Created Value, Captured Rent: Did Jeff Bezos Become Rich at the Expense of Customers and Employees?

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Abstract. This paper examines whether Jeff Bezos became rich at the expense of Amazon's customers and employees. It operationalises value-creating profit and economic rent through counterfactual indicators: persistent price or markup gaps after cost and quality controls, worker total compensation relative to feasible alternatives, and consumer surplus net of search, switching, and consent costs. Amazon created substantial value through convenience, logistics, product variety, and cloud computing, so Bezos's wealth cannot be reduced to a zero-sum transfer. Employee evidence shows wage gains alongside intensive monitoring and lower job quality, but existing studies do not establish whether pay and benefits fully offset injury and psychological costs. The incidence of Amazon's wage floor is also unresolved because costs may be absorbed in margins, passed to consumers, or shifted through supplier terms. Marketplace power is most plausible where rival exit, weak outside options, or platform control reduces contestability, although effects vary by country and product category. The evidence therefore supports substantial value creation alongside credible but unquantified channels of rent capture.

Keywords: Amazon; Jeff Bezos; economic rent; consumer surplus; labour power; market power; consent

1 Introduction

Debate about Jeff Bezos's fortune often divides between two claims: that it rewards innovation or that it reflects exploitation. Both are incomplete. Amazon has generated substantial consumer gains through e-commerce and has raised wages in parts of the retail labour market (Dolfen et al., 2023; Derenoncourt & Weil, 2025). At the same time, peer-reviewed studies of Amazon's warehouse regime and digital choice architecture raise concerns about algorithmic control, job quality, worker well-being, and informed consumer choice (Vallas et al., 2022; Kowalski et al., 2026; Ziermann, 2024).

The phrase "at the expense of" therefore requires a counterfactual test. Customers or employees are harmed not merely because Amazon earns money from them, but when a measurable welfare outcome is worse than under a feasible alternative with safer work, better information, stronger bargaining power, or more effective competition. Entrepreneurial profit rewards innovation, organisation, and risk-bearing; economic

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rent is the part of return sustained by restricted alternatives, bargaining asymmetry, or cost externalisation rather than equivalent additional value.

Bezos's wealth is largely the capitalised value of an ownership claim on Amazon's diversified platform. Research on Amazon's accumulation model shows that its economic power rests on innovation, data control, marketplace intermediation, and cloud infrastructure (Rikap, 2022). This makes it implausible to attribute the entire fortune to retail workers or consumers. The paper therefore asks where Amazon expanded total surplus and where observable counterfactual gaps indicate rent capture. It does not estimate the proportion of Bezos's wealth attributable to either source.

2 Conceptual Framework and Methodology

2.1 Analytical Framework

The distinction is operational rather than based on an arbitrary moral label. A return is treated as value-creating profit when it can be explained by additional output, quality, cost reduction, innovation, or risk-bearing under contestable alternatives. Rent is inferred only when three conditions are jointly supported: (1) an outcome is worse than a credible counterfactual; (2) the gap is persistent and economically meaningful; and (3) it is linked to restricted competition, bargaining, information, or cost externalisation rather than cost or quality differences. Because markets differ, the framework uses benchmark-relative indicators rather than a universal percentage threshold.

Table 1. Operational criteria for distinguishing value creation from economic rent.

Domain	Measurable outcome	Value-creation benchmark	Rent indicator and counterfactual
Firm / product market	Price, markup, return, output or quality	Return follows innovation, lower costs or improved quality under rivalry	Price or markup remains above a matched competitive benchmark after cost and quality controls; examples include rival-exit or matched-market designs
Employees	TC = wages + benefits + schedule/security value - expected injury and psychological costs	TC is at least as high as feasible comparable employment	TC is lower than local alternatives for comparable workers after job and worker controls, while mobility or bargaining is constrained
Consumers / sellers	CS = willingness to pay - price - search, switching and consent costs	Net surplus reflects service gains under transparent choice and effective alternatives	Net surplus falls relative to matched offers or markets while firm revenue rises without a corresponding quality gain

2.2 Evidence and Evaluation

This is a theory-driven case analysis rather than a systematic review or original empirical study. It draws exclusively on peer-reviewed journal articles in economics, labour

studies, organisation studies, marketing, and law. Evidence was matched to the operational test: quasi-experimental and market data were used for counterfactual price or wage gaps, worker surveys and qualitative studies for non-pecuniary costs and mechanisms, and formal models for conditions that cannot be directly observed. Conflicting findings were retained where the literature did not support a single conclusion.

