Jim Hightower, Amazon, part 1 of a two-part series

*It’s time to look closer at Jeff Bezos and his online retail colossus*

**At Amazon, “cheap” comes at a very hefty price**

**By Jim Hightower**

In his classic 1936 comedy, *Modern Times*, silent filmmaker Charlie Chaplin depicted the trials and tribulations of a harried factory worker trying to cope with the sprockets, cogs, conveyor belts, and managerial “efficiencies” of the new industrial culture. The poor fellow finds himself caught up (almost literally) in the grinding tyranny of the machine. The movie *is* hilarious, but it’s also a powerful and damning portrayal of the dehumanizing consequences of mass industrialization, including monotonous assembly-line work, ruthless bosses demanding more and faster output, mass unemployment, rank inequality, union busting, and police deployed to enforce the corporate order.

The ultimate indignity for Chaplin’s everyman character comes when he is put on an assembly line that includes a mechanized contraption that force-feeds workers as they work. Not only does this time-management “innovation” eliminate the need for factory owners to provide a lunch break, but it also transforms humans into automatous components of the machine itself.

Of course, worker-feeding machines were a comedic exaggeration by the filmmaker, not anything that actually existed in his day, nothing that would even be considered in our modern times, right? Well…not so fast. If you work for Amazon.com, you might swear that Chaplin’s masterpiece is Jeff Bezos' idea of a properly run workplace.

**Brave new paradigm**

Jeffrey Preston Bezos is the elfish, almost preternatural man of unbounded ambition who founded and is CEO of Amazon, the online retailing colossus that trumpets itself as “Earth’s most customer-centric company.” At first blush, you might wonder why I’m picking on a company that has built a positive reputation with millions of consumers and even has a rather hip vibe going for it.

After all, isn’t it a model of tech wizardry, having totally reinvented retail marketing for our smart-phone, globally linked age? Doesn’t it peddle a cornucopia of goods through a convenient “1-click” ordering system, rapidly delivering them right to your doorstep? And doesn’t it offer steep discounts on nearly everything it sells (which is nearly everything)? Yes, yes, and yes.

However, as an old saying puts it: The higher the monkey climbs, the more you see of its ugly side. Amazon certainly has climbed high in a hurry. Not yet 20 years old, it’s already a household brand name and America's 10th largest retailer.

Yet, mesmerized by its digital charm and explosive growth in sales, few have looked closely at the Amazon animal. Its media coverage has been more gee-whiz than questioning. The press marvels that his obsession with electronic streamlining and systems management allows him to sell everything from books to bicycles, barbeques to Barbies, at cheap-cheap-cheap prices, undercutting all competitors – even Walmart.

But what is the source of those efficiencies and the low prices so greatly admired by Wall Street and so gratefully accepted by customers? Are they achieved strictly by being a virtual store, saving the costs of building, staffing, and maintaining brick-and-mortar outlets? Or is Amazon achieving market dominance the old-fashioned way—by squeezing the life out of its workers and suppliers, by crushing its competitors with monopolistic muscle, and by manipulating our national and state tax laws?

Voilà! There’s the ugly side.

As we’ve learned in recent years from exposés of the business practices of Walmart, “cheap” can come at a very heavy price. That price is no less revolting when it's asserted by a company that has a cachet of online cool and is based in cosmopolitan Seattle instead of rural Arkansas. Bezos and Amazon scream for scrutiny because Amazon, more than any other single entity, has had the infinite hubris to envision a brave new, computer-driven oligarchic order for our society – and has then proceeded to assemble it.

For some 30 years, large corporations have steadily been enveloping major elements of our society – workplaces, politics, education, media and more.,This encroachment is not the result of some immutable economic force marching through history – it is the product of corporate money and power being relentlessly asserted by individuals.

No one has imagined corporate domination as expansively nor pushed it harder or further than Bezos, and his Amazon stands today as the most advanced and the most ambitious model of a future under oligarchic control. Bezos isn’t merely remaking commerce with his algorithms, metrics, and vast network, he’s rebooting America itself, including our concept of a job, the definition of community, and even basic values of fairness and justice. It amounts to a breathtaking aspiration to transform our culture’s democratic paradigm into a corporate imperium led by Amazon.

Wal-Mart, the “Beast of Bentonville,” is now yesterday’s model of how far-reaching and destructive corporate power can be. Amazon is the new model,  not just of tomorrow’s corporate beast, but the day after tomorrow’s. Only it’s already here.

**Going inside Amazon**

The establishment media are unabashedly infatuated with Bezos and have crowned him with numerous laurels, from “Person of the Year” to world’s best living CEO. This past May, however, the reigning God of TechWorld was awarded a less coveted prize by the International Trade Union Confederation: “World’s Worst Boss.”

Even high-rankers in the corporation’s hierarchy describe him as a cold, controlling, and often vengeful gnome with little empathy for the people who work for him. As far back as the 1980s, when he was a Wall Street banker, he was perceived as lacking the human touch. “He was not warm,” remembers one who knew him then. “It was like he could be a Martian for all I knew.”

