

Authors weigh in on the Amazon-Hachette war

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In the latest development in the long-running dispute between Amazon and publishing conglomerate Hachette, hundreds of authors, including such prominent figures as Philip Roth, Salman Rushdie and V.S. Naipaul, have added their voices to a call for an antitrust inquiry into the giant online retailer by the US Justice Department.

Amazon, originating at the dawn of the Internet age as an online bookseller, now has a workforce of 132,000, warehouse centers in almost every corner of the globe and annual revenues fast approaching \$100 billion. Its founder, Jeff Bezos, with a net wealth of about \$28 billion, is currently ranked as the world's 17th richest individual.

Well known for his “Darwinian” tactics, Bezos has demanded that the French-based Hachette Book Group (HBG) accept a contract with lower e-book prices. The publisher has resisted, and for some months Amazon has retaliated by removing the pre-order option for forthcoming HBG titles, removing discounts on current offerings and delaying shipments of Hachette titles for weeks.

Amazon's clear aim is to set an intimidating precedent for deals with the rest of the publishing industry. It points to the huge expansion of the market for e-books, read on the Amazon Kindle or other e-book readers, and claims that its goal is the widest possible audience.

Hachette, which belongs to the Paris-based Lagardère media group (2013 revenue of \$US 9.15 billion), is no small player in the global publishing industry. Its list of authors includes J.K. Rowling of *Harry Potter* fame (whose newest book is one of those held back from sale by Amazon), James Patterson, Malcolm Gladwell and other best-selling writers. Its list of imprints includes Little Brown, Hyperion and Grand Central Publishing,

which issues the work of Jon Stewart and Stephen Colbert, who recently told his viewers to order their books from an independent bookstore with a strong online presence.

Hachette authors have already felt the impact of Amazon's measures in smaller sales and royalties. Others, including writers not yet directly touched by the dispute, fear that Amazon's growing clout—it already distributes 50 percent of the books sold in the US—will inevitably affect them. There is also fear that the kind of near-monopoly power Amazon is already close to will have dangerous consequences for the ability to write and find an audience in the future.

Several months ago writer Douglas Preston initiated Authors United, consisting largely but not entirely of Hachette writers, and including Stephen King, Calvin Trillin and Sandra Cisneros. The call for an antitrust inquiry is the latest in a series of actions taken by this group.

In August the authors' group placed a full-page ad in the *New York Times* urging readers to write to Bezos imploring him to negotiate. Later, the group sent a letter to the members of the Amazon board of directors lobbying against the company's tactics. “These sanctions have driven down Hachette authors' sales at Amazon.com by at least 50 percent, and in some cases by as much as 90 percent,” this letter stated. Up to 2,500 authors are reportedly affected by the dispute.

Behind the bitter standoff is the enormous transformation of the publishing industry, a change that has been fueled by the growth of the Internet and the digital revolution. Technology, it goes without saying, has made a huge difference in the lives of billions of people. In this economic and historical context, there is something misguided and even utopian about the authors' pleas, despite their sincerity and justified

complaints. The authors find themselves appealing to the multimillionaire members of Amazon's board, trying to convince them of the error of their ways.

It costs next to nothing to produce an e-book, and the suggestion that this technology is simply something that threatens authors plays into Amazon's hands. The online retailer inevitably strikes a chord with the public when it claims that it seeks to pass on the savings to readers.

In their letter to the Amazon board the writers claimed, "We all appreciate discounted razor blades and cheaper shoes. But books are not consumer goods. Books cannot be written more cheaply, nor can authors be outsourced to China. Books are not toasters or televisions. Each book is the unique, quirky creation of a lonely, intense, and often expensive struggle on the part of a single individual."

As one observer pointed out, ignoring the role of copy editors, proofreaders, designers, marketing staff and others is a "cavalier argument." The effort to claim that books belong in some privileged category in relation to films, paintings and other art forms, or even in relation to other goods, is equally false. And the writers completely ignore the fact that Amazon's business model is based not only on new technology and on shortchanging authors, but also on low wages and exploitative working conditions for tens of thousands of workers. A recent report indicated that the average wage of Amazon warehouse workers was about \$24,000 annually, or only \$1,000 more than the poverty threshold for a family of four.

Amazon offers a kind of Faustian bargain to its customers: lower prices and added convenience, at least temporarily, in exchange for its own monopoly control, which has already been translated into poor conditions for Amazon employees, along with attacks on writers and others in the publishing industry. The temporary consumer benefits won't last, and meanwhile profit interests ensure that genuine creativity and innovation are stifled.

The threats posed by Amazon's actions do not arise from advances in technology, but from how these advances are used and controlled. The rise of e-commerce is part of the development of the productive forces of society. These have come into explosive conflict with the existing social relations of production. The needs of society, the vast majority of the

population—including authors, readers, Amazon employees and others—are held doubly hostage to the profit interests of both Amazon and the publishers: once by the publishers who are increasingly unwilling to take risks, and then by Amazon, which demands its pound of flesh before releasing whatever is produced. Behind it all stand the shareholders on Wall Street, who bid the price of Amazon up or down and dictate the fate of books and of culture.

The rapid advances of e-commerce and digital media are bound up under capitalism with the increasing polarization of society between the handful of super-rich who use their private ownership to further enrich themselves at the expense of all working people.

Barry Lynn, who is advising Authors United on its antitrust appeal, told the *Financial Times* last week that, "In a democracy of 300 million people, it seems unwise to allow a single private company to be allowed to dictate terms to the largest companies that publish books in your country." Mr. Lynn has raised, unintentionally no doubt, the decisive question. Taking his comment one step further, it is more than "unwise"—it is incompatible with democracy for the tiny stratum of the super-wealthy to dictate the conditions of life and culture to the overwhelming majority.

The answer is not "buying local," as suggested by Colbert, or some effort to clip Amazon's wings. The defense of both culture and of living standards requires public ownership and the socialist reorganization of economic life, as part of a democratically planned economy.



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