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## TRADE

# Bickering over unity at Mercosur meeting

## In Brazil, complaints and disputes took center stage at the annual meeting of the South American trading bloc, Mercosur.

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Associated Press

**BRASILIA** - Bickering and complaints overshadowed integration as foreign ministers from the five Mercosur countries began their second annual meeting Friday.

Uruguay complained about Argentines constantly blocking border crossings to protest a paper and pulp plant they say will harm the environment. They also complained about the country's \$1 billion trade deficit with Brazil and Argentina.

The Argentines alleged Uruguay was illegally imposing tariffs.

Both Uruguay and Paraguay argued that they don't receive the same benefits as Brazil and Argentina -- the largest economies in the bloc.

Brazil, acting as host, tried to smooth over the differences with an appeal for greater integration of the region.

"It's not enough that political leaders are integrationists; the man on the street has to be integrationist. Only when that happens will we have true integration," said Brazilian Foreign Minister Celso Amorim, who took pains to avoid addressing internal divisions.

The meeting came a day after the trade bloc inaugurated its parliament in a ceremonial session meant to encourage greater unity among the members: Brazil, Argentina, Uruguay, Paraguay and, since July 2006, Venezuela.

Mercosur was founded in 1991 by the Treaty of Asunción to promote free trade and the fluid movement of goods, people and currency. Bolivia, Chile, Colombia, Ecuador and Peru are associate members.

Also Friday, Mercosur officials created a development fund, known as Focem, to promote integration between countries in the region. According to the Brazilian central bank, the fund will receive contributions of \$100 million annually.

Brazil will contribute 70 percent of the total, with 27 percent from Argentina, 2 percent from Uruguay and 1 percent from Paraguay.

Brazilian Finance Minister Guido Mantega said Brazil has so far earmarked \$35 million for deposit in the fund.