To witness the full Bezonian disregard for workers, however, one must look beyond the relative comfort of Amazon’s expansive campus headquarters and visit any of its 40-some “fulfillment centers” spread across the country. These are gated, guarded, and secretive warehouses where most of the corporation’s 100,000 employees work. The warehouses are dehumanizing hives in which Bezos has produced his own sequel to *Modern Times*.

Consider the job of “picker.” In each warehouse, hundreds of them are simultaneously scrambling throughout a maze of shelves, grabbing products. This is hard, physically difficult labor. Pickers must speed-walk on concrete an average of a dozen miles a day, for an Amazon warehouse is shockingly big—more than 16 football fields big, or eight city blocks – and pickers constantly crisscross the expanse. There are miles of seven-foot-high shelves running along the narrow aisles on each floor of the three-story buildings, requiring pickers to continuously stoop down, crawl along, or stretch way up.. They are directed by handheld computers to each target, for example, "Electric Flour Sifters: Dallas sector, section yellow, row H34, bin 22, level D.” Then they must scan the pick and put it on the right track of the seven miles of conveyor belts running through the facility. Immediately after, they’re dispatched by the computer to find the next product.

The pace is hellish. The computers don’t just dictate where to go next, but how many seconds Amazon's time-motion experts have calculated it should take to get there. The scanners also record the time each worker actually takes – information that is fed directly into a central, all-knowing computer.

When Mac McClelland, a fine investigative reporter, was working for *Mother Jones*, she took a job as a picker in an Amazon-contracted warehouse named Amalgamated Product Giant Shipping Worldwide, Inc. On her first day, her scanner told her she had 20 seconds to pick up an assigned product. As McClelland reported, she could cover the distance and locate the exact shelving unit in the allotted time only “if I don’t hesitate for one second or get lost or take a drink of water before heading in the right direction as fast as I can walk or even jog.” “Often as not,” she says, “I miss my time target.”

That’s not good, for Amazon has a point system for rating everyone’s time performance. Score a few demerits and you get “counseled.” Score a few more, and you’re out the door. And *everything* workers do is monitored, timed, and scored, beginning the moment they punch-in for their shift. Be oneminute late, you’ll be assessed half a penalty point; an hour late gets you a whole point; missing a shift is 1.5 points – and six points gets you fired.

Then there’s lunch. McClelland was reminded again and again by ever-present time monitors that this feeding break is not 30 minutes and one second, but 29 minutes and 59 seconds -- if you’re not back at your next picking spot on the dot, you earn penalty points. Never mind that the half-hour lunch period, she points out, “includes the time to get through the metal detector and use the disgustingly overcrowded bathroom… and stand in line to clock out and back in." Should you desire the luxury of a warm meal, there’s another line to use the microwave. Likewise, the two 15-minute breaks awarded by the Amazonians include the mass of co-workers scampering a half mile or more to the break room, waiting in line to pass through the despised metal detector and another line if they need to pee. The fifteen-minute “break” is usually reduced to a harried hiatus of under seven minutes.

Having managers bark “Zoom Zoom! Pick it up! Picker’s pace, guys!” as you dart around is dispiriting enough, but the corporation also assumes you’re a thief. In addition to those crawls through metal detectors, Amazon warns new initiates that there are 500 visible cameras in every nook of the warehouse, and another 500 hidden cameras.

All this for $10-$12 an hour, which is under $25,000 a year gross. But few make even that, for they don't get year-round work. Rather, Amazon's warehouse employees are "contingent" hires, meaning they are temporary, seasonal, part-time laborers subject to the employer's whim. Worker advocates refer to these jobs as "precarious" -- when sales slack off, you're let go; when sales perk up and managers demand you do a 12-hour shift with no notice (which might let you find a babysitter), you must do it or be fired. Christmas, Thanksgiving, Black Friday, Cyber Monday (invented by Amazon), Election Day, July 4th, or (for God’s sake) Labor Day – don’t even think of taking off.

Also, technically, you don’t work for Amazon. You’re hired by temp agencies with Orwellian names like Amalgamated Giant Shipping that do the dirty work for the retailer. This gives Amazon plausible deniability about your treatment – and it means you have no labor rights, for you are an “independent contractor.” No health care, no vacation time, no scheduled raises, no promotion track, no route to a full-time or permanent job, no regular schedule, no job protection, and – of course – no union. Bezos would rather get Ebola than be infected with a union in his realm, and he has gone all out with intimidation tactics, plus hiring a notorious union-busting firm to crush any whisper of worker organization.

In fact, when you toil for the man, don't even expect air conditioning. Three summers ago, a series of heat waves hit Pennsylvania's Lehigh Valley, and Amazon's cement warehouse there literally became a sweatshop. Yet, workers not only were expected to endure heat that reportedly rose as high as 114 degrees, but also were prodded to maintain the usual relentless pace dictated by the corporate timers. Many couldn't make it… so Amazon had to adapt.

