US government awards $10 billion NSA cloud contract to Amazon

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After months of evaluation, the National Security Agency of the United States decided in April to award a $10 billion cloud computing contract to Amazon Web Services (AWS), over an outcry from rival tech giant Microsoft.

Known as “Wild and Stormy,” the contract is not the same as the much reported and similarly priced $10 billion Joint Enterprise Defense Infrastructure (JEDI) cloud contract from the Department of Defense that was also the subject of competing bids from AWS and Microsoft.

That contract was scrapped in July 2021 by the Democratic administration of President Joe Biden after years of squabbling between the two contenders, in the wake of the DoD’s decision under then-President Donald Trump to award the bid to Microsoft, a transparent effort to punish Amazon and its then CEO Jeff Bezos.

Although the NSA originally awarded the Wild and Stormy cloud contract to AWS in the summer of 2021, a challenge from Microsoft led the Government Accountability Office to direct the agency last October to reevaluate contract proposals from both bidders. The NSA ultimately went with the original AWS bid.

Commenting on the 10-year federal contract, an NSA spokesperson told Federal News Network the Wild and Stormy contract “is a continuation of NSA’s Hybrid Compute Initiative to modernize and address the robust processing and analytical requirements of the agency.”

Microsoft has said it will not challenge the decision.

The Wild and Stormy contract stipulates that AWS will be the sole bidder holding the rights to the construction of the NSA’s cloud facility.

This is a reversal from the government’s previous decision to void the JEDI contract last year. At that time, the decision to scrap the single-provider method for a “multi-vendor” approach was favored because it “puts the agency a little more in the driver’s seat to select what they want,” stated Shawn McCarthy of the government analytics firm IDC Government Insights to the FNN.

The Hybrid Compute Initiative is a sweeping plan by the NSA to modernize its GovCloud environment. It aims to move massive amounts of data and computing power away from the agency’s global network of internal servers to cloud networks, provided by private vendors.

According to John Sherman, former Chief Information Officer of the Intelligence Community in 2020 when Hybrid Cloud Initiative was announced, such private networks would contain “very significant [signals intelligence] holdings.”

After the September 11, 2001 attacks and the passage of laws like the Patriot Act, the Total Information Act of 2002 and similar measures gave the US government sweeping powers to spy on people around the world. The NSA suddenly found itself in need of data storage capabilities to handle the increasing amount of data it collected.

A February report released by the NSA Office of the Inspector General (OIG) noted hundreds of “concerns” that a “wide swath” of the agency’s surveillance activities had the potential to be criminally abused.

For years, the agency addressed the problem of storage by adding new servers. But by 2010 it became clear cloud computing would provide the most efficient means of sharing classified data among various intelligence agencies. This also made information discoverable by analysts performing queries in one common space.

Reporting on the Wild and Stormy contract has largely been limited to government and tech-focused
publications, but some commentators in and around the Democratic Party have expressed anxiety over the award. Speaking on The Hill’s “Rising” TV program earlier this month, Jacobin editor David Sirota said, “We don’t actually know the details of this contract. It’s shrouded in secrecy” due to “national security” reasons, Sirota complained.

Other commentators have pointed to the Biden administration’s alleged “hypocrisy” in awarding the NSA cloud contract to Amazon despite the White House’s previous pledges that it would prioritize contractors that allow their employees to join unions.

Writing for Salon, journalist Chris Hedges noted Biden “invited Amazon Labor Union president Christian Smalls and union workers from Starbucks and other organizations to the White House at the same time it re-awarded a $10 billion contract to the union-busting Amazon and the National Security Agency for cloud computing.”

In a revealing statement, Hedges continued, “Withholding the federal contracts until Amazon permitted free and open union organizing would be a powerful stand on behalf of workers.”

Far from hypocrisy, the awarding of the contract to Amazon confirms the important role that the company plays as a part of the critical US infrastructure, as well as the military-intelligence apparatus. Hedges does not explain how helping the NSA to improve and update its surveillance tools would be taking “a powerful stand on behalf of workers.”

The Biden administration is not promoting various trade union apparatuses at Amazon because they are “pro-worker.” On the contrary, it is a way to both restrain the class movement of workers in this key part of the economy, as well as a way to more closely coordinate its policies of class war at home and war with Russia and China abroad with its private sector partners.

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