

Statement by Secretary of State Pedro Cerisola y Weber
in the World Summit on Information Society
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Mister Chairman
Ladies and Gentlemen

Reducing the digital divide and integrating our countries to the Information Society is a task that we are all convinced of and to which we are committed: however, a fact that calls our attention and must be a cause for reflection is that the results so far achieved are different in each country, even if a majority of us have shared three common public policy elements for several years.

1. First, the active participation in globalization, through the conclusion of free trade and economic complementation agreements.
2. Second, the privatization of state enterprises, and
3. Third, the opening of our internal markets to free competition.

However, globalization, privatization and liberalization will only be able to show all their potential so long as they represent substantial improvements of the living conditions of all inhabitants, particularly the poorest ones.

The topic of this important Summit -eliminating the digital divide and integrating all inhabitants of the world to the Information Society- confirms the previous statement. In order for this wish to come true, it must be confronted starting from the specific problems that each country faces in offering connectivity, accessibility, contents and systems to their entire populations.

Therefore, not being a doubt about the road we must follow, there are differences in the rhythms of adoption, adaptation and technology development that each country can undertake, without forgetting the role that Governments must play in the task of correcting market imperfections.

An aspect to consider is the degree of connectivity and accessibility to Information and Communication Technologies that countries had when they began their privatization and liberalization processes.

In this respect, we find two fundamental groups of countries:

Those with full coverage of telecommunication public services and mature networks and those with partial coverage and incipient networks.

This brings us to two reflections,

One, in which we note that for the group with full coverage and mature networks there was a previous model that allowed them to give the necessary services to all their populations.

The other, in which we note that the privatization and liberalization process applied to the group with networks in development and partial coverage must be different: because it requires that we give parallel attention to additional expansion objectives, and to coverage of services to the entire population; sometimes in a differentiated manner between regions within each country.

In Mexico, the privatization and opening of the telecommunication sector happened even before similar processes began in other countries which have broader coverage and more mature networks.

After thirteen years of privatization and opening local services to competition, and seven years of liberalization of long distance services, obeying to market, economic and industrial rules. actions have not been oriented to expanding networks in marginal areas, where the largest social benefits could be achieved. and where the digital divide has its origin. This gives place to a concentration of strength in privileged areas, normally urban centers generating a closed competition to dominate a market that only represents, in our country, sixteen percent of the total population in wired networks and 28% in wireless services.

It is thus, that with the conviction that the model of globalization, privatization and market opening that we have maintained is the correct one, we cannot but ask: what else is necessary? to reach the objective of a fast and efficient elimination of the digital divide and the broad and definitive insertion of our population in the Information Society.

It is clear so far, that the attention of our particular needs will not be resolved by simple market forces, and that they must be tended to, with particular emphasis on demanding a responsible and committed focus of public policies, in order to materialize, in a specific manner, the creation of the necessary and accessible infrastructure for all our population, as well as of content that generates knowledge.

It is also clear, that in countries in which there is not yet full coverage of general telecommunication and basic telephone services, the market forces will not cover the underserved areas for the simple reason that we cannot speak of a market when the population has no purchasing power to pay for the services.

The infrastructure that many of our countries need implies hefty investments, which should be directed to poor and marginalized population. It is there where the promoting

action of governments, through specific economical as well as regulatory programs that encourage the private sector to invest where until today it has felt no need or convenience to do so.is needed.

The international community cannot ignore the reality that the majority of the population that will integrate the Information Society is located precisely where we still have to resolve the creation of basic infrastructure. It is indispensable, therefore, to recognize that, in light of the international experience, there is not an only recipe for general application that guarantees results.

Therefore, each country must design its own model . without forgetting that the ultimate objective is to provide the means required by each nation, taking into account the interests of the private sector, as well as the social needs of its population in general, in order to incorporate it to the global Information Society in an equitable manner.

Allow me to conclude by paraphrasing Joseph Stiglitz, Nobel Peace Prize in economy in 2001.

There is no sense in simply implying that the policies were right but they were not correctly implemented. Political economy cannot be preached in an ideal world, but in the world just as it is.

We must therefore design policies not in function of how they are implemented in the ideal world, but in the real world in which we live.