

Rural Americans, Postcards, and the Fiscal Transformation of the Post Office
Department, 1909-1911

by

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The post office deficit is “a scandal and a public disgrace,” ensuring “postal reform [is] bound to come” with a glaring need “to abolish inefficiency and introduce still further modern business methods.”¹

Although the above collection of quotes describes a situation that we might find very familiar today, it is actually a narrative that played out across countless newspapers and magazines in 1909 and 1910. When the Post Office Department closed the books on the fiscal year ending June 30, 1909 a deficit of more than \$17 million was reported. At the time, it was the largest deficit ever recorded by the department, and investigations, recriminations, and proposed solutions began almost immediately. Two years later, when the fiscal year ended on June 30, 1911, the Post Office announced that the deficit had been entirely wiped clean, and could now report a surplus of just over \$200,000.²

Although the numbers were documented in official annual reports, each of these announcements was met with some skepticism and revisionism from various interests, both at the time and since. Some claimed there was no deficit, much less a record-breaking one, in 1909; others claimed there was no surplus and that the math was just a game of smoke and mirrors. As is so often the case, the truth probably lies somewhere in the middle. However, in this particular instance it can be argued that the actual numbers are less relevant than recognizing an important overarching fact: in the course of 24 months some sort of significant transformation occurred.

That significant transformation of the Post Office Department, whatever the actual numbers, is made all the more interesting when placed in a historical context. It occurred with notable synchronicity to the peak of the postcard-sending craze of the early 20th century—a popular phenomenon deeply connected to the business of the post office. This historical coincidence is notable in part because it was almost entirely overlooked or ignored by the Department and its attending commentators at the time. But the evidence reveals even more than

a simple oversight. By teasing out the connections between three distinct elements—the Post Office Department’s fortunes, the postcard craze of the early twentieth century, and the Rural Free Delivery (RFD) system—it is possible to revise our understanding of this particular episode in postal history. Such a revision illustrates both a historically-significant confluence of people and events, and the importance of looking at history from the “bottom up.”

From the very beginning in 1909 when the \$17 million shortfall was announced, Postmaster Frank Hitchcock kept the blame on two specific causes: “Recent investigations have shown that the two great sources of loss to the postal revenues are second-class mail matter and rural delivery. The loss on second-class mail matter has been increasing for many years until it now amounts to more than \$64,000,000. The loss from rural delivery, a service begun hardly a dozen years ago, and of unprecedented growth, reaches nearly \$28,000,000.”³ Critics on both sides quickly began sparring over the question of second-class mail and America’s prodigious consumption of magazines and periodicals, but few demonstrated an inclination to attack the Rural Free Delivery. As *The Independent* suggested in language that was exemplary of the discussion: “The deficit is credited to the rural free delivery and the carrying of second class mail matter at ruinous rates, but there is no sign of a reduction in the rural free delivery service, which is so greatly appreciated.”⁴

The conventional wisdom surrounding the Rural Free Delivery was that it helped boost revenue through patterns that flowed from city to countryside. Testifying before a 1908 House Subcommittee, then-Postmaster General George Meyer pointed out: “it seems that the rural delivery, while not strictly self-sustaining, does add largely to the receipts. In other words, the correspondence comes from the centers to the people in the rural deliveries, and that is credited to the large post-offices.”⁵ The topic came up again in a post office-specific appropriation

hearing. First Assistant Postmaster General Granfield told his subcommittee that rural routes had much more incoming mail than outgoing, and that “a postmaster will handle four or five times as much mail with rural-delivery routes...”⁶

This was, perhaps, a fairly common-sense assumption—that mail would flow out from concentrations of people to more sparsely-populated areas. In fact, specific analysis in the 1909 Annual Report seemed to demonstrate exactly that. Looking at the increase of mail—both collected and delivered along Rural Free Delivery routes between 1905 and 1909—the report showed an increase in every category of mail delivered along those routes. And that increase in the mail delivered always exceeded the increase of the amount of mail collected along those same rural delivery route in every category of mail except for one. The exception to the rule was postcards. Between 1905 and 1909 there was a 410% increase of postcards *delivered* to rural routes. But there was an 846% increase in the number of cards *collected* along those same routes—more than double the increase of delivered. It is worth reemphasizing that of the six categories of mail, it was the only one that showed a larger jump in collected than delivered.⁷

