

Trump crony appointed as new head of US Postal Service

By Kayla Costa
12 May 2020

Last week, the U.S. Postal Service (USPS) Board of Governors announced their unanimous selection of the right-wing corporate executive Louis DeJoy as the new US postmaster general, the equivalent of a CEO for the government agency. His ascension marks another step in the direction of the privatization of USPS, a project that is accelerating with the advent of the COVID-19 pandemic.

DeJoy has a long career in managing private logistics companies, financial investment groups and private universities. Born in New York and a long-time resident of North Carolina, DeJoy was most recently the president of LDJ Global Strategies, an investment firm that deals with real estate, private equity and project management.

Prior to that experience, he was the CEO of New Breed Logistics from 1983 to 2014. When New Breed was acquired by XPO Logistics for a reported \$615 million, DeJoy served as CEO of XPO's supply chain business in North America until he retired from the company in 2015 and was appointed to XPO's Board of Directors.

On top of his expertise as a corporate CEO, he serves as a "mega-donor" for the Republican Party and President Donald Trump. He has given a total of \$2.5 million in political donations since 2016, including \$13,500 to the Trump campaign, \$866,000 to "Trump Victory," and \$1.1 million to the Republican National Committee (RNC).

Since January of this year DeJoy has gifted a total of \$430,000 to Trump and the RNC. He was also recently named the national finance chairman for the RNC in Charlotte, North Carolina this summer. His fundraising capacity for the Republicans was demonstrated in 2017 when he hosted a private fundraising event at his \$5.9 million mansion attended by Trump, with attendees paying tens of thousands of dollars to attend.

President Trump shares a close relationship with both Louis DeJoy and his wife, Aldona Vos. At a rally held in Fayetteville, NC in September 2019, Trump referred to DeJoy directly as "a friend of mine who has been with us from the beginning."

Just three months ago, Trump nominated Aldona Vos to

serve as U.S. ambassador to Canada, a coveted assignment, marking a new phase in her political career as a diplomatic agent of US imperialism.

She served as U.S. Ambassador to Estonia under President George W. Bush between 2004 and 2006, and she served as secretary of the North Carolina Department of Health and Human Services from 2013-2015, during which time she slashed public health care budgets. Originally from Poland, Vos also sits on the board of the Victims of Communism Memorial Foundation and an assortment of other right wing non-profit groups.

The appointment of DeJoy to head USPS is undoubtedly aimed at accelerating the process of privatization. With his decades of experience in the semi-criminal machinations of the stock market, corporate takeovers, and the wringing out of profits for shareholders and corporate executives, DeJoy appears to be well suited to carry out the task of finally breaking up the postal service and handing it over to the financial vultures of Wall Street.

Donald Trump has made clear his intent to privatize the post office since his inauguration. In 2018, Trump issued an executive order to create a task force to investigate the operations of USPS because it "was on an unsustainable financial path and must be restructured to prevent a taxpayer-funded bailout." This "restructuring" involved a variety of measures including multiple increases in postal rates and the slashing of labor costs.

The campaign to privatize USPS has been a long-standing goal of the American ruling class dating all the way back to 1970, the year of a major nationwide strike by postal workers. Although ultimately betrayed by the unions, the workers defiance of federal anti-strike laws outraged and shook the ruling class.

After the struggle of postal workers was crushed, the Postal Reorganization Act transformed the Post Office as a cabinet department of the government into a public entity run like a business. The Act also established the Board of Governors to oversee expenditures, operations, compensation, and the appointment of postmaster generals.

In the 1980s, USPS was cut off from federal funding, solely relying on revenue raised through the sale of postage and other products and services. George W. Bush went further in 2006 with the signing of the Postal Accountability and Enhancement Act, which obligated USPS to fully fund retirement obligations upfront.

These measures, enacted in the course of rising competition with technological communications and private logistics corporations like Amazon, have saddled USPS with an immense amount of debt. Before the impact of the COVID-19 pandemic, USPS had a negative net worth of \$65 billion, along with an additional \$140 billion of “unfunded liabilities” mainly from pension and health care obligations.

The heavy cost of these measures have been placed on the backs of postal workers, who’ve seen a steady erosion of their pay, job security, workplace safety, and benefits. In recent months, the spread of the novel coronavirus has exposed the wretched workplace conditions faced by postal workers.

Due to the lack of protective gear, testing, and transparency from management about potential infections, there are currently an estimated 2,000 confirmed COVID-19 cases among postal workers and dozens of deaths.

Hakim, a postal worker in New York, told the *World Socialist Web Site* that he and his coworkers have been discussing the pandemic and the privatization of USPS. He explained that USPS is finally providing basic protective gear, but the overall response to the virus worries him. “We don’t have a clear plan for any of this stuff. You have politicians saying one thing and medical experts saying something completely different. [The Trump administration] wants to risk people’s lives. It’s horrible. There’s no real leadership. There’s no accountability for none of it.

“It doesn’t seem good,” he said of the appointment of DeJoy as the new postmaster general. “If they implement all these measures to increase revenue, it doesn’t mean that we’re going to benefit from it. Who benefitted from the stimulus package? It’s not going to help us. I’m still waiting on benefits from the last package from Obama in 2008.”

The economic crisis triggered by the pandemic has reduced the volume of mail delivery to businesses, a big share of the postal service’s income, further exacerbating the revenue shortfall. Congress so far has only granted USPS a \$10 billion loan, which pales in comparison to the trillions handed out by the government to Wall Street. Postal service officials have appealed for at least \$75 billion in emergency funding.

There is no doubt that the pandemic will be used as a justification for both the privatization of the entity and the

unveiling of new attacks on postal workers, in order to pay back debts and churn out profits for the ruling class.

Postmaster General Louis DeJoy joins four board members with similar backgrounds in corporate cost cutting. Board member Ron A. Bloom, for example, was the senior advisor to the secretary of the treasury from 2009 to 2011, helping the Obama administration restructure of the US auto industry after the 2008 recession, which ramped up the exploitation of autoworkers internationally.

Despite the immense opposition among postal workers to the unsafe working conditions they confront with the coronavirus outbreak following decades of cuts, the four major postal unions have done nothing. They have kept workers on the job while issuing empty criticisms of the lack of government assistance while pledging to work with the US government and the USPS Board of Governors.

Mark Dimondstein, President of the American Postal Workers Union (APWU), issued a groveling statement declaring that if DeJoy “can prove true to his stated commitment to the public Postal Service” then “he will be a welcome addition to the postal family and our proud tradition of public service.” Fredric Rolando, President of the National Association of Letter Carriers (NALC), said he was “looking forward to working in good faith” with DeJoy.

The unions, with a long history of enforcing the government’s attacks on postal workers and subordination to the two parties of big business, the Democrats and Republicans, cannot be forced to carry out a fight against privatization and unsafe conditions. Postal workers must take the fight into their own hands and organize their own independent workplace committees, which should advance demands for the improvement of work and living conditions, a full emergency response to the COVID-19 crisis, and the transformation of USPS into a public utility democratically controlled by the working class.

In carrying forward this fight, postal workers must reach out to their fellow logistics workers at UPS, FedEx, Amazon, XPO and other sections of workers in the US and internationally. This must be linked to a political strategy based on socialism and directed against the subordination of social and economic life to the profit interests of Wall Street.

To contact the WSWWS and the
Socialist Equality Party visit:

<http://www.wsws.org>