

“Delivering for America”: A 10-year plan to destroy the US Postal Service

The USPS Workers Rank-and-File Committee
19 October 2023

Take up the fight against the privatization of USPS! Join the Postal Workers Rank-and-File Committee by emailing USPSRankandFileCommittee@gmail.com or filling out the form below.

US Postal Service (USPS) workers have been fighting an onslaught of falling wages, punitive surveillance systems, compensation schemes leading to systematic wage theft, dangerous working conditions, extreme weather conditions without any mitigating response, managerial abuse and retaliation, and delivery network “consolidations” leading to mass layoffs, with tens of thousands more layoffs planned.

These conditions are well known to the nearly 650,000 US postal workers. But their causes are being concealed, confused or justified away by union bureaucrats, who repeat the lies that the USPS is deeply in debt and that workers have no choice but to accept massive concessions.

Our terrible conditions do not result from the Post Office’s debt and even less by managerial “incompetence” or “glitches” in new evaluation systems. They are the intended product of a vast restructuring program called “Delivering for America,” whose aim is to dismantle the post office and prepare the way for its eventual privatization.

The Postal Workers Rank-and-File Committee was founded by postal workers around the country to fight against worsening working conditions, as well as the betrayals of the union bureaucrats who are helping to enforce them. But any successful fight requires first of all that workers have to have access to critical information.

We have to know first of all what we are up against, who our friends are, and who our enemies are and develop a strategy which is based on a realistic understanding of the situation, not in illusions or wishful thinking. It is in this spirit that we are releasing this statement. We urge our co-workers to read this statement carefully, to discuss it at your local facilities and to draw the necessary practical conclusions, above all, by joining the Postal Workers Rank-and-File Committee to develop a network of postal workers, not controlled by the union bureaucrats, to defeat this restructuring program.

What is “Delivering for America”?

“Delivering for America” is a bipartisan conspiracy. It is being carried out by Postmaster General Louis DeJoy, a multimillionaire Trump appointee who also enjoys the backing of Biden and the Democrats. He was appointed unanimously in 2020 by the USPS Board of Governors, which consists of appointees selected under both Democratic and Republican administrations. This body is stacked with investment bankers, as well as high-ranking, pro-corporate union bureaucrats, who have spent their careers manufacturing sellouts to guarantee Wall Street profits.

Delivering for America (DFA) is presented to the public as designed to ensure the stability of the postal service. But in statements made to industry insiders, removed from the attention of the average postal worker, DeJoy has bluntly summed up the real aims of the program. In July 2022 DeJoy told a right-wing think tank, “Right now, to get to break-even, I think we may need to get 50,000 people out of the organization.” In a keynote address to the Postal Forum in May, DeJoy explained the program will result in the closure of thousands of local post offices and the re-drawing of over 100,000 delivery routes.

DFA seeks to transform the USPS from a public service, which used to pay decent wages and pensions, into an entity beholden to shareholder profits, with a super-exploited, Amazon-style workforce. Everything that stands in the way of maximizing profits must be abolished to ensure USPS is “competitive” with private logistics companies and retailers like FedEx, UPS and Amazon, who have some of the worst labor standards.

Decades of bipartisan attacks

Delivering for America is the product of decades of pro-corporate attacks on the Post Office, beginning at least since the late 1960s and early 1970s. In 1970, just months after a quarter-million postal workers united in a successful wildcat strike in March 1970, Congress passed and President Nixon signed into law the Postal Reorganization Act, turning the once cabinet-level agency into a quasi-independent service that had to self-fund through its revenues, starting it down the road of privatization.

The current postal debt “crisis” is a politically manufactured lie to cudgel workers into accepting concessions. The requirement to “balance the books” was exploited by Congress in 2006 when they passed the Postal Accountability and Enhancement Act (PAEA), requiring USPS to pre-fund pension and healthcare obligations 50 years in advance. USPS was now paying an additional \$5.5 billion a year into federal pension funds, helping the Bush administration balance its budget. What would have been a \$900 million revenue surplus for USPS that year now looked like a massive deficit.

By 2022 the retirement obligations grew to \$135 billion in so-called debt, when Congress passed the Postal Service Reform Act, ending pre-funding but also ending the postal worker healthcare system and forcing retiring workers onto Medicare, a perennial target for slashing by Congress. It was passed with the support of every single Democrat in the House and Senate, including so-called “socialists” and “progressives,” such as Bernie Sanders and Alexandria Ocasio-Cortez. These same Democrats also joined with the Republicans last year to ban a strike by railroad workers.

Postal workers lost as much as \$200 billion when their healthcare program was raided and gutted, which the American Postal Workers

Union enthusiastically supported: “Repeal of this mandate has been a major legislative goal of the APWU.”

Furthermore, the USPS has reduced its career workforce by 270,000—a third of its workers—since 2000, forcing more work on its remaining staff and on highly exploited non-career “assistants” and “associates.”

Another major aim of the restructuring is to help beat back the biggest wave of strikes and protests by American workers in decades. The deliberate policy of both the White House and the Federal Reserve is to clamp down on worker opposition by enforcing substandard contracts and blocking strikes, such as what took place on the railroads, and increasing unemployment by hiking interest rates.

