# Did Jeff Bezos Just Admit to Exploiting USPS as Amazon’s ‘Delivery Boy’?

By [Sissi Cao](https://observer.com/author/sissi-cao/%22%20%5Co%20%22View%20All%20Posts%20by%20Sissi%20Cao%22%20%5Ct%20%22_blank) • 07/16/19 11:54am

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Remember President Donald Trump’s [“obsession” with Amazon](https://observer.com/2018/03/trump-slams-amazon-usps/) during March 2018, when he slammed the e-commerce giant in a week-long tweetstorm, accusing it of unfairly exploiting the U.S. Postal Service (USPS), which is run by the government, as its “delivery boy”?

“The U.S. Post Office will lose $1.50 on average for each package it delivers for Amazon. That amounts to billions of dollars,” Trump tweeted. While Amazon didn’t respond to his attack at the time, shipping industry experts suggested that [the president’s math was flawed](https://observer.com/2018/04/trump-false-information-amazon-usps-source/) and that USPS’s contract with Amazon should be profitable. (Amazon declined to disclose specific terms.)

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And yet, it’s now undeniable that Amazon wouldn’t have been able to achieve its miraculous success had it not been for the convenience of USPS in its early days, Amazon founder and CEO [Jeff Bezos](https://observer.com/2019/06/amazon-ceo-jeff-bezos-meetings-success-strategy/) conceded in a new interview with CBS Evening News on Monday.

“I didn’t have to build a transportation network to deliver the packages. It existed: It was called the post office,” Bezos told CBS’s Norah O’Donnell.

That part of the wide-ranging interview was themed around Bezos’ second career goal after Amazon—[space tourism](https://observer.com/2019/06/international-space-station-commercial-business-tourism/). Bezos’ space exploration company, [Blue Origin](https://observer.com/2019/02/amazon-jeff-bezos-blue-origin-space-race/), aims to make space travel accessible to all. But this time, he doesn’t have the luxury of taking advantage of an existing infrastructure to kick-start the business like he did with Amazon 25 years ago.

“It takes hundreds of millions of dollars to even just get started with something interesting,” he said. “What I want to do is reduce that price of admission with reusable space vehicles so that the next generation, you can actually have two kids in a dorm room build a great space company.”

Today, Amazon’s business volume has grown far beyond USPS’s capacity. On [last year’s Prime Day alone](https://observer.com/2018/07/amazon-prime-day-best-sellers-by-country/), for instance, Amazon moved over 100 million units of products.

Which is why last year it finally launched its own logistics system, powered by at least 50 airplanes, 300 semi-trucks and tens of thousands of Amazon vans.

But matching the cost level of USPS has been a challenge. Since hiring its own shipping staff, the e-commerce giant has frequently faced criticism for underpaying workers, putting them in subpar working conditions and not providing standard healthcare benefits.