

Amazon announces new headquarters in metropolitan New York City and Washington D.C.

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On Tuesday, the technology giant Amazon confirmed that it would split its new headquarters, or HQ2, between two cities and announced plans to build an operations center in Nashville. HQ2 will officially be set up in the Long Island City neighborhood of New York City and in the Crystal City neighborhood of Arlington, Virginia. Amazon claims it will create 25,000 jobs, and invest \$2.5 billion, in each location.

Arlington and New York City have both offered the \$1 trillion corporation hefty incentives for choosing sites in their two districts.

New York offered Amazon a staggering \$1.525 billion package. According to *Business Insider*, the majority of the sum (\$1.2 billion) comes from New York's Excelsior Jobs Program. The city calculated the incentive based on the salaries Amazon expects to pay its employees over the next 10 years. Amazon estimates the average wage will exceed \$150,000, meaning New York will offer \$48,000 in subsidies for each employee.

New York is also offering a \$325 million grant to help cover construction costs of the 4 million to 8 million square foot headquarters. Amazon will also seek further subsidies and incentives, including from New York City's Industrial & Commercial Abatement Program (ICAP) and its Relocation and Employment Assistance Program (REAP).

Virginia's package includes \$573 million in performance-based direct incentives. Virginia is offering Amazon \$22,000 for each employee hired in its location over the next 12 years, totaling \$550 million. Arlington will grant an additional \$23 million if Amazon can boost the city's tax revenues on hotel rooms over the next 15 years.

Virginia's Arlington County is offering Amazon a

warm welcome by rebranding Crystal City, the urban area where Amazon's new headquarters will be located, as "National Landing," implying the corporation's arrival represents great national significance.

It is no accident that Jeff Bezos, the world's richest man, chose locations so close to Manhattan and Washington D.C., two major epicenters of American capitalism. The Virginia headquarters places Amazon literally across the street from the Pentagon, with which the corporation has developed major contracts, and in close proximity to the US government. The HQ in New York will give it ready access to Wall Street.

The culmination of Amazon's year-long pageant is indicative of the immense power of giant transnational corporations and the oligarchs who head them. The process, in which Amazon toyed with local governments across the country, shows an ever increasing integration of corporations into the state apparatus and their control of both major capitalist parties.

Jeff Bezos already owns the *Washington Post*, one of the major publications that advance the agenda of the ruling class, and will now have a headquarters virtually a stone's throw away from Congress. Amazon spent \$13 million on lobbying in 2017, a 15 percent increase from the previous year, and doubled its number of lobbyists. The company increasingly exerts its influence over American politics.

Amazon is in the process of securing a multi-billion contract with the Department of Defense (DoD). The initiative, dubbed the Joint Enterprise Defense Infrastructure (JEDI), would grant Amazon the task of constructing and overseeing a massive cloud computing

service for the Pentagon.

Amazon will also be strategically located in a major hub of defense contractors. Arlington is home to some 1,070 contractors with almost \$44 billion in DoD contracts distributed from 2000 to 2017.

In a disturbing display of power, greed and arrogance, Jeff Bezos dangled the prize of a new headquarters in front of cities and states across the US for 14 months, only to abandon the competition it sparked. Cities and states offered billions of dollars in subsidies, and even, in one case, resorted to creative measures such as building a town called Amazon with Bezos as its king.

One of the “winners” of this contest, New York’s Democratic Governor Andrew Cuomo, made the self-abasing statement that he would change his name to “Amazon Cuomo” if that was what it took to win the favor Bezos and Amazon.

From its inception, the contest was designed for Amazon to be the sole winner. The move garnered massive publicity, while Amazon persistently asked cities for more incentives until it got the best deal. The company will now reap billions in benefits at the expense of the working class.

By moving to New York and Virginia, Amazon will drive up housing prices, increasing homelessness and further burdening the already failing public transportation systems in the two cities. Seattle, where Amazon is based, has faced a homelessness and housing crisis as a result of Amazon’s rapid growth. Amazon shut down a tax on large businesses that would have allocated funds to support affordable housing by threatening to stop construction in Seattle.

Amazon is a parasitic corporation that profits from exploiting its employees under sweatshop conditions at an unfathomable pace, and paying poverty wages. The median salary for an Amazon worker was a paltry \$28,446 in 2017.



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