Resources which are being “wasted” on workers’ wages are to be redirected not only to Wall Street profits, but above all, to the war in Ukraine, in the Middle East and against China. Both parties are speaking more and more openly about the need to put American society on a war footing, which requires first of all getting the working class under control.

The USPS is one of the largest employers in the country, with over 600,000 people, or around a quarter of the civilian federal government. Massive cuts to postal workers’ jobs, healthcare and pensions will inevitably have a negative impact on the labor market and a chilling effect on the working class as a whole. Therefore, it is critical that postal workers establish a fighting unity with workers in other industries, especially where workers are conducting significant strikes, such as in the auto industry, where tens of thousands of jobs are also on the chopping block as part of the shift to electric vehicles.

Amazonification of the entire postal network

The centerpiece of Delivering for America is the consolidation of postal services from highly accessible local distribution centers and offices to several hundred large, centralized regional hubs called Sorting & Delivery Centers (S&DCs). This “hub-and-spoke” design is modeled after Amazon’s warehouses and fulfillment centers.

DeJoy presented maps to the Postal Forum showcasing how this “simplified” network would look like, making clear the plan required closing massive numbers of facilities.

Federal regulations require equal access to postal services no matter where someone lives, which is vital for delivering medicine, information, voting ballots and other critical services to all. Today, 99 percent of Americans live within 10 miles of a post office.

Compare that to the new S&DC network, which will result in 95 percent of urban residents and only 65 percent of non-urban residents living within *30 miles* of a mail facility. This will lead to far longer drive times and fewer customers. It may also be illegal given the disparities of access between urban and rural communities.

In addition to longer drives for customers, 100,000 mail routes are expected to be redrawn, causing massive disturbances. These longer routes to regional facilities are expected to double the average mail route, with rural letter carriers bearing even longer commutes. Some will need to be broken up, generating 5-10 percent more routes overall.

In addition, letter carriers are increasingly expected to drive their personal vehicles, with reimbursement rates far below the inflationary costs of gasoline and car maintenance, if they are reimbursed at all. DeJoy also wants to introduce more temporary and part-time workers, turning postal workers increasingly into Amazon Flex-style gig workers or UPS drivers, two-thirds of whom are part-timers already.

Another critical element in this “Amazonization” is the use of high-tech surveillance of the workforce. This is already in place through the infamous Technology Integrated Alternate Route Evaluation and

Adjustment Process (TIAREAP) for city carriers and the Rural Route Evaluated Compensation System (RRECS) for rural carriers. These are being used to enforce speedup and harassment, and, in the case of RRECS, slash pay for two-thirds of the workforce by up to \$10,000 and even \$20,000 per year.

A major aim of these systems is also to drive higher seniority career workers out of the post office entirely, enabling USPS to shed many of these 50,000 jobs through attrition. This harassment of older workers has already found tragic consequences, such as the heat-related death this summer of veteran letter carrier Eugene Gates in the Dallas, Texas, area. Gates had just received the first reprimand of his career after the TIAREAP tagged him for an unauthorized “stationary event” earlier in the year.

Maximizing profits and preparing for privatization

In total, two-thirds of DeJoy’s “10-year financial rebound” is achieved through last year’s legislation gutting retirement healthcare and regulatory changes to raise mail prices.

The other one-third is split between \$34 billion clawed back from workers through job cuts and wage theft through RRECS and other mechanisms, tiered pay and by restructuring remaining jobs. And lastly, \$24 billion in savings will be realized through all the delivery network investments, new mail products and delivery agreements, plus projected growth.

DeJoy told the National Postal Forum in May, “In the Delivering for America plan we sign on to fulfill [legislative mandates] by improving our service, reducing our cost, growing our revenue, motivating our employees and advocating for reasonable changes to burdensome legislation, regulation and rules.”

On improved service, the opposite is taking place. Despite claiming that DFA will raise on-time delivery of first-class mail from around 80 to 95 percent, DeJoy has ended most of the air delivery contracts in favor of freight delivery, where he has millions personally invested, causing 40 percent of first-class mail to slow by 1-2 days. The geographic extremes experiencing the biggest slowdowns include some of the largest population centers of the country—the West Coast, Texas and Florida.

The USPS will achieve its service targets by working with Congress to remove “burdensome legislation, regulation and rules” to permanently weaken service standards, from 1-3 day delivery down to 1-5 days.

At the same time, DeJoy has raised mail service prices four times since 2021 and just announced last week a fifth increase, raising first-class Forever stamps from 55 cents just a few years ago to 68 cents, or a 24 percent price hike.

Price increases for small businesses and customers are nowhere near over, as DeJoy’s DFA will bring in \$44 billion of new revenue from price manipulation alone.

He knows this is a “balance sheet” that will attract private investors because he has made a fortune in the freight and logistics industry. He is so financially entwined with the USPS that his former company, XPO, was awarded a \$120 million contract during his tenure as Postmaster General, personally netting him millions in leasing agreements.

