

Preparing for privatization, rural service reduced under USPS revised delivery standards

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On July 1, the United States Postal Service (USPS) implemented the second phase of its revised delivery standards under the so-called “Delivering for America” plan, which is, in reality, a massive cost-cutting campaign to prepare USPS for privatization. The changes, described by management as necessary for “efficiency,” will extend delivery times for millions of residents, particularly in rural areas, as USPS seeks to eliminate trucking routes and consolidate processing operations to slash labor and transportation costs.

According to industry publication *Freightwaves*, the latest phase expands the Regional Transportation Optimization (RTO) initiative nationwide, adding an extra day to expected delivery times for First-Class Mail originating from remote post offices more than 50 miles from regional processing centers.

USPS claims the changes will save \$36 billion over 10 years, with most savings derived from cutbacks to mail processing and transportation. Under the new standards, Sundays and holidays no longer count as transit days, meaning a two-day delivery mailed on Saturday will not arrive until Tuesday, greatly extending delivery times.

The situation is urgent and must be opposed by a rank-and-file movement from below, independent of the union bureaucrats who either openly support Delivering for America or refuse to lift a finger against it.

Drawing inspiration from the 1970 national postal wildcat strike, workers must organize joint actions to mobilize the working class to save the post office—a key public service which dates back to the American

Revolution—from the rampages of the corporate oligarchy. This means building the USPS Workers Rank-and-File Committee, which has taken the lead in calling for such actions, as a new alternative leadership democratically controlled by postal workers.

The Postal Regulatory Commission (PRC), in its January 2025 advisory opinion, sharply criticized the plan’s defective modeling, unproven cost-saving projections, and devastating impact on rural customers. The Commission warned that USPS is “irreversibly changing its network without laying a foundation for success.” It found that nearly half (49.5 percent) of First-Class Mail ZIP codes will experience downgraded service and concluded the changes are inconsistent with USPS’s statutory obligation under 39 U.S.C. § 101(a), to provide “prompt, reliable, and efficient services to patrons in all areas.” It emphasized the disproportionate harm to rural communities, delaying their outgoing mail and receipt of essential items such as medications and business payments.

The PRC noted specifically that USPS’s claims of improved performance were contradicted by actual outcomes in regions where they were piloted, including the cities of Richmond, Virginia and Atlanta, Georgia, where performance significantly declined following the implementation of the new network model.

But in spite of the scathing report from the PRC, the Trump administration is accelerating the plans of his predecessors to sell off the post office. These cuts are part of USPS’s broader transformation agenda initiated under former Postmaster General Louis DeJoy, appointed under Trump but serving mostly under Joe Biden.

Trump’s newly appointed Postmaster General, David

Steiner, is a sitting FedEx board member who will assume office on July 14. His appointment signals the administration's intent to strip USPS of its public mission and carve up its assets for private profit.

In its February 2025 industry update, Wells Fargo laid out a blueprint for USPS privatization, viewing these facility closures and consolidations as key steps toward carving up USPS. The bank proposed splitting the profitable parcel business from mail operations, privatizing parcel delivery through IPO or sale while retaining letter mail under minimal public funding.

Delivering for America is proceeding along many of the recommendations in the report. As *Freightwaves* reported, in 2021 USPS operated 427 facilities, many under short-term leases or contractors, functioning in an uncoordinated manner. Under DeJoy's restructuring, the agency is downsizing to just 250 facilities nationwide, including 60 regional processing and distribution centers (RPDCs) and 190 local processing centers (LPCs) that sort letters, flats and parcels for final-mile delivery. This represents a massive 40 percent reduction in facilities, with devastating consequences for postal workers and the communities they serve.

Amazon is also positioning itself to capitalize on a privatized USPS. As Truthout reported, CEO Andy Jassy's 2024 shareholder letter highlighted Amazon's expansion into rural delivery networks, traditionally dependent on USPS for the costly "last mile." Up until now, rural offices were so dominated by deliveries for the e-commerce giant that they functioned effectively as Amazon contractors, violating federal law by prioritizing Amazon packages over other items.

With privatization, Amazon could absorb these routes directly for massive profit, while slashing service to unprofitable regions. The company delivered over 6 billion packages in 2024 through its own network of franchised "Delivery Service Providers," becoming the country's biggest delivery business virtually overnight.

Truthout noted that both UPS and FedEx stand ready to absorb USPS's package delivery business. FedEx has a last-mile station network similar in size to Amazon's, but more evenly distributed nationwide, alongside a more efficient air network. UPS surpasses both with a larger last-mile footprint and nearly double Amazon's air capacity, positioning these corporations to seize routes and profits if USPS's universal service

obligation is dismantled.

Far from mobilizing opposition, the unions have quietly cleared the path for privatization by accepting Delivering for America's agenda. This year, all major USPS unions finalized new contracts that failed to include any protections against the ongoing preparations for dismantling the Postal Service.

However, support for the contracts among the memberships was abysmally low. The National Rural Letter Carriers' Association "ratified" a contract on only 11 percent turnout, while the American Postal Workers Union is wrapping up voting on a "contract" which does not even exist because the language has not yet been finalized. Members of the National Association of Letter Carriers rejected their tentative agreement by 70 percent, only to have its terms imposed through interest arbitration. This signals immense dissatisfaction with the union leaderships and their inability to defend workers' interests.

In response, the USPS Workers Rank-and-File Committee, an independent group composed of postal workers themselves and not bureaucrats, is organizing opposition from below. In a May statement, the Committee called on workers "to organize now to prepare emergency action, up to and including a national strike, to save the United States Postal Service and defeat Trump's attacks on the working class. We must organize this from below—we can't wait for 'permission' from corrupt union bureaucrats and Democratic Party officials who are working against us."



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