

Amazon Flex drivers in Avenel, New Jersey stage walkout to protest corporate efforts to cut costs at workers' expense

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24 June 2022

On Saturday, June 18, a group of Amazon Flex drivers in Avenel, New Jersey staged a work stoppage and protest against a cut in their compensation by the company. The 15 workers who staged the walkout reported that Amazon has cut the amount paid per block from \$38 to \$34. Flex workers receive no other compensation, such as for medical insurance or vehicle maintenance.

Amazon treats these workers as independent contractors, not as employees. Flex workers drive their own vehicles and cover all expenses, including gasoline. The Avenel workers are paid in two-hour blocks during which they are supposed to be available to make an unlimited number of deliveries with no limit as to distance.

Amazon Flex delivery workers at various locations across the country have been protesting the high cost of fuel for months. Under conditions of skyrocketing inflation, including soaring gasoline prices in particular, these workers were already under severe financial stress. This has been made worse by the cut in pay.

In addition, the same punishing speedup to which Amazon warehouse workers are subject, resulting in the highest injury rate in the logistics industry, is also affecting delivery drivers. A recent study by the Strategic Organizing Center reported that nearly one in five drivers suffered injuries during 2021, a 40 percent increase from the previous year.

The mistreatment of delivery drivers by Amazon is nothing new. Those who drive company vans have Artificial Intelligence-enabled cameras installed in the cab that monitor virtually every action of the driver and the vehicle. Even those contract drivers who use their

own vehicles are spied upon by a system called Mentor that tracks the driver's performance down to the time it takes to load packages onto their vehicle.

All this leads to tremendous stress and frustration, not to mention economic distress. In the news release issued by the Avenel workers, one stated, "We can't survive like this. We demand Amazon raise our pay and treat us with respect and dignity."

The action by the Avenel workers is just one expression of the growing opposition among Amazon workers to the attacks the company is mounting in an increasingly brutal attempt to offload onto workers the crisis the company is facing. Amazon is desperately seeking to maintain maximum profitability under conditions of the rapidly intensifying crisis of global capitalism.

Only two weeks prior to the action by workers in Avenel, workers at an Amazon delivery facility in Bellmawr, New Jersey (DEW8), walked off the job to protest the company's cost-cutting moves.

Two recent reports describe the economic conditions that are whipsawing Amazon, driving it to intensify even further the exploitation of its workforce.

The first is an article in the *Wall Street Journal* profiling Andy Jassy, who replaced Jeff Bezos a year ago as president and CEO of Amazon upon Bezos's retirement. During Jassy's tenure, Amazon's total market value has dropped by \$600 billion. In the first quarter of 2022, the company suffered its first quarterly loss since 2015.

This is related to Amazon's having promoted itself as an "essential" employer during the first years of the pandemic. Under Bezos, the strategy had been for breakneck growth under conditions in which the

pandemic had significantly increased online shopping.

Physical facilities were greatly expanded, and the workforce was nearly doubled from 800,000 in 2019 to 1.6 million in 2021.

This strategy resulted not only in soaring profits, which tripled over the course of 2020 through 2021, but in the highest injury and turnover rates of any workforce in the logistics industry. This regime of extreme stress has led to repeated protests and attempts to organize as workers seek to find a way to defend themselves.

According to the *Journal*, Amazon's expansion "at breakneck pace" overestimated the growth in demand. "The new CEO is working to cut back the excesses of an e-commerce operation the company expanded ... during much of the Covid-19 pandemic," it states.

E-commerce sales faltered in face of the drive by the ruling class to force workers back to work, no matter the consequences, even as the COVID-19 pandemic continued to rage. Amazon was an eager participant in this effort, even as its online purchasing declined along with its earnings.

The aim is now to restore profitability via cost cutting. According to the *Journal*, "Mr. Jassy and his team are working to sublease at least 10 million square feet of excess warehouse space, defer construction of new facilities on land Amazon has bought and find ways to end or renegotiate leases with outside warehouse owners." Furthermore, 68 brick and mortar Amazon stores have been closed.

The protests by workers at Avenel and Bellmawr are the result of the implementation of this cost-cutting strategy.

In its rush to downsize, it would seem that Amazon's high worker turnover rate—an estimated *153 percent of its total workforce* yearly—would make trimming the workforce relatively easy. Ironically, a recently leaked internal study dating to mid-2021 concluded that at least in some locations, notably in areas of lower population density, Amazon might have difficulty maintaining adequate staffing levels by 2024.

The internal report suggests that one of the problems is that Amazon's current strategy of low wages, draconian speedup and terroristic surveillance of its workforce is self-defeating in the long run. According to *Vox*, "the leaked report offers a variety of solutions to choose from, but each with trade-offs that Amazon

executives may not find palatable."

Suggestions that include raising wages and lowering the breakneck productivity rates demanded of the workforce "could also mean reducing performance tracking and productivity quotas that have played a role, however controversial, in the company's historic business success to date."

Whether the new strategy of increased efficiency and workforce reduction will counteract the projected labor shortages is uncertain. However, in either case, workers can expect that Amazon will continue to maximize the exploitation of its workers.

Amazon workers' efforts to counteract this extreme exploitation, such as the election victory of the Amazon Labor Union at New York City's JFK8 warehouse, have proven to be a dead end already. While originally marketing itself as an "independent" union, no sooner was the ALU voted in at JFK8 than its leaders held meetings with President Biden, a longtime shill for Wall Street and the credit card companies, while rubbing shoulders with the corrupt leaders of the Teamsters union and other AFL-CIO affiliates.

Amazon workers can place no confidence in the ALU, the Teamsters, or any of the bureaucratically controlled, pro-company unions. Workers must take up the fight on their own by forming independent, rank-and-file workplace committees and link up with other workers in a network of such committees—the International Workers Alliance of Rank-and-File Committees (IWA-RFC). These committees, democratically controlled by workers, would link Amazon workers and other logistics workers across the United States and globally in a powerful movement against the corporations and profit system.



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