Amazon: Trump used “improper pressure” to block AWS from DOD cloud contract

Enlarge / The JEDI contract is central to DOD’s efforts to rapidly adopt cloud technology. But the winner-take-all contract offer has been controversial from the start—and now Amazon claims President Trump put a whole lot more than a finger on the scales to ensure AWS lost.
Department of Defense

reader comments

143 with 90 posters participating

Share this story

In a redacted filing released today by the US Federal Court of Claims, attorneys for Amazon asserted that Amazon Web Service’s loss of the Department of Defense Joint Enterprise Defense Infrastructure (JEDI) cloud computing contract to Microsoft’s Azure was 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’ parent company, Amazon.com, Inc. (“Amazon”), and owner of the Washington Post.”

The suit cites Trump’s instructions to former Secretary of Defense James Mattis to “screw Amazon” out of the contract, as recounted by Mattis’ former chief speechwriter, and numerous other incidents of direct interference by Trump in the contract competition, including ordering an “independent” review of the contract by Defense Secretary Mark Esper in

August of 2019.

JEDI was awarded to Microsoft in October. The $10 billion contract is for a DOD-wide enterprise Infrastructure-as-a-Service (IaaS) and Platform-as-a-Service(PaaS) program providing compute and storage services—including delivering them to the "tactical edge," giving troops in the field access to critical data. The initial expenditure, scheduled for the first year of the contract, would be just $1 million—but it would be followed by a base two-year ordering period and up to eight years of optional extensions out to 2029, with a capped value of $10 billion.

- The before (left) and (hopefully) after (right) architecture designs of DOD cloud.
- All sorts of services are supposed to be part of JEDI, at classifications up to Top Secret.
- Only $1 million is guaranteed—so that $10 billion could be a pipe dream if the winner can't deliver.

Because of the scale of the contract, AWS was long assumed to be the front-runner—AWS already provides the DOD with cloud services and other government agencies that meet most of the security requirements set out by the JEDI contract. But Microsoft's Azure was also a strong contender, and the DOD's internal cloud capabilities (provided by the Defense Information Systems Agency) have relied heavily on Microsoft technology. And Amazon's attorneys claim that after Trump injected himself into the procurement discussion, the DOD "took numerous actions to systematically remove the advantages of AWS' technological and experiential superiority and artificially level the playing field between AWS and its competitors, including Microsoft."

The filing cites as an example the DOD's decision in mid-2018 to not evaluate past performance as part of the competition in violation of Federal Acquisition Regulation (FAR)

requirements—when “only AWS possessed [past performance] with regard to a contract remotely comparable to the size and complexity of JEDI.”

“These errors, however, were not merely the result of arbitrary and capricious decision making,” the filing states. “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.'” As a result, Amazon’s attorneys asserted, “Basic justice requires reevaluation of proposals and a new award decision,” and the court should decide “whether the President of the United States should be allowed to use the budget of DoD to pursue his own personal and political ends.”

https://arstechnica.com/?p=1630099