Postcards were a huge national phenomenon in the early twentieth century. Post Office figures for the year ending June 30, 1908 cite more than 667 million postcards mailed in this country.⁸ Based on 1910 census numbers, that would be seven postcards a year for every man, woman and child in the nation, and that does not even count postcards collected in albums and boxes and never mailed. Further, postcards extended far beyond pictures of courthouses, public squares, and hotels. These so-called “view cards” were joined by countless greeting cards for every possible occasion including all major holidays. (See Figure 1) University of Oslo’s Bjarne Rogan, in looking at all types of postcards on a global scale (indeed the fad stretched beyond the US to Canada, Great Britain, the European continent, and parts of Asia and South America),

suggests: “Roughly estimated, between 200 and 300 billion postcards were produced and sold,” during the Golden Age of the phenomenon.⁹



Figure 1: Holiday postcards made up a significant portion of the larger postcard phenomenon.

However, new research into postcard distribution patterns here in the United States suggests that postcard use skewed in favor of rural and small town Americans. In the author’s *To You and Your Kin: Holiday Images from America’s Postcard Phenomenon, 1907-1910*, a survey of 2,000 postcards helps to illustrate these trends. In this survey, the addresses on the backs of early 20th century postcards were compared to census records. A tabulation of the demographic information from these records suggests that 69% of recipients were from communities of less than 10,000 individuals. Had that figure been proportional to national demographics it would have been closer to 64%.¹⁰ (See Figure 2)

