## 3,700 US post offices targeted for closure

Kate Randall 28 July 2011

The United States Postal Service (USPS) on Tuesday named 3,700 post offices across the country that could be closed in the near future. The move is the largest downsizing in the agency's history and potentially threatens the jobs of 4,500 postal clerks, postmasters, station managers and supervisors.

Postal officials say they intend to review half of their network of 32,000 local post offices over the next decade, and aim to save \$200 million a year though slashing labor and other operating costs. In a press release, USPS officials blame the move on customers shifting to online sales and cutting back on "snail mail" in favor of electronic communication.

The USPS, an independent agency of the executive branch of the US government since 1971, is expected to lose \$8 billion this year for the second year in a row. The agency has received no federal funding since the 1980s, with a few exceptions, and relies solely on money raised through the sale of postage and other products and services.

USPS proposes to expand the agency's network of "Village Post Offices," whereby postal business is conducted at local businesses such as pharmacies, grocery and convenience stores. The Postal Service already sells stamps at thousands of retail outlets, such as CVS and Walmart.

The post offices targeted for closure will be evaluated for how much revenue they bring in and how close they are to neighboring post offices. Community meetings will be held to discuss alternatives to closure, including setting up a Village Post Office if a local business can be found to operate one. Area residents will have 60 days to appeal the closures to the Postal Regulatory Commission, but the USPS will not be bound by the commission's review.

The closure of post offices is a major attack not only on the postal employees who stand to lose their jobs, but the communities they serve. This is particularly true in rural areas, where the local post office often functions as a focus of town life. If local post offices do get replaced by a "Village" site—and there is no guarantee that they will—these new sites would not provide a number of services presently offered by USPS-run offices, such as dispensing passports, money orders, and mailing of odd-sized parcels. Local residents would be forced to drive long distances to obtain the services currently offered by their local post office.

In a bit of historical irony, one of the post offices on the USPS chopping block is Ben Franklin post office in Philadelphia, the location of Franklin's house. The USPS traces its roots to the Second Continental Congress in 1775, where Benjamin Franklin was appointed the first postmaster general. The Post Office Department was created in 1792 based on Franklin's design.

The postal service is one of the few government agencies explicitly authorized by the US Constitution, guaranteeing mail delivery to every household in the US at a uniform cost. The postal service has long been a target of politicians of both big-business parties, who would like to see its monopoly on mail delivery thoroughly busted up and handed over to the "free market." One result of the Postal Reorganization Act of 1970 was to open up a portion of postal operations to private companies such as FedEx and UPS.

The current drive to put thousands of local post offices out of operation is based on the premise that the USPS is an inefficient business, is not generating sufficient revenue, and needs to slash costs, particularly for labor. In a press release, current Postmaster General Patrick Donahoe commented in relation to the targeted closures, "The Postal Service of the future will be smaller, leaner and more competitive and it will continue to drive commerce, serve communities and deliver value."

As originally conceived by Benjamin Franklin and others, the Postal Service was primarily designed to facilitate interstate communication and to provide a vital service to the nation's citizens. It is required to serve all Americans, regardless of geography, at uniform price and quality. But as with other services millions of people have come to rely upon as a basic right—such as health care and education—the postal service is eyed as a potential

generator of corporate profit.

The USPS employs more than 596,000 workers and has over 218,000 vehicles in its fleet, the largest in the world. If it were a private company, it would be the second-largest employer in the US, behind Walmart.

The Postal Service has reduced its workforce by 130,000 in recent years, slashing billions of dollars in costs. It has maxed out a \$15 billion line of credit with the federal government, and is looking to make even deeper cuts through throwing tens of thousands more workers out of their jobs and shutting down more of its operations.

In an effort to rein in costs, USPS officials have submitted a request to Congress to allow a reduction in mail deliveries to five days a week. They have hinted that deliveries could be reduced to as few as three days a week in 15 to 20 years if revenues continue to decline.

Postal officials are also seeking to ease a requirement that the agency pay \$5.5 billion annually into a fund to prepay future retiree medical benefits. Postmaster General Donahoe has said that the post office will be unable to make the payment due for retiree health care when its fiscal year ends September 30. Last month the post office also suspended contributions to its employee pension fund, claiming that because the fund has a surplus of \$6.9 billion, the suspension of payments should not affect the pensions of retirees.

The American Postal Workers Union (APWU), which represents 220,000 postal workers and retirees, has criticized the proposal to shut down more post offices. But according to the *Washington Post*, APWU officials suggest as an alternative that Congress allow the Postal Service to loot the retired postal workers' health fund.



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