



Trump Exits UN "Postal Union" to Stop Subsidizing China

Citing outrageous subsidies for Communist China that harm American producers, the Trump administration announced that the U.S. government would be withdrawing from the United Nations Universal Postal Union (UPU). If the organization refuses to end the scam whereby Chinese shippers can ship their goods to the United States from China cheaper than American firms can send them domestically, then the U.S. government will formally exit as planned. But if the outfit agrees to guit ripping off Americans and others to subsidize China, then the administration will consider rescinding its notice of withdrawal. The move, while relatively small in the big scheme of globalist things, is another step by the Trump administration toward protecting American jobs while reining in globalism and Western support for Communist China's rise to global power. Still, much work remains to be done.



The way the UPU is structured, "developing countries," a category that includes China, are allowed to pay far lower rates than "developed countries" such as the United States to ship goods via mail. Speaking to reporters, U.S. administration officials complained that the UN UPU agreement provides a discount of between 40 percent and 70 percent to Chinese shippers sending goods to America, versus what it would cost an American company to ship that same package within the United States. Obviously, as the administration pointed out, that acts as a major economic distortion. And it provides a huge unfair advantage to Chinese manufacturers and shippers, all paid for by Americans and other Western nations. It costs Americans about \$300 million annually, the official said, without including the massive loss of jobs and business. "We're looking for a fair system," a senior administration official explained.

Virtually everyone, including victims of Trump Derangement Syndrome (TDS) who blasted the president for "going postal," recognizes the problem — Americans are being looted on an industrial scale to subsidize Chinese Communism. And Trump is hardly the first one to notice it. In 2015, an article in *Fortune* magazine headlined "The United Nations is helping subsidize Chinese shipping. Here's how." blew the lid off just how badly Western nations were being robbed to help China and other nations ruled by totalitarians, such as Cuba. It gave the real-life example of a microchip that could be purchased from Radio Shack for \$9.99 and then shipped to a U.S. customer from a U.S. warehouse for \$6.99. Virtually the same component, costing less then \$2.00 due to being produced by slave labor, could be shipped from a China-based seller via eBay for zero dollars. Yes, zero. In the United Kingdom, it is cheaper to



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buy a Union Jack flag from China and have it shipped to a U.K. address than it is to pay just the postage to mail that same flag within Britain. The Chinese dictatorship and online giant Alibaba have been the major beneficiaries.

Analysts have noted how this situation completely undermines the ability of Western companies to compete in the online marketplace. "If there was ever a subject that could unite the Left and the Right politically in our country this topic simply must be it: the elimination of preferred (read: discriminatory) shipping cost rates in business by the United States Postal System," wrote Executive Director Frank Salvato with the non-partisan BasicsProject.org, a research and education initiative focused on the threats posed by Islamic jihad and neo-Marxism. "Making China and the other nations that market to Americans pay their fair share in shipping costs is a no-brainer. It would create fair trade in the marketplace, infuse funding to an already ailing postal system, and create employment opportunities across the United States as wealth and revenue streams infused our economy here at home."

The UN agency, though, was less than pleased. In a <u>statement</u> released on the organization's website, UPU Director General Bishar Hussein said he "regrets" the U.S. government's decision to withdraw and would be seeking meetings with American officials to discuss the issue. "The UPU remains committed to attainment of the noble aims of international collaboration by working with all its 192 member countries to ensure that the treaty best serves everyone," Hussein said. However, while echoing those remarks, his deputy added that they "respect the decision because we believe it was taken after careful consideration and reflection."

Still, the UN agency is doing everything possible to prevent a U.S. exit from the system. In a <u>subsequent statement</u>, the UPU director-general noted that negotiations were being fast-tracked to resolve the issue raised by the Trump administration. If approved, the goal would be to eventually raise "terminal dues," or the amount of remuneration received by postal services from their foreign counterparts — especially as applied to China, now the second largest economy in the world after the United States. Last week, UPU member states even agreed to "adjust the timelines" on the discussion about those rates. "I would urge the U.S., and all members, to exercise flexibility while discussing this matter," Hussein concluded.

The Communist Chinese regime has remained relatively quiet, but Beijing's Foreign Ministry spokesman Lu Kang did express his displeasure. "First of all, I want to say that the U.S. side has recently withdrawn from more than one organization. It has its own considerations behind these choices, but it is not necessary to involve China," he said. "We express regret over the U.S. decision to withdraw from the Universal Postal Union (UPU). The UPU is a UN specialized agency responsible for the international postal affairs. It plays a positive role in strengthening the links between countries and promoting trade facilitation. China is committed to upholding multilateralism and plays an active role in supporting the work of the UPU. We will continue to work with all relevant parties to contribute to the development of the international postal cause."

On the other hand, American producers were pleased with the developments. The National Association of Manufacturers, for example, blasted the UPU agreement as "outdated." The group also explained that the UPU scheme "contributes significantly to the flood of counterfeit goods and dangerous drugs that enter the country from China." NAM Vice President for Labor, Legal and Regulatory Policy Patrick Hendren noted that the subsidies to Chinese "firms" through this UPU arrangement probably "provide a lot of their profit margin." "We're not talking about pennies, we're talking about dollars per unit," Hendren explained.



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The UPU is not the first UN agreement or organization to be exposed and rejected by the Trump administration. Among other UN agencies and agreements to get the ax so far: the <u>UN Paris Agreement</u> on "Climate Change," the <u>UN Global Compact on Migration</u>, the <u>UN Relief and Works Agency (UNRWA)</u>, the <u>UN Educational, Scientific, and Cultural Organization (UNESCO)</u>, the <u>UN "Human Rights" Council</u>, and more. The administration has also put various bodies such as <u>the "International Criminal Court" (ICC)</u> on notice that any attempt to extend jurisdiction over Americans would result in severe repercussions, including potential prosecution.

As far as the UPU goes, if the subsidies to China are not resolved by October 17, 2019, the United States will be gone. "If negotiations are successful, the administration is prepared to rescind the notice of withdrawal and remain in the UPU," White House spokeswoman Sarah Sanders said in a statement. But according to the letter by Secretary of State Mike Pompeo to the UPU leadership, the U.S. government "denounces" the organization's Constitution, and the American withdrawal will become effective one year from the date of the letter.

Of course, the UPU is hardly a critical component of the increasingly oppressive globalist architecture being imposed on humanity. Indeed, the UPU was created in 1874 with the Treaty of Bern, long before the UN, which absorbed it, was created in the wake of World War II. And the UPU serves — or at least served — a legitimate purpose in that it facilitated the flow of mail across borders. But the fact that this scheme is now subsidizing the mass-murdering regime ruling Communist China with American money is a big problem. Dealing with the UPU scam is just one small part of what needs to be done to quit aiding and abetting the rise of the most murderous tyranny in human history. But it is an important part. While not on the same level as the American Sovereignty Restoration Act (H.R.193) to get America out of the UN, the move against UPU is also a blow to globalism. Hopefully there will be many more to come.

Image: Screenshot of **UPU.int**

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