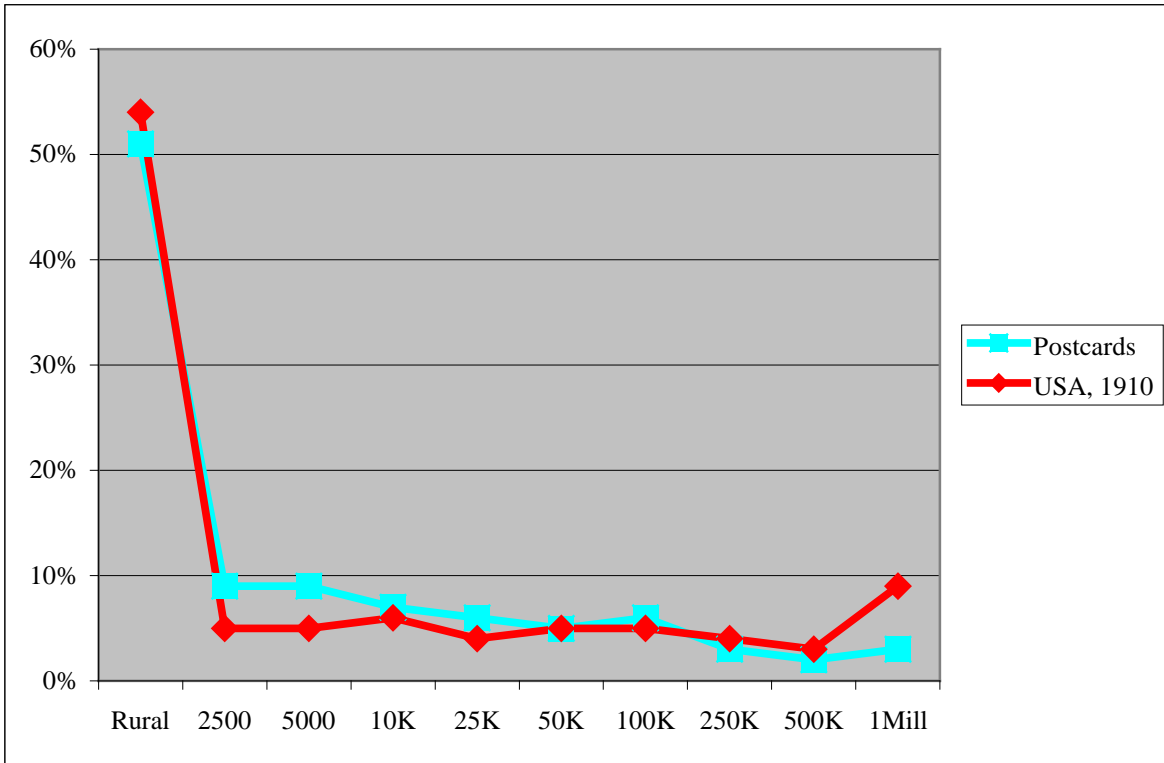


Figure 2: 2,000-Postcard Survey Results vs. 1910 Census, Population

Again, one might assume that this reflected a flow into rural areas from urban centers; however, it is important to remember how postcard collection along rural routes increased eight-fold as the postcard fad grew. A variety of period articles—quite often in passing or casual references—strengthen the case that postcards were the exception to the “from-city-to-country” rule. An article on the flow of mail into and out from New York City is a representative example: “Uncle Sam never before reaped as rich a harvest as the result of the post card fad during this Easter season. Out of town trains have carried here 40 per cent more than the average amount of mail, and have taken back [i.e. from the periphery to the center] *even a larger percentage of increase.*”¹¹ Even stronger evidence comes from one exasperated postcard dealer in Waterloo, Iowa who wrote, “We have tried for a long time to drum it into the heads of the producers of post cards that a majority of the business is done in country towns...”¹²

As this rural connection to postcard use thus becomes more defined¹³, the question still looms as to how postcard use—rural, small town, or otherwise—could affect post office deficits and surpluses. Part of the answer lies in the fact that the 24 months that defined the fiscal transformation of the Post Office Department included half of 1909 and all of 1910. This also corresponds to the peak of the postcard phenomenon as illustrated by additional analysis of the aforementioned 2,000-card survey. Postmarks from those cards show the peak occurring in either 1909 or 1910.¹⁴ Post office statistics likewise show the peak in sales of one-cent stamps—the postage needed for mailing a postcard—occurring in the fiscal year that included half of 1910 and the beginning of 1911.¹⁵

One can thus begin to see the contours of this historical coincidence. The overlay of the fiscal turnaround of the Post Office Department did not just match the postcard fad generally. The timing of the transformation between 1909 and 1911 corresponded to the actual peak—the commercial apex—of one of the greatest postal-based phenomenon of the twentieth century. But it is worth explicitly asking if there is anything more substantial than that. Can any true cause and effect between the two be related when post office reports and records are surprisingly mute on the topic? Popular columnist Frederic Haskin certainly thought so and walked his readers through the mathematics: “It requires an average of 120 post cards to weigh a pound, and thus the Postoffice Department receives \$1.20 a pound for carrying post cards, as against an average of transportation of 9 or 10 cents a pound. The post card business is very profitable to the postoffice.”¹⁶

The Post Office found itself in fiscal trouble in 1909 and was out of it by 1911, the same spread of months that a national craze boosted the very profitability of processing, transporting, and delivering the mail. If Post Office Department documents from any number of

departments—finance, stamps, or even the Postmaster General himself—failed to note this rather obvious coincidence, there was one lone voice whose official record hinted at the possibility. And this voice belonged to Mr. Peter De Graw, Fourth Assistant Postmaster, the man in charge of nothing less than the Rural Free Delivery! Writing his annual report for the fiscal year ending June 30, 1909—the very same one that announced the dreaded deficit—De Graw concluded that the Rural Free Delivery routes had seen a 96% increase in the amount of mail handled, an increase that could be attributed “especially to letters and postal cards, the latter due to the enormous use of souvenir and picture postcards.”¹⁷

Paired with the other evidence, there is much significance that can be drawn from this passage. Of all the postal officials who could discuss postcards as one of the most significant postal phenomenon of the day, it was the man most intimately involved with rural users’ patterns of mail that chose to do so. It is also worth pausing to consider the irony of this 1909 Annual Report. On the one hand, it announced a record deficit and suggested that the cause of that deficit rested (at least partially) within the Rural Free Delivery System. And yet, on the other hand, one finds the man in charge of that very same “excessive” system noting that “the enormous use of” postcards are in fact nearly doubling the amount of mail within that system. And as Frederic Haskin pointed out, such a doubling of mail by postcards in particular must represent some sort of profit-boosting center for the very post office department that seems to be struggling.

