

Mexico Says Wants to Join Mercosur Trade Bloc

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ASUNCION, Paraguay (Reuters) - Mexico is asking to join South America's Mercosur, the world's third-largest trade bloc, Mexican Foreign Minister Luis Ernesto Derbez said Wednesday.

Mercosur -- or the Southern Cone Common Market -- comprises 240 million people and includes Brazil, Argentina, Uruguay and Paraguay, with Chile, Peru and Bolivia as associates.

"What Mexico is asking for is full membership. It seems to me the most prudent thing would be a similar association like Chile's. But for the moment, we're asking for everything," Derbez told a news conference on an official visit to Paraguay.

The announcement comes as South American leaders try to bolster Mercosur to present a strong front in largely stalled talks on the Free Trade Area of the Americas, whose 2005 launch is President Bush's top policy priority in Latin America.

The Mercosur bloc functions as a customs union. People and goods do not move freely across borders, and disputes still arise over a few remaining tariffs, dumping and farm subsidies.