

Billionaire Jeffrey Bezos to purchase Washington Post

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7 August 2013

The *Washington Post*, one of the United States' leading national newspapers, announced Monday that it had been sold for \$250 million to Jeffrey Bezos, the multi-billionaire founder of online retail firm Amazon.com.

Bezos' purchase of the *Washington Post* is only the latest in a series of acquisitions of major newspapers by wealthy investors. It comes only days after billionaire hedge fund manager and Boston Red Sox owner John Henry announced plans to buy the *Boston Globe* from the New York Times Co.

The sale follows reports that several billionaires, including the Koch Brothers, key backers of the right-wing Republican Tea Party movement, have been looking into purchasing the *Los Angeles Times*, one of eight newspapers that the Tribune Co. has been seeking to sell.

The *Washington Post*, the leading newspaper in the nation's capital, is known for having published the Pentagon Papers in 1971 and helping to expose the criminal activities of the Nixon administration related to the Watergate scandal, which led to Nixon's resignation in 1974.

Since then, along with the rest of the US "mainstream" media, the *Post* has moved steadily to the right, backing the US wars in Afghanistan and Iraq and editorially lobbying for more aggressive action in Syria and elsewhere. In domestic policy, it has generally supported the attacks on democratic rights carried out in the name of the "war on terror." It defends the NSA mass spying operations and supports austerity measures against the working class.

The newspaper has a national readership and a daily circulation of nearly 475,000. It has been owned by the Graham family for 80 years.

Bezos, with a net worth of \$25.2 billion, occupies

eleventh place on the Forbes 400 list of the wealthiest people in the United States. His company, Amazon.com, began as an online bookstore, but has increasingly sought to corner the market for Internet retailing. In addition to retail, the company sells computing services and manufactures the Kindle tablet series, and has made forays into publishing.

The sale of the *Washington Post* has been cited by commentators as heralding a return of the era where newspapers were owned by industrial moguls to advance their own interests and as a source of prestige. "In the olden days, [newspapers] were owned by wealthy individuals because to some degree they made money, but also because they gave them a sense of stature and power in their communities," consultant Alan Mutter told the *Washington Post*. "It's not so much that we're going back to some format. It's that what we had in the post-World War II era was the anomaly."

In acquiring the *Post*, Bezos has sought to present himself as the newspaper's benefactor and savior from the vicissitudes of the stock market. Donald Graham, chief executive of the Washington Post Co., struck the same tone, writing: "As the newspaper business continued to bring up questions to which we have no answers, Katharine [Weymouth] and I began to ask ourselves if our small public company was still the best home for the newspaper. ... Our revenues had declined seven years in a row."

Bezos' purchase of the *Washington Post* comes as traditional print newspapers are grappling with diminishing revenues, with readers increasingly turning to free Internet news sources. The Newspaper Association of America reported that advertising revenues for print newspapers fell by 55 percent between 2007 and 2012, forcing many newspapers into

bankruptcy.

The financial difficulties of print newspapers have contributed to the current wave of sales to multi-millionaire investors, who are buying up major newspapers for a fraction of what they would have been worth ten years ago. Last year, Warren Buffett's Berkshire Hathaway purchased 28 daily newspapers for a total of \$344 million.

Bezos has been tight-lipped in public about his political leanings, and has contributed relatively modestly to both Republican and Democratic campaigns. His largest political contribution was a \$2.5 million donation to a drive to legalize same-sex marriage in Washington State.

His company, however, is notorious for paying poverty wages to its warehouse employees. The average warehouse associate starts at \$11 per hour, or about \$23,852 per year. The company has received major tax abatements in areas where it has set up warehouses. It has, for instance, received a sales tax waiver from the state of Tennessee for setting up a pair of fulfillment centers there, including one visited by President Obama last week.

Working conditions at the Amazon fulfillment centers are reported to be abysmal. The *Financial Times* reported in February that workers "might walk between seven and 15 miles" each day, and "must walk through a set of airport-style security scanners to prove they are not stealing anything" at the end of their shifts. The report noted that "a very large number" of workers are fired "frequently and with little warning or explanation."

The *Seattle Times* on April 3, 2012 reported that Amazon workers were threatened and in some cases fired for reporting workplace injuries to the Occupational Safety and Health Administration, and a class-action lawsuit is currently pending against the company for short-changing workers' paychecks.

Despite Bezos' own claims that he will seek a "hands-off" role in running the *Washington Post*, the fact is that his purchase of the newspaper gives him control over one of the world's leading news outlets and vastly increased influence over the flow of public information. It underscores the dominance of a small group of billionaires over all aspects of social and political life.

The acquisition points to the fact that no "free press" is possible under capitalism. In reality, the entire news

media, from television to the newspapers, are owned and controlled by representatives of the corporate-financial elite. Their class interests determine what is revealed to the public, what is suppressed, and the manner in which events are presented.



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