

US Postal Service takes major step toward privatization

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Management at the United States Postal Service (USPS) has taken a big step toward privatization with the July 10 release of an internal memo stating that mail deliveries would be delayed due to cost cutting and a subsequent directive prohibiting overtime and promising “more to come.”

The first memo, titled “Pivoting to the Future,” declared, “Right now, we are at a critical juncture in our organization and must make immediate, lasting, and impactful changes in our operations and in our culture. This operational pivot is long overdue and today, we are talking about the first step in a journey we must take together, for the health and stability of the Postal Service.

“The initial step in our pivot is targeted on transportation and the soaring costs we incur, due to late trips and extra trips, which costs the organization somewhere around \$200 million in added expenses.

“One aspect of these changes that may be difficult for employees is that—temporarily—we may see mail left behind or mail on the workroom floor or docks (in P&DCs), which is not typical.”

COVID-19 and the economic devastation it sparked has further accelerated the crisis of USPS, with former CEO Megan J. Brennan telling Congress in late May that without support it would run out of cash to pay its over 600,000 employees by September. Brennan requested \$75 billion in financial assistance from Congress. No assistance was given, however, and the USPS is surviving off of its remaining cash reserves and a \$3 billion loan from the US Treasury, placing it further in debt.

While the Postal Service decays, it is also under increased pressure from its competitors, namely Amazon and United Parcel Service (UPS), which have recorded record revenue and are under the process of

expanding their logistics networks after increases in shipments have left them with surplus revenue. Just one example of Amazon’s growth has been the acquisition of 2,300 trucks to expand its delivery network. UPS has announced a \$138 million expansion of its Atlanta facility.

The move to cut workers’ overtime is part of the US capitalist class’s decades-long drive to dismantle USPS, a public entity that occupies a valuable portion of the logistics industry.

According to its website, the USPS handles 48 percent of the world’s mail volume, generated \$71.1 billion in revenue in 2019 and—if it was fully privatized—would be number 44 in the Fortune 500 list of the world’s largest companies. This is a massive source of profit that the financial oligarchy is attempting to take over completely. This was outlined clearly by President Donald Trump’s 2018 plan calling for the privatization of USPS either through the launch of an Initial Public Offering on the stock market, or sale to an existing company.

The drive to fully privatize the USPS started in 1970. President Nixon transformed the postal service from a department of the executive branch into a public corporation, after a powerful national strike by postal workers. In the 1980s, the postal service was cut off from federal funding, and in 2006 its was obligated to fully fund retirement obligations and benefits up front, beginning its budget crisis. This year, major Trump donor and former Wall Street executive, Louis De Joy was installed as the new Postmaster General, and has continued this decades-long sabotage by announcing the end of overtime and delays in shipping.

Alongside privatization, the wages, benefits, and work conditions of postal workers have long been under assault, with the collusion of the postal worker

unions. According to USPS, its peak number of full-time postal workers was 797,795 in 1999. By 2019, it was 496,934, a reduction of over 300,000 full-time employees. While USPS' total number of employees today is about 650,000, about 20 percent work part-time and are essentially low-paid and disposable.

Injuries are commonplace and often rewarded with layoffs, as a lawsuit earlier this year revealed, with 44,000 workers fired after getting injured on the job. Postal workers work with faulty and outdated equipment; according to documents obtained by Motherboard, USPS delivery trucks burst into flames at a rate of one truck every five days. In addition to horrific work conditions, the USPS has deliberately hidden COVID-19 cases from the workforce.

Logistics and delivery workers are among the most powerful workers on the planet, and their power has grown as COVID-19 renders their services all the more essential. Among this group, USPS workers are especially powerful, as without their labor great portions of the economy would shut down. However, the trade unions have signed deal after deal taking away their wages, turning them more and more into a temporary workforce, and putting their hard-earned benefits in jeopardy.

The four unions responsible for this are the American Postal Workers Union, National Association of Letter Carriers, National Postal Mail Handlers Union and National Rural Letter Carriers' Association. The Teamsters have played the same role at United Parcel Service. Meanwhile, the Teamsters, the United Food and Commercial Workers (UFCW) and other unions have attempted to strangle opposition by non-union workers at FedEx and Amazon by trying to convince them to join and pay dues to these pro-company unions.

The dues extracted from each worker go toward funding the bloated salaries of leading union bureaucrats and to the Democratic Party, through funding PACS and direct donations. The American Postal Workers Union has consistently wasted millions of dollars in each election cycle, funding primarily the Democratic Party, but has recently started to increase funding for Republicans. The politicians supported through these funds have gone on to launch vicious attacks on USPS workers. In 2011, President Barack Obama announced the closure of 3,700 post offices.

Postal workers throughout the world are facing the

same struggle. Privatization of the postal service has been achieved in Germany, the UK and Japan with disastrous results for the workers and a shower of profits for the capitalist class.

Autoworkers in the US have taken the first step in fighting back against austerity and unsafe working conditions during the pandemic through the formation of rank and file committees, independent of the corporatist unions. USPS and all logistics workers should follow suit to organize a common fight against the privatization of USPS and to defend jobs and living standards and guarantee safe working conditions for all logistic workers.



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