Slow the pace? Don't be ridiculous! Instead, as reported by *The Morning Call* in Allentown:

"Amazon arranged to have paramedics parked in ambulances outside, ready to treat any workers who dehydrated or suffered other forms of heat stress. Those who couldn't quickly cool off and return to work were sent home or taken out in stretchers and wheelchairs and transported to area hospitals."

After a wave of customer outrage rolled into headquarters -- and after federal workplace safety inspectors arrived at the warehouse -- Bezos had some temporary AC units installed, but the upper levels of the building were still hot. Amazon's initial fix for this was to hand out popsicles on hot days! On extremely hot afternoons, workers could choose to leave early, but that meant their pay would be docked. Finally, nine months later, permanent air conditioning was installed.

**Why put up with it?**

If you asked workers in Amazon's swarming hives why they put up with the corporation's demeaning treatment, they might say something like: "Rent, food, clothing – the basics." Bezos & Co. fully understand that millions of today's workers are stuck in a jobless Depression with no way out, forced by necessity to scramble over each other to take any job that's offered.

As one of the worker bees in the Lehigh Valley hive told a reporter for the Allentown paper, "I never felt like passing out in a warehouse, and I never felt treated like a piece of crap in any other warehouse but this one. They can do that because there aren’t any jobs in the area."

There's even a category of uniquely vulnerable Americans that Amazon goes after: "Workampers." These are modern day migrants who could have stepped right out of a Steinbeck novel or Woody Guthrie song. Unable to get stable jobs, they travel in RV campers, taking whatever temporary work they can get. McClelland, the *Mother Jones* investigator, says there were hundreds of these migrants where she worked, noting that Amazon's warehouse operator "advertises positions on websites workampers frequent."

Temp agencies that are, in essence, the hiring offshoots of Amazon, have long lines of hard-up applicants waiting for every job in its warehouses, so the oppressive conditions and ruthless requirements that constantly cause workers to quit, be fired, or pass out are no problem for Bezos. By paying just one notch above McDonald's, he draws tens of thousands of people willing to get in line for exploitation.

Amazon smells today's mass desperation, preys on it, and thrives on it. That is a big part of the "magic" behind its super-cheap prices and super-efficient delivery system.

Reducing workers to Chaplinesque automatons in a time-motion nightmare, however, is not the end of Bezos' reprogramming of work and workers. Last year, he announced that "Amazon Prime Air" is in the works – a fleet of drones to deliver goods, gizmos, and gadgets to premium customers within 30 minutes after placing their must-have-now orders. But that's only phase one of his grand automation machination. Phase two is to take advantage of recent advances in artificial intelligence and ultimately replace all floor workers with robots.

Far-fetched? In 2012, Amazon bought Kiva Systems, Inc., a leading developer and installer of robotic warehouse systems. Guided by the central computer, hundreds of Kiva robots can glide seamlessly through the aisles to pluck the items. They don't need lunch or take breaks (though they do require air conditioning), so for Bezos the Martian, robots eliminate the pesky need for any human touch. Last November, Amazon placed 1,382 Kiva robots on the floors of three of its warehouses. In addition, Amazon/Kiva is developing automated fulfillment systems for such other retail giants as Gap, Staples, and Walgreens.

You could say that since there’s no humanity in Amazon warehouse jobs anyway, who cares? Well, those who have nowhere else to go *do* care. It’s a barren and wretched social vision that posits a choice of abusive jobs or no jobs at all.

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**Next week**: Amazon's assault on authors, bookstores, Main Street, "Buy Local," and community cohesion. Plus, the "Amazon Loophole."

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**Sidebar:**

**The birth of Amazon**

**LEGEND** has itthat the founding of Amazon is a classic story of a guy pulling himself up by his own bootstraps. In 1994, a bright, young fellow named Bezos heads off to the Seattle suburb of Bellevue, with not much going for him but old-fashioned pluck and a unique idea: Selling books on this new thing called the internet. Some called him crazy, but the bold entrepreneur got his online “bookstore” started in his garage in 1995. And lo, 19 years later, it has sales of nearly $100 billion a year and has made Bezos the 13th-richest American.

**REALITY.** Amazon did open for business in a Seattle garage, but guess where it was conceived? Wall Street! For the eight years between graduating from Princeton and landing in Bellevue, Bezos was a very well paid Wall Street investment banker. In 1994, while working at D.E. Shaw, a powerhouse hedge fund, he came across a report showing that internet marketing was about to boom, expected to grow by 2,300 percent a year. That’s when— click! —the Amazon light bulb lit up in Jeff’s head.

By the way, Amazon’s now-iconic brand name was not Bezos’ first choice. It was initially incorporated as “Cadabra,” as in *abracadabra*. But that sounded too much like "cadaver." Then came a suggestion he really, really, connected with: “Relentless.” How perfect that would’ve been! But wiser heads prevailed. So Bezos finally settled on Amazon, noting with typical modesty that the mighty Amazon River is the largest, most powerful river in the world—literally a force of nature.

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