

# Trump orders review of Pentagon's JEDI cloud computing contract

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On Thursday, newly installed Secretary of Defense Mark Esper halted Pentagon plans to announce the winner of the rights to its lucrative \$10 billion cloud service overhaul, the Joint Enterprise Defense Infrastructure project (JEDI), citing needs for further “examination” of the massive contract.

“I’ve heard from folks in the administration, so I owe, as the new guy coming in, a fresh look at [the contract, to] study it, make sure I understand all the different factors ... I’m going to take a hard look at it. We’re not going to be making any decisions soon until I’m comfortable with where it is,” Esper told the *Washington Post*. The review will likely prolong the final announcement, originally slated for this month, by several months.

Initially announced in 2018, the final decision on JEDI has been continuously stalled due to a bidding war between rival technology firms over the single largest military contract in history. The official aim of the program is to overhaul and centralize the Department of Defense’s (DoD) disjointed array of computing networks, giving the United States military more efficient logistical and information sharing capabilities, a chief concern as it seeks to scale up its capacities to wage war against China and Russia.

The delay comes after various tech companies lobbied the Pentagon, the courts and Trump personally to forestall what is seen as the likely victory of Amazon Web Services, a subsidiary of Amazon.com, Inc. Amazon CEO Jeff Bezos has often been at odds with the Trump administration. The *Washington Post*, which is owned by Bezos, has led the charge among Trump’s ruling class critics, claiming that the president is a “puppet” of Moscow; criticizing his foreign policy and especially any perceived “softness” on Russia.

In July, rival tech firm Oracle was rebuffed by a federal judge after seeking to end Amazon’s likely victory. Oracle had alleged that conflicts of interest on the part of

the DoD and Amazon in the negotiations process, including instances of former Amazon officials now working for the DoD and having been involved in the early stages of the contract, had corrupted the review process. In 2018, Oracle co-chief executive Safra Catz, a former member of Trump’s transition team, spoke with the president at a White House dinner about the contract.

Last month, Trump spoke about the status of JEDI at a press event, declaring “I’m getting tremendous complaints about the contract with the Pentagon and with Amazon. ... They’re saying it wasn’t competitively bid ... Some of the greatest companies in the world are complaining about it, having to do with Amazon and the Department of Defense, and I will be asking them to look at it very closely to see what’s going on.”

As late as last week, Pentagon spokesperson Elissa Smith defended the Pentagon’s conduct, sharply rebuking Oracle officials: “DOD officials directly involved in the work of this procurement ... related to JEDI have always placed the interests of the warfighter first and have acted without bias, prejudice, or self-interest. The same cannot be said of all parties to the debate over JEDI.”

The conflict over JEDI appears to be moving along two planes. On one hand, there are the complaints of rival tech firms Oracle, Microsoft and IBM, who lack a competitive edge over the cloud technology that Amazon possesses. Their hope in seeking a review of the bidding process is to force the Pentagon to break the \$10 billion JEDI project into smaller, individual contracts which will allow them a foot in the door as the military’s demand for cloud technology grows.

The WSWWS has already documented the incestuous relations between the military-industrial complex and Amazon. The web giant is among the few private sector technology firms which has security clearance to manage top secret Defense Department data. For their part, Pentagon officials have opposed “splitting” the contract

among various firms. According to *DefenseOne*, Pentagon officials felt “those smaller solutions, when pieced together, would only bring more of what JEDI is intended to fix.”

At the same time, Trump’s opposition to Amazon seems at least partially motivated by administration fears of a technology firm so closely identified with the administration’s establishment opponents gaining such an integral foothold within the nation’s military infrastructure. Trump has regularly attacked Bezos on social media and in official statements. Last year, Trump urged the US Postmaster General to double the shipping rates for Amazon deliveries, although the demand was never implemented.

As the crisis of US capitalism intensifies, the ruling class factions surrounding Trump and his opponents in the Democratic Party are making ever more overt appeals to the military and intelligence agencies as a means of mitigating disputes.

Within this context, it is notable that Oracle officials and lobbyists have sought to portray Amazon as being closely affiliated with the Democratic Party. According to the *Post*, “Oracle has lobbied Trump aggressively on the matter, hoping to appeal to his animosity toward Amazon as well as former defense secretary Jim Mattis, who angered the president when he resigned last year over the administration’s foreign policy decisions.”

The Bezos-owned *Post* noted that Oracle Executive Vice President Ken Glueck created a “colorful flow chart labeled ‘A Conspiracy To Create A Ten Year DoD Cloud Monopoly’ that portrayed connections among Amazon executives, Mattis and officials from the Obama administration.”

Notably, the *Post* added, “That graphic made it to Trump’s desk and led to a discussion between the president and his aides, people familiar with the matter said.”



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