

Microsoft beats Amazon to win the Pentagon's \$10 billion JEDI cloud contract

The US government has awarded a giant \$10 billion cloud contract to Microsoft, the Department of Defense has confirmed. Known as Joint Enterprise Defense Infrastructure (JEDI), the contract will provide the Pentagon with cloud services for basic storage and power all the way up to artificial intelligence processing, machine learning, and the ability to process mission-critical workloads.

It's a key contract for Microsoft as the company battles Amazon for cloud dominance, and for a while it was up in the air as to whether Microsoft or Amazon would win this particular one. IBM and Oracle were both eliminated for the bidding back in April, leaving just Microsoft and Amazon as the only companies that could meet the requirements. The contract has been controversial throughout the bidding process, and Oracle lost a legal challenge after it claimed the contract has conflicts of interest.

Microsoft's win over Amazon might not be a win for employees
President Trump even got involved during the bidding process, saying the government was looking at the contract after "getting enormous complaints" from competitors to Amazon and Microsoft. Trump has been a critic of Amazon and its CEO Jeff Bezos over the company's tax arrangements.

While the contract award, which will last for 10 years, will be seen as a big win for Microsoft, employees might not necessarily agree. Thousands of Google employees protested against the tech giant's involvement in the Pentagon's

“pathfinder” AI program, known as Project Maven. Google was ultimately forced to step back from the work, and wasn’t part of the final bidding process for this contract.

Microsoft employees have also called on the company to drop its HoloLens US Army contract, which could eventually provide more than 100,000 of the augmented reality headsets for combat and training in the military. Microsoft is still honoring the contract, and the US Army are already using modified HoloLens 2 headsets for soldiers.

<https://www.theverge.com/2019/10/25/20700698/microsoft-pentagon-contract-jedi-cloud-amazon-details>