Three domains were compared: the source of Bezos's wealth, employee outcomes, and customer or seller outcomes. A claim of rent required a benchmark-relative gap, evidence of persistence or repeatability, and a plausible mechanism of restricted alternatives. Where studies measured only one component - for example wages but not injury costs - the conclusion was explicitly limited rather than treated as a complete welfare comparison.

3 Results of the Comparative Analysis

3.1 Wealth Creation Beyond Retail Extraction

Amazon created substantial value by reducing search costs, expanding product variety, scaling rapid delivery, and developing cloud infrastructure. Dolfen et al. (2023) estimate that US e-commerce generated gains exceeding $1,000 per household annually by 2017. Amazon did not create all of these gains, but its marketplace and fulfilment systems helped make them scalable. Research on Amazon’s innovation and accumulation model further shows that data, technological capabilities, platform intermediation, and cloud infrastructure are central to its economic power (Rikap, 2022).

Bezos's fortune therefore reflects ownership of an organisation that expanded total surplus. This does not prove that all returns were competitively earned; it establishes only that the fortune cannot be understood as a direct transfer from a fixed economic pie. The remaining test is whether prices, total compensation, or net consumer surplus diverge from credible competitive counterfactuals because of market power or cost shifting.

3.2 Employees: Benefits Alongside Externalised Risk

Amazon created jobs and introduced a $15 wage floor in 2018. Evidence on voluntary wage floors among large national retailers finds sizable wage gains and lower turnover at adopting firms, but limited spillovers to other employers (Derenoncourt & Weil, 2025). This establishes a pecuniary benefit, not a complete welfare comparison. The relevant measure is total compensation (TC): wages and benefits plus the value of schedule stability and security, minus expected injury costs and psychological disutility. Rent capture would require TC at Amazon to be lower than TC in feasible comparable employment after accounting for worker characteristics, job tasks, and local alternatives.

Current studies only partially populate that test. Interview research identifies algorithmic monitoring, quantified performance control, and precarious employment as mechanisms of labour discipline (Vallas et al., 2022). Survey evidence reports lower job quality and worker well-being in e-commerce than in traditional warehouses, while

also finding important variation across Amazon and Walmart facilities (Kowalski et al., 2026). More generally, job-risk research finds limited evidence that wages fully compensate for workplace disamenities and shows that job satisfaction can reveal residual utility losses (Ferreira et al., 2025). However, no cited study jointly measures Amazon wages, benefits, injury risk, psychological costs, and feasible outside offers for the same workers. The evidence therefore identifies a credible risk of externalised costs, but not a quantified net-compensation deficit.

The incidence of the $15 floor is also unresolved. Retail evidence shows that labour-cost increases can be passed to consumers through higher prices (Renkin et al., 2022), and the pass-through rate can vary with market power, demand curvature, and consumer search (Richards & Paudel, 2026). Amazon could instead absorb costs through margins or productivity, adjust employment, raise prices, or renegotiate supplier and platform terms. Because no study isolates these channels for Amazon's 2018 policy, the wage floor is best treated as a worker gain with uncertain downstream incidence, not as a pure transfer from shareholders to employees.

3.3 Customers: Large Gains, but Imperfect Consent

Customers gained convenience, variety, rapid delivery, and lower search costs. Positive consumer surplus means that Amazon's profits were not taken from customers merely because the company retained part of the benefit it created. Nevertheless, consumers can be better off than before Amazon existed while remaining worse off than under stronger competition or more transparent choice.

Peer-reviewed legal analysis identifies Amazon Prime's enrolment and cancellation design as a dark pattern that may weaken autonomous choice and prolong unwanted subscriptions (Ziermann, 2024). This identifies a mechanism of extraction through impaired consent, not proof that Prime is harmful overall. Marketplace power is also conditional rather than simply inconclusive. Amazon raised US toy prices by almost 5% after Toys "R" Us exited, indicating that category-specific power is more likely when a major outside option disappears (He et al., 2022). A hybrid-platform model predicts stronger steering incentives when the platform controls seller access and has a larger own-product footprint (Anderson & Bedre Defolie, 2024). By contrast, a study across German, French, and UK Amazon marketplaces found little aggregate self-preferencing but substantial variation by country and product category (Jürgensmeier & Skiera, 2025). Taken together, rent capture is more likely where substitutes are weak, sellers depend heavily on one platform, multihoming or entry is difficult, and the platform controls ranking, fees, and data. It is less likely where rivals remain numerous, price comparison is transparent, and sellers can reach consumers elsewhere. Aggregate neutrality therefore does not rule out localised power, while one category shock does not establish platform-wide abuse.

3.4 Comparative Finding

The evidence is asymmetric but does not support a numerical decomposition. