

Trump demands U.S. Postal Service increase prices fourfold



Washington, April 28 (RHC)-- U.S. President Donald Trump has threatened to withhold all future COVID-19 relief funding from the U.S. Postal Service unless the federal agency dramatically raises its shipping prices -- a demand that critics say is ludicrous given the economic calamity the American people and the post office are now facing.

After U.S. Secretary Steven Mnuchin fielded a question about relief funding for USPS from a reporter at the White House during a bill signing ceremony Friday, Trump declared that "the Postal Service is a joke, because they're handing out packages for Amazon and other internet companies, and every time they bring a package they lose money on it."

"The post office should raise the price of a package by approximately four times," the president added. "Four or five times, that's what it should be — or let Amazon build their own post office, which would be an impossible thing to do, because the post office is massive and serves every little piece of the country."

Trump accused USPS of refusing to raise package prices "because they don't want to insult Amazon and they don't want to insult other companies perhaps that they like." He also said the agency "should raise the price of the packages to the companies, not to the people."

Trump and his allies have frequently claimed that higher package rates on internet shipping companies—Amazon, in particular—could ease the Postal Service’s financial troubles. But higher package rates could hurt the agency by artificially raising its prices above those of United Parcel Service and FedEx, analysts say. Higher prices also could impact Amazon, which acts as both retailer and shipper, by forcing it pass off higher costs on its customers to compete.

Critics quickly responded to Trump’s comments with warnings about how a price hike could impact both the USPS and consumers. “At a time when millions of Americans are stuck at home and can’t work, Trump is demanding what is basically a tax hike on mail,” tweeted the The Atlantic staff writer Adam Serwer, referencing the ongoing coronavirus-related lockdowns and job losses.

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