

ethikos Volume 34, Number 6. June 01, 2020 Amazon under the gun

By Sascha Matuszak

Amazon.com Inc. is facing scrutiny from lawmakers after a series of actions, including firing employees after they had raised workplace concerns^[1] and purchasing equipment from blacklisted Chinese companies.^[2] The demand for Amazon's delivery services has also skyrocketed during the COVID-19 pandemic.^[3]

Several Amazon warehouse employees—in different locations around the United States—spoke out about workplace conditions they regarded as unsafe. Amazon's response has been, generally, to fire those workers and defend its policies as being among the best in the nation. One particular incident, the firing of warehouse worker Christian Smalls, led to New York's state attorney general office investigating and sending a letter. The letter, obtained by NPR, [4] claimed that "'the information so far available to us raises concerns that Amazon's health and safety measures taken in response to the COVID-19 pandemic are so inadequate that they may violate several provisions of the Occupational Safety and Health Act'" and that "'many workers are fearful about speaking out about their concerns following the termination of Mr. Smalls' employment. … This is a particularly dangerous message to send during a pandemic, when chilling worker speech about health and safety practices could literally be a matter of life and death.'"

A *Reuters* report^[5] also uncovered that Amazon purchased cameras to take temperatures of workers from China's Zhejiang Dahua Technology Co Ltd, a company blacklisted^[6] by the U.S. government for allegedly using forced labor in its supply chain.

The fact that Amazon is one of the largest corporations in the world makes the above incidents more of an issue than it would have been for other companies. Massive companies like Amazon, which generate billions in profit while avoiding most taxes, have a much more precarious hold on their reputation than other companies. Questions such as how to treat workers that voice concerns or where to source certain equipment are more than just business issues. Amazon's decisions to fire employees that speak out and to source from a blacklisted company present ethical problems that can easily make it into the media and the public consciousness.

Given the narrative that Amazon's CEO and founder Jeff Bezos, the richest man in the world, ensures his company pays little to no corporate taxes, media reports detailing other ethically questionable decisions have the potential to do serious harm to brand reputation.

- <u>1</u> Reuters, "Amazon fires two employees critical of warehouse working conditions," NBC News, last updated April 15, 2020, https://nbcnews.to/35WhqoQ.
- **2** Sascha Matuszak, "Amazon purchased thermal cameras from blacklisted company," *Report on Supply Chain Compliance* 3, no. 10, May 14, 2020, https://bit.ly/2T3WTtm.
- **3** Jason Del Rey, "Amazon was already powerful. The coronavirus pandemic cleared the way to dominance." Recode, April 10, 2020, https://bit.ly/2Z53NlN.
- <u>4</u> Alina Selyukh, "Amazon Warehouse Safety 'Inadequate,' N.Y. Attorney General's Office Says," NPR, April 27, 2020, <u>https://n.pr/3d1qVoU</u>.

5 Krystal Hu and Jeffrey Dastin, "Exclusive: Amazon turns to Chinese firm on U.S. blacklist to meet thermal camera needs," *Reuters*, April 29, 2020, https://reut.rs/3aS9Exe.

6 Addition of Certain Entities to the Entity List, 84 Fed. Reg. 54,002, 54,003 (Oct. 9, 2019), http://bit.ly/35J70od.

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