By April 1910, ten months after the fiscal year that De Graw credited postcards as raising the bulk of the RFD, the Fourth Assistant Postmaster was able to bask in the glow of good news. In a speech to a gathering of postmasters in Florida, De Graw made an announcement that is worth quoting at length:

The enormous cut in the so-called postal deficit during the last quarter of the year 1909, as shown by the report of the Auditor just issued, developed a most healthy surplus as well as breaking all records for the largest three months of business in the history of the postal service. These results following the harsh and unfounded criticisms which have recently been hurled at the Post Office Department and its personnel by persons endeavoring to divert attention from certain facts in connection with the service and to create an impression that rural delivery is the principle source of expense to the Department, are, to say the least, proof of the soundness of the old adage: "He who laughs last laughs best." ¹⁸

It is interesting to note that De Graw does not make any suggestion of what might account for those "largest three months of business" within the postal service or the Rural Free Delivery specifically, which was, after all, under his purview. Indeed, cost-cutting measures and organizational consolidation were the most-often cited reasons for the turnaround. But those very same months were the ones that the *Boston Globe* had noted (again, somewhat casually): "The Christmas increase in the volume of mail is fully as great *and in many instances greater, in the rural districts* than in the city," It was within this same article that it had reported, just a few paragraphs earlier, that "Now that the Christmas sentiment is conveyed by the picture postcard the holiday avalanche of these souvenirs is most decidedly a force to be reckoned with. Millions upon millions of these cards are transmitted every December..."¹⁹

The evidential links are there: during the months that postcards reached their zenith of popularity, the Post Office went from deficits to surpluses, all while contemporaries noted the huge flow of mail, and profit-boosting postcards in particular, into and out from rural America. However, none of these links suggest that postcards single-handedly saved the Post Office Department. Rather, their purpose is to increase—perhaps even complicate—our understanding of the narrative by introducing an important agent of historical change that De Graw conspicuously omitted in his 1910 remarks—the actual users of the Rural Free Delivery. It is the flow of "millions upon millions" of postcards sent by real people—"greater in the rural districts

than in the city”—that deserves at least some of the credit for the fiscal transformation of the Post Office Department between 1909 and 1911.

Even though the Rural Free Delivery was blamed as a source of record postal department deficits, most Americans were willing to bestow a certain paternalistic largess upon their country cousins. As one period source put it: “The rural public is isolated, lonely, and wishes the social pleasures of printed matter, pictures and the like frequently renewed. Each postal-card arrival is a surprise, a little mystery, a change from routine.”²⁰ And if the RFD was never truly in danger (even as the Post Office Department searched for answers to their deficit dilemma) then perhaps it is also possible to dismiss the role of the “rural public” in helping facilitate a fiscal turnaround—just as they were dismissed in 1910 and 1911 from the narratives that described that turnaround.

Still, nothing was a given in those months of financial transformation. Fourth Assistant Postmaster Peter De Graw himself acknowledged “harsh and unfounded criticisms” when behind closed doors and among friends in Florida. Commentators in periodicals such as *Life* and *Banker’s Magazine* hinted at discontent by pointing out that “cities are taxed to build country roads and to pay for rural delivery” and gently mocking those who “contend that the post office is a great educational agency, and no one should object if its expenditures are greater than its income.”²¹ What has been lost in this dominant narrative of urban benevolence is that it was the rural public who ultimately silenced such critics by actually helping to erase the offending deficit through their patterns of postcard use. It was rural and country town Americans, who through their embrace of a popular fad, built a lifeline to a struggling Post Office Department. It was a lifeline built one postcard at a time.

