

1-29-1997

## Mexico Announces Ambitious Infrastructure Plans for 1997

LADB Staff

Follow this and additional works at: <https://digitalrepository.unm.edu/sourcemex>

---

### Recommended Citation

LADB Staff. "Mexico Announces Ambitious Infrastructure Plans for 1997." (1997). <https://digitalrepository.unm.edu/sourcemex/3687>

This Article is brought to you for free and open access by the Latin America Digital Beat (LADB) at UNM Digital Repository. It has been accepted for inclusion in SourceMex by an authorized administrator of UNM Digital Repository. For more information, please contact [amywinter@unm.edu](mailto:amywinter@unm.edu).

## **Mexico Announces Ambitious Infrastructure Plans for 1997**

*by LADB Staff*

*Category/Department: Mexico*

*Published: 1997-01-29*

In late January, President Ernesto Zedillo's administration announced an ambitious plan to upgrade and expand the country's transportation and communications infrastructure during the coming year. Under the plan, the government will rely extensively on private capital to leverage government expenditures, since the federal budget of 12.6 billion pesos (US\$1.6 billion) approved for the Communications and Transportation Secretariat (SCT) is only about 2% higher than the funding allocated for the agency in 1996. In fact, financial specialists told Reuter the SCT budget for next year is about 28% lower in real terms than 1996, if the inflation rate is taken into account.

At a press conference, President Zedillo said that, despite the reduced government expenditures, improving the country's infrastructure is a top priority for his administration during the coming year. "We cannot be satisfied because we know that our country needs more roads and highways," said Zedillo. "We know that there are seaports and airports that urgently need modernizing." Government to attract capital through privatizations According to Zedillo, during 1997, the government plans to attract private capital through the privatization or concession of railroads, port facilities, telephone services, and highways. "I am confident that this effort will be matched by the private sector, taking advantage of the new legal codes that facilitate their participation in this important task," Zedillo said.

For his part, Communications and Transportation Secretary Carlos Ruiz Sacristan said 70% of the agency's total direct expenditures of 12.6 billion pesos (US\$1.6 billion) will be devoted to highway construction and repair in 1997. Another 20% will be allocated for other transportation projects, and the final 10% will go to expansion of communications infrastructure. According to Ruiz Sacristan, the SCT plans to fund the repair of 260 bridges and about 3,000 km of roads in poor condition. A total of about 42,000 km of roads is currently under the SCT's jurisdiction.

Ruiz Sacristan said the SCT will continue to fund projects that have a high strategic value to the country, such as north-south routes connecting central Mexico with the Mexico-Texas border. In fact, in early January, President Zedillo inaugurated a 100-km stretch of highway in San Luis Potosi. The project, which was constructed primarily with government funds, is expected to improve the flow of traffic from Mexico City and Queretaro to Ciudad Victoria, Tamaulipas state. This route is frequently referred to as the "NAFTA highway," because it is a major route for transporting products from central Mexico to the Mexico-Texas border. (Note: Peso-dollar conversions in this article are based on the Interbank rate in effect on Jan. 29, reported at 7.79 pesos per US\$1.00) [Sources: Reuter, 01/21/97; El Economista, Novedades, Siglo XXI, The News, 01/22/97; El Nacional, 01/23/97]

-- End --