

Amazon Sued for ‘Systemic Pattern’ of Anti-Black Racism and Equal Pay Act Violations

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Amazon has a pattern of anti-Black “structural racism” that infects and informs its corporate hiring and promotion practices, according to a lawsuit filed in federal court on Monday.

“Their practices when it comes to hiring and promoting Black people and other underrepresented minorities to high-level positions (and paying them commensurately) perpetuate decades-old patterns of discrimination,” the complaint filed in D.C. District Court alleges. “Like so many other Black and female employees at Amazon, **Charlotte Newman** was confronted with a systemic pattern of insurmountable discrimination based upon the color of her skin and her gender.”

“Amazon should harness the power of diverse leadership, instead of dimming the light of Black employees,” Newman said in a statement provided to Law&Crime.

The lawsuit claims the company’s racist structure both diminishes opportunities for certain classes of employees and has resulted in a climate that perpetuates harmful racial stereotypes.

“Ms. Newman and other Black and female employees in corporate roles at Amazon have spent years doing work beyond the Level at which the Company has hired them, and they languish at these lower Levels and titles, falling behind their white and male comparators in compensation and promotions,” the filing alleges. “Therefore, Ms. Newman and other Black and female employees are underpaid, even if the others working at the same assigned “Level” are paid approximately the same amount—because, again, they and their white and male coworkers at the same Level are not doing the same job.”

One specific way this works, the filing claims, is that Amazon routinely engages in a practice known as “de-leveling” when it comes to Black and Latinx employees.

The complaint explains:

Ms. Newman is not alone among Amazon’s corporate workforce in facing discriminatory treatment. Based upon numerous conversations with other Amazon employees who are persons of color and/or women, the “de-leveling” of Black employees when they are hired (i.e., dropping them a level below the job they applied and were qualified for or will be performing) is common, as is a longer wait for promotions for Black employees and women (particularly to high-level positions at Director [Level 8] and above).

Ultimately, de-leveling results in lower initial compensation packages, when compared to white and male employees, and a much longer path to advancement for Black, Latinx and female employees at Amazon, the lawsuit claims. This lengthened achievement route is particularly harmful when it comes to obtaining shares of company stock which has an all-but exponential impact on pay disparities over time because Amazon's stock price has been on a years-long and dramatic upsurge. According to the lawsuit, these disparities result in lost compensation for Black, Latinx and female employees to the tune of hundreds of thousands of dollars per year.

Newman, a former adviser to Sen. **Cory Booker**, says she was subject to de-leveling and that while hired for a Level 6 position after being told she was perfect for a Level 7 position, was quickly expected to perform Level 7 tasks without the commensurate Level 7 pay.

And the pay pattern, according to the lawsuit, is more or less part of a feedback loop that perpetuates the company's racist atmosphere. Again the filing, at length:

The root cause of this sustained pattern of underrepresentation of Black and female employees in Amazon's upper ranks can be detected in and traced to the stereotypical perceptions of the Company's management. Ms. Newman has observed and experienced these racially and sexually discriminatory attitudes personally.

In November 2019, a coworker of Ms. Newman made the revolting remark that Ms. Newman looked "like a gorilla" in a black jacket. Such shocking racial insensitivity is fostered by management's neglect of racial equity issues and the Company's lack emphasis on workplace training and robust anti-discrimination policies. This was by far not the only instance of racially offensive and dismissive conduct Ms. Newman experienced from coworkers and managers.

The lawsuit goes on to note several instances in which one of Newman's supervisors "used stereotypical racial tropes when criticizing her about how she speaks in meetings." According to Newman, her vocal style was described as "aggressive," "too direct," and "just scary."

Aside from the corporate defendants, Newman alleges that one of her senior coworkers sexually harassed her for the first three years she was with the company—leading up to an instance of alleged sexual assault in early 2018.

"As one of the largest and most powerful companies in the world, Amazon has an obligation to lead by example and promote a level playing field for all workers regardless of their race," Newman's attorney **Douglas Wigdor** said in a statement. "Sadly, despite its emphasis on innovation, Amazon still treats Black employees like second-class citizens by shutting them out of high-level corporate roles, paying them less than similarly situated white employees, and dismissing their concerns about equity and safety. Because of Ms. Newman's bravery, we expect other current and former Black employees at Amazon will now have a voice to stand up to this discrimination and no longer suffer in silence."

The lawsuit says it aims “to hold Amazon and its executives accountable for their unlawful and discriminatory practices” and relies on six separate causes of actions against the e-commerce (and recently brick-and-mortar) retail giant.

Newman is suing for one violation of federal Civil Rights law as it relates to contract formation, two violations of the D.C. Human Rights Act, one violation of the Equal Pay Act, bias-related crimes under D.C. law and one count of sexual assault and battery.

Amazon stopped short of dismissing the allegations contained in the lawsuit.

“Amazon works hard to foster a diverse, equitable, and inclusive culture, and these allegations do not reflect those efforts or our values,” a spokesperson told Law&Crime. “We do not tolerate discrimination or harassment of any kind and thoroughly investigate all claims and take appropriate action. We are currently investigating the new allegations included in this lawsuit.”