

# Mobilize the working class against the jobs massacre at Amazon and other industries!

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6 January 2023

The announcement by the technology and e-commerce giant Amazon that it will lay off 18,000 workers in the US must be met with a counter-offensive of the working class in defense of jobs and living standards.

Amazon CEO Andy Jassy, who took over from centibillionaire Jeff Bezos in 2021, announced the layoffs on Wednesday following an internal employee leak. He blamed “an uncertain economy” and rapid hiring during the pandemic for the layoffs, which are concentrated in retail positions at Amazon Stores and human resource positions.

Feigning sympathy for the workers affected, Jassy stated, “We don’t take these decisions lightly or underestimate how much they might affect the lives of those who are impacted.” He added that the job cuts would enable the company to pursue “long-term opportunities with a stronger cost structure”—that is, they will increase corporate profits.

Amazon’s job massacre is the latest in a brutal counteroffensive by the corporate and financial aristocracy against the demands of workers for better wages and working conditions, including at Amazon warehouses. Even as workers are made to pay for the economic crisis, the net worth of Amazon Chairman Jeff Bezos, one of the richest people on the planet, remains over \$100 billion.

News of Amazon’s job cuts follows a series of mass layoffs at technology companies. According to TrueUp’s tech layoff tracker, technology companies carried out 1,517 layoffs in 2022 that resulted in 237,874 jobs lost, including at tech giants Meta (Facebook) and Netflix and at hundreds of tech startups. This is a staggering 1,800 percent increase in job cuts from 2021, when 13,000 jobs were cut. The largest round of layoffs took place in November, including at Twitter, where billionaire sociopath Elon Musk carried out a brutal purge of over 70 percent of the workforce.

Adding to the jobs bloodbath in the first week of 2023, Salesforce announced it would cut over 10 percent of its workforce, or over 8,000 employees.

But the jobs massacre is not limited to the tech sector. Layoffs are threatened in the manufacturing sector as well. The multinational auto company Stellantis announced that it could idle multiple plants this year, part of a global restructuring in the auto industry. This week, Stellantis CEO Carlos Tavares bluntly stated that the company will cut costs to “absorb the additional cost of electrification,” adding that “If the market shrinks, we don’t need so many plants.” He said ominously that “unpopular decisions will have to be made.”

The developing assault on jobs is a part of a conscious policy by the ruling class, spearheaded by the Biden administration. Responding to the surge in inflation over the past year, the US Federal Reserve and other central banks internationally have raised interest rates at the sharpest pace since the early 1980s. The explicit aim is to drive up unemployment so as to force through massive cuts in real wages.

Commenting on the December jobs report, released on Friday, which showed a “cooling” in hiring, the *New York Times* stated that the “mismatch between supply and demand, particularly in the service industries where compensation drives prices, has continued to heat up wage growth faster than the Federal Reserve would like to see. The Fed’s program of interest-rate increases is meant to cool the labor market, and with it, the climb in wages.”

The *Times* stated blithely that the Fed is aiming to increase unemployment to a level that “equates to roughly one million jobs lost.” That is, the Federal Reserve, acting on behalf of the financial aristocracy, is seeking to create a social catastrophe to force workers to accept poverty-level wages.

A recent report by the International Labour Organization (ILO) found that real wages for workers in

the United States and Canada declined by 3.2 percent in the first six months of 2022. For the ruling class, this is considered a good start, but far from enough.

The surge in inflation, which has had a devastating impact on the living conditions of workers throughout the world, is itself the product of more than a decade of free-money policies by global central banks to fuel the speculative mania in financial markets. The resulting price inflation has been compounded by the impact of the US-NATO proxy war against Russia and the ruling class response to the pandemic on global supply chains.

The raising of interest rates has particularly impacted the technology companies, which have relied on easy money and Wall Street speculation to fuel their growth over the last decade. With the tightening of monetary policy, major technology stocks and cryptocurrencies fell by over 28 percent in 2022, including some of the biggest declines since the dot-com collapse. Amazon stock fell by 51 percent last year, the largest drop since 2000, when its stock price collapsed by over 80 percent.

While interest rate hikes may dampen the profits of the corporations and induce a global recession, it is a sacrifice the ruling class is willing to make to ensure that workers' demands for higher wages are suppressed.

Their aim is to place the full burden of the escalating economic crisis on the backs of the working class, under conditions where corporate profits soared to a record high of \$3 trillion in the second quarter of 2022 and \$2.9 trillion in the third quarter.

Urgent action is needed to stop the layoffs at Amazon and other companies! The fight against layoffs must be connected to the fight for a massive increase in wages to meet soaring inflation.

A counter-offensive requires the development of rank-and-file committees, democratically controlled by the workers themselves and independent of the trade union apparatus, at Amazon and other companies. Over the course of the past year, the working class has begun to fight back, with major strikes and protests throughout the world. Workers have been held back, however, by the pro-corporate trade union apparatus, which has worked to suppress opposition and impose one contract after another with cuts in real wages.

Following the announcement of the Amazon job cuts, the organizations vying to unionize Amazon workers have so far said nothing about the latest assault on jobs, including the Teamsters, the Retail, Wholesale and Department Store Union (RWDSU), and the Amazon Labor Union (ALU).

The Biden administration has sought the services of the corporatist trade unions, including the RWDSU, not to improve the conditions of Amazon workers, but to suppress their opposition to layoffs, poverty wages and speedup, just as the Democrats did against the rail workers' struggle last year. The same process is being replicated internationally, including in the UK and other countries that are seeing a growing rebellion of the working class.

In opposition to the reactionary nationalism of the trade union apparatus, Amazon workers and all other workers in the US must unite their struggles with the growing movement of workers internationally, who confront the same conditions and the consequences of the same ruling class policy. The tech layoffs in the US are part of an international restructuring that spans Europe and Asia.

The Socialist Equality Party and the International Committee of the Fourth International initiated the formation of the International Workers Alliance of Rank-and-File Committees to coordinate and unify the struggles of workers in the United States and throughout the world.

The development of an industrial counter-offensive of the working class must be connected to the building of a mass political movement of the working class against the Biden administration, the two big business parties in the US and every capitalist government in the world.

The ruling class is responding to the crisis of capitalism with an increasingly brutal assault on the working class. For millions of people, capitalism has nothing to offer but mass death from an intensifying global pandemic, mass unemployment, world war and increasingly dictatorial forms of rule.

The working class must respond through the building of a socialist movement, the aim of which is the conquest of state power by the working class, the expropriation of the massive fortunes of the rich, the transformation of the giant corporations into public utilities, and the reorganization of the economy on the basis of social need, not private profit.



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