What's Up To Date In Kansas City?

by Phyllis Schlafly August 9, 2006

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Grassroots Americans of all parties and economic classes rose up out of their political apathy a few months ago and forced President Bush to reverse his administration's decision to allow a Middle East government to own America's major ports. But the push for foreign ownership continues: the next port scheduled to be taken over is Kansas City, Missouri.

Even though public schools stopped teaching geography a couple of decades ago, most Americans (especially residents of the Show Me state) are surprised to learn that Kansas City (where the only waves are "amber waves of grain") is a port. We are also surprised, and shocked, to discover that Mexico will be running its own inspection facility.

The plan, shrouded in secrecy, has been in the works for at least three years, but it is now coming to light because of the diligent use of Missouri's Sunshine law by concerned citizens. Joyce Mucci and Francis Semler forced the release of the emails from Kansas City to Mexico, including one admitting that "The space [in Kansas City] would need to be designated as Mexican sovereign territory."

SmartPort spokesmen are now running away from this written admission, blaming "the problems and pressure the media attention has created." However, the stubborn sovereignty issue won't go away; the plan does involve setting up Mexican customs officials in downtown Kansas City.

The mechanism for this deal is a "nonprofit" business economic development corporation called Kansas City SmartPort Inc., whose president is Chris J.F. Gutierrez. The deal calls for Kansas City to lease the valuable property at 1447 Liberty Street.

As laid out on SmartPort's website, the plan is to enable cheap-labor products made in Communist China to travel in sealed "containers nonstop from the Far East by way of Mexico," through "a ships-to-rail terminal at the port of Lazaro Cardenas in Mexico," then up "the evolving trade corridor" to Kansas City, Missouri, where they would have their first inspection.

A Kansas City SmartPort brochure explains further: "Kansas City offers the opportunity for sealed cargo containers to travel to Mexican port cities with virtually no border delays."

A key purpose of the project is to take jobs away from U.S. longshoremen in Los Angeles and Long Beach who earn $140,000 a year and replace them with Mexican laborers at $10,000 a year. U.S. truck drivers and railroad workers will likewise be replaced by Mexicans.

The port of Lazaro Cardenas on the west coast of southern Mexico is controlled by Hutchison Whampoa, the same giant Hong Kong shipping firm that owns the ports at both ends of the Panama Canal. The Chinese-made goods will be carried by Kansas City Southern Railway de Mexico directly to Kansas City, where freight will be distributed east and west and on to Canada.

Kansas City Southern was originally just a belt rail around Kansas City but, after buying various Mexican rail companies and tracks, KCS now controls a 2,600-mile artery from Lazaro Cardenas to Kansas City. KCS's president, Michael Haverty, was one of only five U.S. businessmen who met with Presidents Bush and Vicente Fox, along with Canadian Prime Minister Stephen Harper, at their Cancun Summit in March.

Mexico was at first expected to pay for the big, expensive machines to conduct high-tech gamma-ray screening for drive-through inspections of containers, but Mexico declined the honor. SmartPort has applied for a $1.5 million grant from the U.S. Economic Development Administration (i.e., to get the U.S. taxpayers to pay for the machines).

The Kansas City city council has already earmarked $2.5 million in loans and $600,000 in direct aid (of taxpayers' money) to SmartPort, which would build and own the facility and then sublet it to the Mexican government. The cost could go as high as $6 million because Kansas City has an existing lease that runs through 2045 on the same property with the 107-year-old American Royal, which uses that land for its annual livestock/rodeo/barbecue event.

The last piece in finalizing this project is getting the U.S. State Department to approve the Mexican operation on U.S. soil by signing off on what is called the C-175 document. It has already been approved by U.S. Customs.

Meanwhile, NASCO (North America's SuperCorridor Coalition), another non-profit business organization, has taken on the mission of building an "international, integrated and secure, multi-modal transportation system" from Lazaro Cardenas through Kansas City and up to Winnipeg, Canada. This will allow Mexican trucks to haul goods along a 12-lane superhighway through the heartland of the United States.