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**Leaders**

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The genius of Amazon

# The pandemic has shown that Amazon is essential—but vulnerable

Jeff Bezos's vision of a world shopping online is coming true faster than ever. But the job of

## running Amazon hasn't got any easier

**I**N THE SUMMER of 1995 Jeff Bezos was a skinny obsessive working in a basement alongside his wife, packing paperbacks into boxes. Today, 25 years on, he is perhaps the 21st century's most important tycoon: a muscle-ripped divorcé who finances space missions and newspapers for fun, and who receives adulation from Warren Buffett and abuse from Donald Trump. Amazon, his firm, is no longer just a bookseller but a digital conglomerate worth \$1.3trn that consumers love, politicians love to hate, and investors and rivals have learned never to bet against. Now the pandemic has fuelled a digital surge that shows how important Amazon is to ordinary life in America and Europe, because of its crucial role in e-commerce, logistics and cloud computing (see [article](#)). In response to the crisis, Mr Bezos has put aside his side-hustles and returned to day-to-day management. Superficially it could not be a better time, but the world's fourth-most-valuable firm faces problems: a fraying social contract, financial bloating and re-energised competition.

The digital surge began with online “pantry-loading” as consumers bulk-ordered toilet rolls and pasta. Amazon's first-quarter sales rose by 26% year on year. When stimulus cheques arrived in mid-April Americans let rip on a broader range of goods. Two rivals, eBay and Costco, say online activity accelerated in May. There has been a scramble to meet demand, with Mr Bezos doing daily inventory checks once again. Amazon has hired 175,000 staff, equipped its people with 34m gloves, and leased 12 new cargo aircraft, bringing its fleet to 82. Undergirding the e-commerce surge is an infrastructure of cloud computing and

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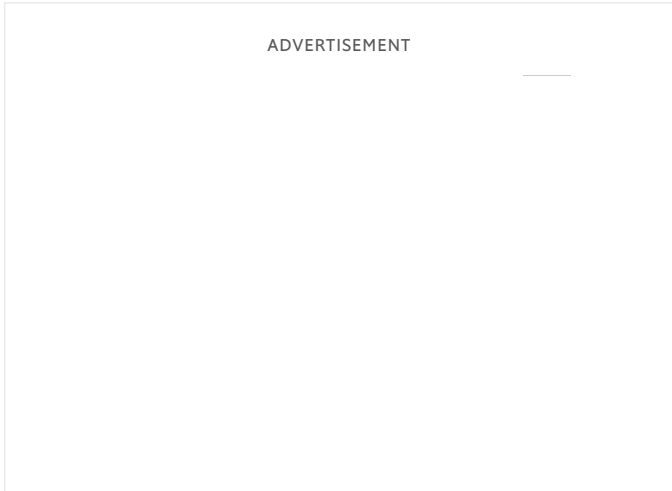
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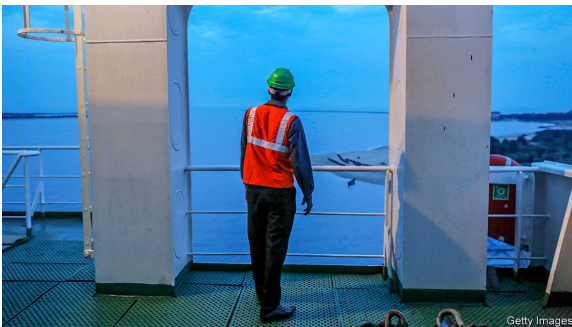
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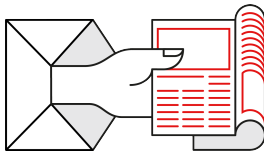
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