth stations, data communications and telegraph systems. In the area of radio, new concessions are expected to be granted and old ones reviewed. New concessions are also expected to be granted for television stations, UHF channels and side-band frequencies for music, teletext and cable TV.

SCT has stressed the importance of developing a solid infrastructure for satellite communications. Priority will be