The role of the postal unions

It is clear that postal workers have to fight against this restructuring. But

the union bureaucrats of the APWU, NALC and the NRLCA are full partners in Delivering for America. Totally uncontrolled by the workers they claim to represent, with the top layers drawing six-figure salaries siphoned out of workers' dues money, they rely on their ties with post office management, as well as the Democrats and Republicans.

To the extent that rank-and-file anger has compelled the postal unions to call limited demonstrations, they have tried to downplay the scope of the restructuring and direct workers to fruitless appeals to Democratic and Republican politicians who *support* the DFA.

Their role is to try to block any opposition from workers and help to enact the DFA behind workers' backs as much as possible through secret Memoranda of Understanding and union contracts worked out with management behind closed doors. While RRECS was first implemented this year, it was prepared for all the way back in 2012 with a Memorandum of Understanding signed by National Rural Letter Carriers Association. The National Association of Letter Carriers (NALC) likewise signed a secret MOU last year to bring in TIAREAP.

None of them has ever explained to workers, clearly and precisely, what Delivering for America is and what it means for their jobs and the public at large. In the August issue of its *Postal Record* Magazine, the NALC even published an article *promoting* DFA, carrying the lying headline: "There Will Be No Post Office Closures or Employee Layoffs as Part of Our S&DC Roll Outs." Given the fact that city carriers have been on a contract extension since May, while NALC has been involved in secret contract talks for months with the post office, this can only mean that the union is determined to help ram DFA through.

This is a broad phenomenon which is not limited to the post office. From the Teamsters at UPS and the railroads to the United Auto Workers, union bureaucrats are closing ranks with management and the government to help enforce sellouts and prevent or limit strikes. When Biden claims to be the most "pro-union president in American history," what this corporate politician really means is that he sees these union functionaries as powerful tools for disciplining the working class.

The global attack on postal services

What is happening at USPS is part of a global offensive against postal workers, part of the relentless pursuit of profits all over the world. Therefore, workers' fight to defend the right to an effective postal system must also be organized on a global scale.

It is highly significant that as Delivering for America gets underway, major attacks are being launched against Royal Mail in Britain and Deutsche Post in Germany. Both of these national post offices were fully privatized earlier in the 21st century, meaning conditions there also show American postal workers the future intended for them under Delivering for America. Some of the same Wall Street figures are involved on both sides of the pond: USPS Board of Governors Chair Ron Bloom heads one of the investment banks that drove the privatization of Royal Mail in 2013. As for Deutsche Post, it is a fully privatized multinational corporation, which owns, among other properties, the transnational logistics giant DHL, previously based in San Francisco.

A rebellion is brewing now among postal workers in Britain, who organized their own rank-and-file committee to oppose this year's sellout contract enforced by the Communication Workers Union, which paves the way for the further erosion of services at Royal Mail. In Germany, parliament intends to amend the Postal Law to eliminate whatever limited regulations remain. In early October, 30,000 German postal workers marched in the center of Berlin against the proposal. In opposition to the betrayals by Verdi, the postal workers union in Germany, German

workers have formed their own Postal Workers Action Committee.

The way forward

It is to their real allies, the global working class, the majority of human society which creates the world's wealth, that postal workers must turn to, not to the Democrats and Republicans or to trade union functionaries who are on the other side. There are powerful forces lined up against the postal workers, but the working class, if it is organized around an independent strategy, is more powerful.

This is why the Postal Workers Rank-and-File Committee was founded as part of the International Workers Alliance of Rank-and-File Committees, with sister organizations in different countries and industries across the world. In particular, we are fighting to unite postal workers in the United States with their brothers and sisters in Europe and in other countries.

Basing itself on what workers need, not on what Washington claims it can "afford," the Committee has raised demands around which postal workers can fight, including an end to RRECS, TIAREAP and other surveillance programs, the re-establishment of the 8-hour day, an immediate 25 percent pay increase to make up for decades of lost wages, full transparency in collective bargaining talks and an end to the Delivering for America program, among other demands.

All over, workers are beginning to organize themselves independently against both management and pro-company union bureaucrats. In the auto industry, the Autoworkers Rank-and-File Committee is fighting against the attempts by the UAW bureaucrats to isolate and limit their strike to a small handful of plants, demanding an industry-wide strike at all major US automakers. Mack Trucks worker Will Lehman, a member of the Autoworkers Rank-and-File Committee from Macungie, Pennsylvania, has emerged as a significant figure in this growing opposition.

The only way forward is through the unity of workers all over the world in the development of a class movement against austerity and relentless exploitation. As we made clear in our founding statement:

The only way forward is to organize ourselves, put forward our own program of demands, and place rank-and-file workers in every position critical to our job security, safety, wages, bargaining and so on. We must prepare action from below to assert the will of 635,000 career and non-career USPS workers to make sure our needs and interests take absolute priority and not the slash-and-burn policies of corporate-controlled politicians.

If you agree with this, contact us today and join the Committee by emailing USPSRankandFileCommittee@gmail.com or filling out the form below.



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