

Is Postal Privatization a Danger?

Yes. It has already begun.



Postal executives deny any interest in privatizing the agency – and so do most politicians. But many on Wall Street and in Congress are eager to dismantle the Postal Service so they can turn over the profitable segments to their cronies in private industry.

A 2013 white paper financed by Pitney Bowes and issued by the National Academy of Public Administration called for the privatization of all retail and mail sorting operations. Much of the mail is already processed in private “pre-sort houses” that employ low-wage workers. Pitney Bowes has the “largest pre-sort network” in the country and stands to make substantial profits from a more privatized Postal Service.

USPS documents – and their policies – demonstrate that the danger of privatization is real.

- In 2013, the Postal Service entered a secretive, no-bid deal to offer postal services at Staples stores, using low-wage Staples employees, rather than USPS employees. The USPS hopes to expand this model to other retailers. An internal USPS document reveals that the goal of the Staples

deal was to replace living-wage U.S. Postal Service jobs with low-wage, non-union jobs at Staples and other national retailers.

- USPS management has proposed wholesale subcontracting of its transportation operations.
- Postal managers continually seek to outsource maintenance duties, from custodial functions to computer installation, and support services.

And degrading service paves the way for privatization. Recent cuts in service – the virtual elimination of overnight delivery of first-class mail, the closure of mail processing centers and shorter hours at post offices – undermine the mission of the Postal Service. They also undermine confidence in and support for the Postal Service, increasing the danger

of privatization.

- The USPS closed and consolidated 140 mail processing centers in 2012;
- Postal executives plan to close and consolidate an additional 82 in 2015;
- Postal management lowered service standards in 2012 and 2015 –



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virtually eliminating overnight delivery of first-class mail and periodicals and slowing mail delivery on all classes of mail throughout the country.

Regrettably, many in the media accept the faulty premise that postal privatization would have to occur as a single event – most likely precipitated by an act of Congress.

But that's not necessarily the case. The postal systems in Great Britain, Germany, Australia and Sweden, which the USPS has studied extensively, were privatized gradually.

The USPS can't walk away from unprofitable neighborhoods. Before the USPS can make significant changes to service, it must

notify the citizenry and allow the people to offer input.

Private businesses like Staples have no such responsibility. They have just one obligation: to make a buck for their shareholders. In 2014, Staples closed 170 stores. No notice. No input.

What if those stores had replaced the post offices in those neighborhoods? Who would serve the residents if the local Staples stores closed?



The U.S. Postal Service belongs to the American people. Let's ensure that it remains a vibrant, public Postal Service for generations to come!

Does It Matter?

Does it matter if the U.S. Postal Service privatizes its operations? You bet it does. As an independent agency of the federal government, the Postal Service is accountable to the American people. Under federal law, the Postal Service has an obligation to serve the entire nation. The Postal Reorganization Act says,

"The Postal Service shall have as its basic function the obligation to provide postal services to bind the Nation together... It shall provide prompt, reliable, and efficient services to patrons in all areas and shall render postal services to all communities."