

The

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LOWDOWN

“The universe says No to us. We in answer fire a broadside of flesh at it and cry yes!”

—A line from a Ray Bradbury novel that Bezos adopted as his credo in the mid-1980's.

WRITTEN BY JIM HIGHTOWER

It's time to pay attention to what Jeff Bezos and his online retail colossus are doing Like Walmart, only with supercomputers and drones: At Amazon.com “cheap” comes at a *very* hefty price

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 continuously 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 came when he was put on an assembly line that included a mechanized contraption that force-fed workers as they worked. Not only did this time-management “innovation” eliminate the need for factory owners to provide a lunch break, but it also transformed 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, and such an inhuman contrivance would not even be considered in our modern times. Right? Well... if you work for Amazon.com, Inc., you'd swear that Chaplin's masterpiece is Amazon CEO 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 Amazon, the online retailing colossus that trumpets itself as “Earth's most customer-centric company.” At first blush, you might wonder why the *Lowdown* is digging into a company that has built a strong reputation with millions of consumers and even has a rather hip vibe going for it.

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

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, generally attributing the retailers' phenomenal rise to Bezos' ceaseless search for

ever-greater corporate efficiencies. The press marvels that his obsession with electronic streamlining and systems management allows him to sell everything from books to bicycles, barbecues to Barbies, at cheap-cheap-cheap prices, undercutting all competitors—even Walmart.

But what is the source of those “efficiencies” and the low prices that are so greatly admired by Wall Street and so gratefully accepted by customers? Are they achieved strictly by being a virtual store, selling everything through the World Wide Web, meaning that it doesn't have to build, staff, and maintain any retail

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 (from small shops on Main Street to big chain-store rivals) 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 revolting business practices of Walmart, "cheap" can come at a very heavy price. And that price tag is no less revolting because it's asserted by a company that has a cachet of online cool and is based in cosmopolitan Seattle instead of rural Arkansas. Thus, in both this month's issue and September's, the *Lowdown* will take a hard look at what Amazon is doing to whom—and where that is leading our society.

We're focusing on Bezos/Amazon ("BeZon" would be a more appropriate corporate name, for the man is the corporation and vice-versa), not because this is yet another badly behaving behemoth. Rather, Amazon screams for scrutiny because it, more than any other single entity, has had the infinite hubris to envision a brave new, computer-driven oligarchic order for our society—then has proceeded to assemble it.

For some 30 years, corporate control has steadily (and stealthily) enveloped major elements of our society—workplaces, politics, education, media, upward mobility, etc. This encroachment has even been given a benign name: "The new normal." But it's not normal, and it's 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 more 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, including control of markets, work, information, consumerism, media... and beyond. He doesn't merely see himself remaking commerce with his vast electronic networks, algorithms, and metrics—but rebooting America itself, including our society's concept of a job, the definition of community, and even our 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.

Bezos, an admirer of Walmart's predatory business strategy, didn't just duplicate it—he wired it into his supercomputers, applied the Big Data techniques of the NSA to it, and routed it through the matrix of his own grandiose imagination. Walmart, 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 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, remote, controlling, ungenerous, and often vengeful gnome of a man with no 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 about 40 of its "fulfillment centers" spread across the country (and about 40 more around the world). These are gated, guarded, and secretive warehouses where most of the corporation's 100,000 employees are engaged in: **(1)** Unpacking the hundreds of millions of items that Amazon peddles; **(2)** Coding and storing the items on an immense array of shelves;

The birth of Amazon

LEGEND HAS IT that Amazon is a classic story of pulling yourself up by your own bootstraps. In 1994, a bright, young fellow named Bezos heads off to the Seattle suburb of Bellevue, with nothing 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 nearly \$100 billion a year in sales and has made Bezos the 13th richest American.

REALITY. Far from a humble beginning, Little Jeff was raised in a well-off family and sent to the finest schools, including graduating *summa cum laude* from Princeton University in 1986. The born-in-a-garage story? Yes, Amazon did open for business in a Seattle garage, but guess where it was conceived? Wall Street! For the eight years between Princeton and Bellevue, Bezos was a very well paid Wall Street investment banker, ending up at D.E. Shaw, a powerhouse hedge fund. There, in 1994, 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 it 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.

(3) Picking individual items off the shelves to fill the consumer purchases made online; and **(4)** Packing and shipping the goods to Amazon's hundreds of millions of customers.

The warehouses are dehumanizing hives in which Bezos has produced his own Kafkaesque 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 painful labor, for two reasons. First, 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 must constantly crisscross the expanse. Then, there are miles of seven-foot-high shelves running along the narrow aisles on each floor of the three-story buildings, requiring the

swarm of pickers to stoop down, crawl along, or stretch way up continuously. 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 scan the pick and must put it on the right track of the seven miles of conveyor belts running through the facility, immediately after which they're dispatched by the computer to find the next product.

