

PRC Postal Regulatory Commission Chairman Ruth Goldway



Editor's Note: This is Part 2 of a Postal Record interview with Postal Regulatory Commission Chairman Ruth Goldway, interviewed in her office in Washington, DC, on July 1. The PRC has a key oversight role with regard to the United States Postal Service, and we thought it would be beneficial for letter carriers to hear Chairman Goldway's views. Part 1 ran in the August issue, and covered her background as well as her thoughts on the PRC's top challenges, USPS management style, the importance of the Postal Service network and six-day delivery. This concluding portion of the interview covers the PRC's experience in dealing with the media and trying to get its message out, the conventional wisdom about the Postal Service, the value of letter carriers and the challenges ahead.

Q: Do you find it difficult to get the media to listen to your issues or the Commission's issues? Do you find it hard to set the record straight and pierce through all the misinformation that's out there about the Postal Service?

A: I think so. I think it's difficult for us. For one thing, we're a very small agency and as, a regulator, our job isn't to argue. Our job is to make what we think are reasoned, fair decisions that take into account the needs of all the stakeholders. So we don't want to be seen as shrill, and when we make statements, we want them to be seen as reasoned and balanced, and those kinds of statements are not as readily picked up by the press. The press likes some straightforward advocacy lines. I can personally say that I am concerned, that I don't want the removal of six-day delivery, but the commission's findings didn't really take that specific position. What we did was we pointed out the pluses and minuses of it. I think on the whole the minuses are greater than the pluses but the kind of public statement we would make would be less likely to be picked up by the press. The other thing is that the Commission has not really made an effort to reach out to the press as much as we might, and I'm trying to do a bit more of it but with very limited success.

Q: Why very limited?

A: Because I think the Postal Service itself has a story to tell, and then it gets to eat up all the time that the news might want to allocate to postal issues. We're just a Commission that regulates only the Postal Service; we're not like the Federal Trade Commission or the Securities and Exchange Commission that regulate whole industries, including the private sector. If we were, if we were a regulator of the postal sector, I think we would be noticed more and considered more routinely in press coverage.

Q: How much of it do you think is the fact that there is sort of an accepted conventional wisdom out there, whether the press, media, public, Postal Service, the whole notion of government agencies, bloated, bleeding money, taxpayers having to pick up the [tab] and people sort of fit this into that narrative as opposed to being aware that for 25 years there hasn't been a dime of taxpayer money?

A: I think the Postal Service's public stance over the last two-and-a-half years, which emphasizes their financial problems and has not presented the positive side of the story, feeds into the general questions that people have about government, especially at this time given the political climate that we're in. I was concerned when

[former Postmaster General] Jack Potter initiated this big push with his McKinsey study, which said that we're in terrible, terrible shape and we're at crisis' door. When we looked at the exigency-rate request that the Postal Service made to us, we found that they were doing a remarkable job adjusting to the economic downturn and that the success story of the Postal Service as a manager in the economic downtown is quite substantial. But I believe they felt that they had to show what a crisis they were in, in order to get a response from Congress. I think that was the strategic decision they made. If we don't emphasize the crisis, Congress will never act. And certainly Congress does need to act in changing the health care retiree benefit fund situation. I'm not that experienced at advocating at Congress. That's—as I said, I come from this other world, but I would have liked the Postal Service all along to have a more balanced message, and when we've tried to get out the message we've had about the analysis we've made about the health care retiree benefit fund study or the overpayment of the CSRS or our decision in regard to the rate case, the positive aspects of that have been overshadowed by the Postal Service's previous messages.

Q: *How do you explain or how do you react to the...it seems to me there's a sort of duality in the public. On the one hand, everyone loves letter carriers. The Postal Service, all the polls show, is the most trusted public agency. People depend on it and letter carriers, as you know, go way beyond what the—*

A: Right. They're valued members of their community. People know them and admire them.

Q: *So there's all that and then, at the same time, I think if you walked into a group of people at a restaurant or whatever and told them that the Postal Service doesn't use a dime of taxpayer money—it actually, the last four years, has been profitable delivering the mail—you'd be met with "What!?" How can that happen? On one hand is this positive, empathetic, emotional thing and then actually people are clueless?*

A: Well, human beings are certainly not rational, I don't think, and you can ask people about Social Security and Medicare and a whole range of government programs and they'll say, "Oh, we need to cut it, they're inefficient, they're bloated," and then you ask somebody, "Well when you applied for Social Security, what happened?" "I got a phone call from somebody to help me figure

out the way to apply for my Social Security and that check comes in the mail more regularly and more accurately than any other." So we have a kind of dual concept in this country about government. On the one hand, you know, "American Exceptionalism," our democracy, our form of government, is better than anyone else's and we're terrific. On the other hand, government is terrible and government can't do anything and we have to give it to the private sector. We don't think clearly about this, and the Postal Service for a very long time wasn't even thought of at all. I used to say when I first came here, "It's like the sewers." It just happens, just goes to everybody's house every day, nobody thinks about it. They just assume it's there. So it never really got the notice or the specific appreciation except in those individual circumstances where people deal with their letter carrier and like the fact that there's a post office in their community.

Q: *Can you say a word just about letter carriers and the work they do?*

A: Well, we began with that, that the letter carriers really are an essential part of what I believe is the American democratic infrastructure. You have to have this kind of network. Just like you have roads, and you have electricity, and you have water, and sewer, and systems to get people their Internet, you need systems to get people hard-copy delivery and an orderly way to communicate based on where they live. When you look at the record of letter carriers in some other countries, they are not very reliable. There are stories of graft in third-world countries. Our letter carriers are overwhelmingly responsible and honest. Otherwise, they wouldn't be so respected in their community.

Q: *Anything I didn't ask you'd like to mention, and anything looking forward?*

A: Well, I think, looking forward, the biggest challenge for all of us in the postal community is to see if we can't get some congressional relief for the Postal Service. I think that whatever disagreements we have among ourselves about the information we get or the decisions the Postal Service makes on a particular operation, the Postal Service simply can't survive with the burden that it's been saddled with, and getting some sort of decision in this political climate is not going to be easy. (We can't agree on a debt ceiling.) So I think we have a real challenge ahead of us. I'm glad you came to talk to me and the Commission really does want to be helpful in solving this big problem. ☒

Two nominated for comission

President Barack Obama has nominated Postal Regulatory Commission Vice Chairman Mark Acton to a second six-year term on the independent five-member postal oversight agency. Previously, Acton managed direct-mail marketing campaigns for the Republican Party, and he served as special assistant to the chairman of the PRC before he was nominated to become a commissioner. His first term expired last October; however, commissioners may continue to serve for up to one year or until a nominee is confirmed by the Senate.

The president has also nominated Robert Taub to replace Tony Hammond, whose term expired last October as well. Taub is special assistant to Army Secretary John McHugh, a former Republican congressman from New York. As then-Rep. McHugh's chief of staff, Taub helped develop the 2006 postal reform law; before that, he served as staff director for the Postal Service subcommittee of the House Oversight and Government Reform Committee.

Commissioner Dan Blair, a Republican, left the PRC in June, so if the Senate fails to confirm either Acton or Taub by Oct. 14, then two slots will simply become vacant until replacements are confirmed, and that would leave only two commissioners—both Democrats—in place: Chairman Ruth Goldway, whose term ends in 2014, and Nanci Langley, whose term expires next year.

Up to three commissioners may be from one political party, and President Obama is expected to nominate a candidate to fill the position vacated by Blair soon. ☒