References

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- ¹ Quotes, in order of placement, are from: “Secular News,” *Christian Observer*, January 12, 1910, 23; “Postal Department Bitterly Attacked,” *New York Times*, November 30, 1910, 20; “Post Office Reform,” *Outlook*, February 5, 1910, 285.
- ² *Post Office Department Annual Reports, 1909* Washington: Government Printing Office, 1910; *Post Office Department Annual Reports, 1911* Washington: Government Printing Office, 1912.
- ³ “Report of the Postmaster General, December 1, 1909.” *Post Office Department Annual Reports, 1909* Washington: Government Printing Office, 1910. 6
- ⁴ “Postal Affairs,” *The Independent ... Devoted to the Consideration of Politics, Social and Economic Tendencies, History, Literature, and the Arts* 67. September 2, 1909, 0-3.
- ⁵ *Hearings Before Subcommittee of House Committee on Appropriations, Consisting of Messrs. Bingham, Gillett, Brick, Livingston, and Burlison, in Charge of the Legislative, Executive, and Judicial Appropriation Bill for 1909* (Washington, D.C: Government Printing Office, 1908), 407.
- ⁶ Committee on Post Office and Post Roads, United States Congress., *Post Office Appropriation Bill, 1910* (Washington, D.C: Government Printing Office, 1908), 29.
- ⁷ “1909 Report of the Postmaster-General; Fourth Assistant—Rural Delivery.” *Post Office Department Annual Reports, 1909*, 352. It should be noted that in terms of sheer numeric volume of cards, delivered still outstripped collected; however, unlike other categories of mail such as periodicals and packages, this does not necessarily indicate patterns that flowed from city to country. In fact, postcards fostered connections between networks of community and kin that likely kept postcards circulating in tightly-confined circles of rural and small town America.
- ⁸ Dorothy B Ryan, *Picture Postcards in the United States, 1893-1918* (New York: C.N. Potter, 1982), 22.
- ⁹ Bjarne Rogan, “An Entangled Object: The Picture Postcard as Souvenir and Collectible, Exchange and Ritual Communication,” *Cultural Analysis* 4 (2005): 1.
- ¹⁰ Daniel Gifford. *To You and Your Kin: Holiday Images from America's Postcard Phenomenon, 1907-1910*. Ph.D. diss., George Mason University. See Chapter 1 “We Gather Together: Finding Audiences within the American Postcard Fad.” Looking at communities of less than 10,000 is significant because this formed the Post Office Department’s population-based threshold for free city delivery. Only communities of greater than 10,000 were guaranteed free delivery service.
- ¹¹ “Easter Post Card Craze Swamps Gotham Offices,” *Chicago Daily Tribune*, April 19, 1908, 6. (emphasis added)
- ¹² “Says Best End of the Business Comes from Small Country Merchants,” *Novelty News*, December 1911, 100.
- ¹³ Still more evidence is available. For example, many period commentators noted the shift from postcard use to telephone use. Such interchangeability was possible in part because the audiences were so similar—early telephone adoption was also primarily a rural phenomenon. See Claude S Fischer, *America Calling: A Social History of the Telephone to 1940* (Berkeley: University of California Press, 1992); Gifford, *To You and Your Kin*, 175-177.
- ¹⁴ Gifford, *To You and Your Kin*, 45-46.
- ¹⁵ See “Division of Stamps” section of *Annual Reports, 1909-1913*.
- ¹⁶ Frederic Haskin, “Post Cards,” *The Washington Post*, June 22, 1910, 5
- ¹⁷ “1909 Report of the Postmaster-General; Fourth Assistant—Rural Delivery ,” 351-352.

¹⁸ *Address of Assistant Postmaster General DeGraw to Postmasters of Florida at Ocala, April 13, 1910.* (Division of Rural Mail), Entry 184, Number 6, Box 1 National Archives and Records Administration, Washington, DC, 2.

¹⁹ “Handling the Christmas Mails,” *Boston Daily Globe*, December 19, 1909, SM3. (emphasis added)

²⁰ Arthur H. Gleason, “The Investors’ Viewpoint,” *The American Review of Reviews*, October 1912, 470.

²¹ “How Cities Help the Country,” *Life*, December 1, 1910, 981; “Comment,” *Banker’s Magazine*, October, 1909, 504.