

Going Postal: Darrell Issa's War on the USPS

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As one of the first two Deputy Postmasters General of the colonies decades before independence, and the first Postmaster General of the United States thereafter, Ben Franklin knew a thing or two about running a postal service and running it profitably. No doubt he would be dismayed at the current state of affairs at his beloved P. O., not to mention the ludicrous grandstanding and thoroughgoing lack of statesmanship in D.C.

The United States Postal Service one of very few enterprises specifically authorized by the Constitution. Article I, Section 8 of the Constitution grants Congress the power “to establish Post Offices and Post Roads.” Now, right-wing ideologues such as those at the Cato Institute have publicly scoffed for decades at the notion of the Constitution being a “living document” that can be reinterpreted to suit the times. However, in Cato’s [Handbook for Congress](#), they nudge lawmakers with their *other* elbow, observing that “although fast, efficient communications are vital for advanced industrial economies and societies, the United States is poised to enter the 21st century with a postal system established in the 18th.” Predictably, Cato’s solution is privatizing the Postal Service. Apparently, charging \$10 to deliver an envelope is more profitable than charging forty-four cents. Who knew?

The ole P.O. is unquestionably falling on hard times as the 21st Century rumbles along. Email has replaced letters, e-bill and online bill paying services have replaced the time-honored ping-pong of monthly statement mailing and check writing, and spam has long ago overtaken junk mail. Even the once-proverbial “your check in the mail” has been replaced by interbank routing errors and unspecified computer glitches. The postage stamp is in some respects becoming an anachronism.

Faced with lower volume and other challenges, the United States Postal Service has been asking for years to be permitted to do what is necessary to remain solvent, but Congress has held firm in its collective refusal. Recently, USPS has publicly [amped up their rhetoric](#), stating that they are “in a dire financial predicament... despite ongoing aggressive cost-reduction initiatives.”

Democratic Senator Tom Carper of Delaware is one of a very few who are listening to USPS and trying to address the systemic problems dogging their attempts to adjust to business conditions and return to profitability. Carper's POST (Postal Operations Sustainment and Transformation) Act also requires Office of Personnel and Management to stop forcing USPS to over-contribute in pre-payments to Federal retirement programs, which they currently are doing to the tune of billions per year. It's not perfect by any means, but the Postal Service was cautiously optimistic. The National Association of Letter Carriers was [cautiously optimistic](#). For a moment, it seemed a solution was at hand.

And then... nothing happened. USPS was eventually forced to unilaterally suspend the billions in overpayments to FERS (Federal Employee Retirement System), lest it be forced to borrow still more money. As Sen. Carper remarked,

“Today’s drastic action by the U.S. Postal Service underscores the urgent need for Congress and the Administration to act quickly to address the serious financial problems facing the Postal Service. In essence, this is the canary in the coal mine moment for the Postal Service. If we don’t heed this warning and act quickly, the Postal Service as we know it will cease to exist in the very near future, possibly by the end of this fiscal year. This would effectively shut down the U.S. mailing industry that depends on the Postal Service. A shutdown of an industry of its magnitude, with some 7 million employees and more than \$1 trillion in revenue every year, would be catastrophic to our fragile economic recovery.... It’s estimated that the Postal Service has overfunded its obligations to the Federal Employees Retirement Systems (FERS) by about \$7 billion. The Postal Service’s decision to suspend payments to FERS is just one painful step of many that may be necessary to help keep the Postal Service solvent in the short term. It will not, however, fix all that ails the Postal Service.”

Enter Darrell “I Stole Several Autos” Issa, who recently introduced the [Postal Reform Act of 2011](#), the boldest and craftiest attack ever on the Postal Service that didn’t involve anthrax. Not surprisingly, the [Tea Party is on board](#). At 132 pages, Issa’s bill is a bit longer than his rap sheet, and the crimes therein are considerably more sophisticated as well.

Incredibly, the small-government fiscal realist Republican wants to set up *two* new agencies to oversee the Postal Service, and authorize billions more in borrowing. As USPS said in a recent statement:

“We strongly oppose a provision in the bill that provides for an additional \$10 billion in borrowing authority from the U.S. Treasury. The Postal Service does not need to incur additional debt — we need the money back that is already owed to us. We also strongly oppose sections of the bill that would create more government bureaucracy and slow our progress on streamlining our operations.”

In a nutshell, Issa’s plan is to *not* let the Postal Service fix itself. Issa’s plan is to set up *two* new agencies—one to smash the Postal Service into a wall and one to sell off the pieces. One to loan them money and one to slap their hands for taking it. One to force

them into bankruptcy and one to “renegotiate” salaries and collective bargaining agreements afterward.

Issa even proposes [turning Post Offices and delivery trucks into advertising media](#), no doubt hoping his franking privilege will gain him a cut rate. So far, Issa’s been mum on any plans he might have to melt down all known Franklin half dollars and mint new Issa quarters. Or handguns. Or Slim Jims.

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