Greyhound bus lines: stranding America's poor in pursuit of profits

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Greyhound Lines, a wholly owned subsidiary of Laidlaw International, Inc. and the largest intercity transportation provider in North America, ended bus service this summer to some 260 stops in a 13-state region that stretches from Chicago to the Pacific Northwest.

The decision, openly acknowledged by company officials as a profit-boosting move, disproportionately affects the working class, the poor and senior citizens—those who lack their own means of transportation, are unable to afford airline tickets for long trips, or are unable to drive because of physical disability.

The 260 stops Greyhound will no longer serve are primarily located along rural routes and in small towns and cities, many of them in areas where economic and social hardships are particularly acute.

Ritzville, in eastern Washington, is one such town that Greyhound is leaving behind. No more than 2,000 live in this small farming community in the seat of Adams County, where US Census figures for 2000 show that more than 18 percent of the population lives below the official poverty line.

In its coverage of the Greyhound announcement, the *New York Times* in September published an interview with Elva Link, a 70-year-old customer who relied on the bus line not for special trips, but as her sole means of transportation for regular, 60-mile trips to visit her doctor and relatives in Spokane.

"I'm stranded," said Link, in an article published September 6. She lives in housing for poor seniors and cannot afford to repair her own vehicle, which she says broke down four years ago. "I'm considering moving."

A report published in September on the web site of the American Association of Retired Persons (AARP) highlighted the case of June Blackburn, who is 80 and lives in Bemidji, Minnesota. She is a widow who doesn't drive.

According to the article by Reed Karaim, Blackburn said Greyhound's decision made her feel as if a "lifeline to her family" was being severed. Hers is not an isolated or unique example. Two months before the company's June announcement, a study jointly funded by the AARP and the American Public Transportation Association found that many aging Americans are "stranded without options."

"...[O]ur existing transportation network is unable to meet the needs of the nation's aging population, particularly as they become less willing and able to drive," the study found.

The decision by Greyhound will surely exacerbate the conditions outlined by the AARP study.

Press reports indicate that 56 communities in Minnesota are among those cut; 43 are in Wisconsin, 11 are in Iowa, and 11 are in North Dakota, including the state capital of Bismarck. In Washington state, Ritzville is among 21 stops on the chopping block. In Oregon, 36 cities, most of them smaller, working class communities, are no longer served.

Other affected states include Idaho, Montana, Wyoming, Utah, Colorado, South Dakota and Nebraska.

Greyhound spokesmen, public officials in the affected cities and press reports have been remarkably open about the reason for the cuts. "The changes are designed to reduce operating costs and improve service on the more profitable routes," the *Oregonian* reported on July 4.

In the Minneapolis *Star-Tribune* for June 26, Willmar Mayor Lester Heitke said, "A lot of times, these policies are made by those who don't have to worry about long-distance travel. They live in large, sprawling

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communities. I'm afraid the concerns of rural Minnesota are forgotten."

Company officials say the changes have been in the works for about a year, and are part of a two- or three-year "restructuring plan" that will end service for about 20 percent of the people who now have access to Greyhound buses. The first round of cuts will mean 150 layoffs and the elimination of about 100 buses, according to CEO Stephen E. Gorman.

Greyhound spokeswoman Kim Plaskett explained the company's reasoning to the *New York Times*: "These were routes that Greyhound could no longer afford to operate. We have to stay profitable to stay in business."

Greyhound was founded in 1914 in Hibbing, Minnesota, as a means of transporting mine workers. According to the company's web site, Greyhound's profits exceeded $8 million in 1935. In 1999, the company's equity shareholders agreed to a merger with Laidlaw International, whose chief executive officer, Kevin E. Benson, enjoys a compensation package of $1.1 million.

In 2001, Greyhound exceeded $1 billion in operating revenue "for the first time since deregulation of the bus industry in 1981," according to the company web site.

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