

# Judge rules in favor of Amazon, halts work on JEDI contract by Microsoft

**Kevin Reed****17 February 2020**

On Thursday, a federal judge granted Amazon's request and imposed an injunction that stopped work on the Joint Enterprise Defense Infrastructure (JEDI) project between the Department of Defense (DoD) and Microsoft. The sealed opinion by Judge Patricia E. Campbell of the Court of Federal Claims found that the \$10 billion contract award to Microsoft could not proceed until a lawsuit filed against the agreement by Amazon was resolved.

The selection of Microsoft as the provider of the 21st-century JEDI cloud computing and massive 10-year military contract came as a surprise last October, with Amazon widely recognized as the front runner. Until the decision on JEDI, Amazon had been the preferred supplier of ultra-secure infrastructure as a service computing technology for the military-intelligence apparatus.

Amazon Web Services (AWS) protested the DoD's decision in a November 22, 2019 filing that stated "egregious errors" were committed during the process of selecting Microsoft. Amazon's lawsuit also stated that the errors "were the result of improper pressure from President Donald J. Trump, who launched repeated public and behind-the-scenes attacks to steer the JEDI Contract away from AWS to harm his perceived political enemy-Jeffrey P. Bezos, founder and CEO of AWS's parent company, Amazon.com, Inc. ("Amazon"), and owner of the *Washington Post*."

The AWS filing, which argues that its solution was superior to that of Microsoft, further stated, "DoD's substantial and pervasive errors are hard to understand and impossible to assess separate and apart from the President's repeatedly expressed determination to, in the words of the President himself, 'screw Amazon.'"

In response to the court decision, Microsoft Vice President of Communications Frank Shaw said, "While

we are disappointed with the additional delay we believe that we will ultimately be able to move forward with the work to make sure those who serve our country can access the new technology they urgently require." Shaw added, "We have confidence in the Department of Defense, and we believe the facts will show they ran a detailed, thorough and fair process in determining the needs of the warfighter were best met by Microsoft."

For its part, DoD spokesperson Lt. Col. Robert Carver told CNBC, "We are disappointed in today's ruling and believe the actions taken in this litigation have unnecessarily delayed implementing DoD's modernization strategy and deprived our warfighters of a set of capabilities they urgently need. However, we are confident in our award of the JEDI cloud contract to Microsoft and remain focused on getting this critical capability into the hands of our warfighters as quickly and efficiently as possible."

In addition to the injunction, the AWS lawsuit demands that the October 25 contract award be invalidated and that the DoD reopen the bidding process. The fact that the judge halted Microsoft from initiating work on the JEDI project is legally significant. Had the program been started, it would have been very unlikely that Amazon's lawsuit would prevail given the costs associated with rebidding a contract that was already in process.

In imposing the injunction, Judge Campbell also ordered Amazon to earmark \$42 million for future court costs in the event that Thursday's ruling is determined to have been issued "wrongfully." The company that ultimately wins out in this contract battle is expected to earn roughly \$40 billion in federal government cloud computing contracts that will be awarded in the next several years.

As reported previously on the WSWS, the program was conceptualized in 2017 as a secure global computing platform that will modernize the US military's information infrastructure. Among the major concerns of the White House and Pentagon is that the US military—with a technology infrastructure that is from the 1970s and 1980s—is rapidly falling behind China in the development of artificial intelligence warfare technology that depends upon state-of-the-art and robust cloud computing capabilities.

It appears that Judge Campbell's decision is in part an attempt to cut across Amazon's court filings of February 10 that are seeking the deposition of seven "individuals who were instrumental" in selecting Microsoft for the JEDI project. Among those that Amazon wants to depose are President Donald Trump, Defense Secretary Mark Esper and former Defense Secretary James Mattis along with the DoD's chief information officer, Dana Deasy.

The Amazon filing states, "While other individuals can testify about specific conversations he had with them individually, President Trump is the only individual who can testify about the totality of his conversations and the overall message he conveyed. Moreover, President Trump has unique knowledge about whether he had other, previously undisclosed conversations with individuals not previously identified, and who therefore do not appear on the deposition list."

At the time of these filings, CEO of AWS Andy Jassy told CNBC that when a sitting president is very vocal and specifically dislikes a company and its CEO, "it makes it difficult for government agencies, including the DoD to make objective decisions without fear of reprisal. And I think that's dangerous and risky for our country."

The flare-up of a legal battle between Amazon CEO Jeff Bezos—the world's richest individual with \$130 billion in personal wealth—and President Trump, over a strategic military sourcing decision, must be seen as part of the broader conflicts within the American ruling class that were behind the Mueller probe and the failed impeachment of the president by the Democrats over foreign policy issues.

The competition between Microsoft and AWS for a \$10 billion military contract shows that these tech giants—among the four trillion-dollar corporations on

DoD and ~~SEIU~~—are willing and eager collaborators in the ongoing wars of US imperialism in the Middle East and Africa as well as the preparations for "great power conflict" with Russia and China, which include plans for the use of nuclear weapons, and pose the danger to the entire world.

There are many indications that tech workers at Google, Amazon and Microsoft are opposed to the cooperation of their employers with the US war machine. Speaking at the annual Reagan National Defense Forum in California on December 9, Amazon's Bezos said, "One of the things that's happening inside technology companies is there are groups of employees who for example think that technology companies should not work with the Department of Defense. I think it's a really important issue, and people are entitled to their opinions, but it is the job of a senior leadership team to say no."

Bezos concluded his remarks with, "My view is if big tech is going to turn their backs on the Department of Defense, this country is in trouble. That just can't happen."



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