Secondly, the pace is hellish. The pickers' computers don't just dictate where they're to go next, but how many seconds Amazon's time-motion experts have calculated it should take them to get there. The scanners also record the time each worker actually takes—information that is fed directly into a central, all-knowing computer. The times of every picker are reviewed and scored by managers who have an unmerciful mandate to fire those exceeding their allotted seconds.

Mac McClelland, a fine investigative reporter formerly with *Mother Jones*, took a job as a picker in an Amazon-contracted warehouse named Amalgamated Product Giant Shipping Worldwide, Inc. On

“The warehouses are dehumanizing hives in which Bezos has produced his own Kafkaesque sequel to *Modern Times*.”

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." She concedes that, "Often as not, 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 one minute 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, literally turning "eat and run" into a command. 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, as she pointed 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 you 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 time-sucking 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 much, for they don't get year-round work. Rather, Amazon's warehouse employees are "contingent" hires, meaning they are temporary, seasonal, part-time laborers entirely subject to the employer's whim. Worker advocates refer to these jobs as "precarious"—on the one hand, when sales slack off, you're let go; on the other hand, 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 actually work for BeZon. You're hired by temp agencies with Orwellian names like "Integrity Staffing Solutions," or by such warehouse operators as 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 virus 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 became literally a sweatshop. Yet, workers not only were expected to endure the heat that reportedly rose as high as 114 degrees, but also were prodded to maintain the usual relentless pace dictated by the cor-

Taylorism

BEZOS' COLD, MICROMANAGED, time-motion approach to the workplace is a direct descendant (and extreme extension) of a theory of "scientific management" developed in the 1880's by Frederick Winslow Taylor, an industrial analyst trying to transform craft workers into tools of mass production. Maximum economic efficiency from each worker was seen as the overriding value in any workplace, which required breaking down each movement in every worker's tasks into discrete pieces to determine "the one best method" for doing the job.

A central assumption was that "the worker was taken for granted as a cog in the machinery," requiring a high ratio of managers to laborers and a high level of managerial control over employees in order to standardize (and later automate) the process. While Taylor believed workers should be fairly paid (to keep them on the job) and given rest breaks (to extend their productivity), he also had a condescending view of less intelligent workers, sometimes comparing them to draft animals.

Taylorism made jobs unpleasant—and subsequent practitioners made them less remunerative and less secure, then less available... and on toward nonexistent, a form of ultimate Taylorism that can now be called Bezosism.




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porate timers. Many couldn't make it... so Amazon had to adapt.

Slow the pace? Don't be ridiculous! Instead, the bosses hired paramedics to tend to workers who, in effect, melted down. 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 unbearably hot. Amazon's initial fix for this was to hand out popsicles on hot days! And 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—an inexpensive, cost-effective solution that ought to have been done before putting any people in these hot boxes.

Why?

If you asked workers in Amazon's swarming hives why they put up with the corporation's demeaning treatment, most would look at you incredulously and 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 brutal 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," they're called. These are modern day migrants who could've 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, then move on down the road. McClelland, the *Mother Jones* investigator, says there were hundreds of these migrants where she

CORRECTION**NOT THAT UDALL**

In last month's *Lowdown*, we hailed Tom Udall as the Colorado senator who is chief sponsor of the bill to overturn *Citizens United*. That was a double-error—Tom is a New Mexico senator, and it's his cousin Mark Udall of Colorado who's carrying the bill. Sorry for the mix-up.

worked, noting that Amazon's warehouse operator "advertises positions on websites workampers frequent."

The 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 oppressive conditions and ruthless work 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 the "magic" behind its super-cheap prices and super-efficient delivery system.

Reducing workers to Chaplinesque automatons in a rigid time-motion nightmare, however, is not the end of Bezos' reprogramming of work and workers. Why not just replace those pesky humans altogether? 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. And they don't do lunch or take breaks (though they do require air conditioning), so for Bezos the Martian, robots eliminate the pesky need for any human touch.

Yes, you can say there's no humanity in Amazon warehouse jobs anyway, so who cares? Well, those workampers and others who have nowhere else to go care. It's a barren and wretched social vision that posits abusive jobs or no jobs as our choice. 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.

The future of work is not creeping up on us, it's sprinting past us.

NEXT MONTH: Amazon's assault on authors, bookstores, books themselves, Main Street, "Buy Local," and community cohesion. Plus, the "Amazon Loophole," the retailer's "creepy factor," Jeff Bezos' purchase of the *Washington Post*, and the general Amazonization of our culture.