Written by Jacob Hornberger on February 26, 2015



Why Should the Government Deliver Mail?

In a country where people extol the virtues of free enterprise, why is the U.S. government involved in the delivery of mail? After all, it would be difficult to find a better example of a violation of the principles of free enterprise than the U.S. Postal Service.

The Postal Service is a monopoly. That means that the law expressly prohibits anyone in the private sector from competing against the government in the delivery of first-class mail. If some private firm attempts to do so, the Justice Department immediately secures an injunction from a federal judge enjoining the firm from continuing to compete. If the firm persists, the judge jails the head of the firm until he agrees to cease and desist with his competition.



Why should a country that prides itself on the virtues of free enterprise have a massive monopoly on mail delivery? Why not free enterprise in mail delivery?

One option would be to simply repeal the postal monopoly. That would put the Postal Service in the same position as everyone else — as a competitor among many private firms that would be seeking people's business.

But we all know what would happen. It is a virtual certainty that the Postal Service would be quickly run out of business. There is no way that a governmental enterprise can effectively compete against private firms for customers' business.

That's in fact why the government has given the Postal Service a monopoly on its activities. Everyone within the Postal Service and the rest of the federal government knows that a monopoly is necessary to keep the Postal Service in existence, owing to its inability to maintain any market share against private firms in a free and competitive market.

The real question is: Why not simply abolish the Postal Service and leave the delivery of mail entirely to the free market?

After all, isn't that what U.S. officials advise foreign socialist regimes to do - to "privatize" their stateowned enterprises by selling them off?

Why not the same for the Postal Service?

In an era of UPS, FedEx, LaserShip, and other overnight-delivery services, does anyone really doubt that the private sector could handle the delivery of mail? Every day the private sector handles the delivery of untold quantities of groceries to countless grocery stores across the land. Is there anyone who really believes that the private sector couldn't handle mail delivery?

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The Postal Service has long maintained that people in the mountains would be unable to get mail but for the Postal Service. Really? Somehow people in the mountains get milk, food, supplies, clothing, and other important things. Would the private sector really be unable to figure out ways to get mail to them?

What would a free market in mail delivery end up looking like? That's impossible to say, which is one of the beauties of the free market. Through the imagination of entrepreneurs, their eagerness to make money by expanding market share, and their coordination with others doing the same, the free market brings into existence things that no one could ever have imagined. That's what would happen in a free-market mail system — that is, one in which the government played no role whatsoever.

The beneficiary of all this? The consumer. Instead of having to go to the Post Office and stand in a long line, he now would have an array of entrepreneurs and new firms coming to him with new and better, low-cost ways of service.

The 20th century was the century of socialism and economic interventionism throughout the entire world. So far things aren't too different in the 21st century. The American people have the opportunity to lead the world out of this statist morass. A great place to start is by abolishing the Postal Service and adopting free enterprise in mail delivery.

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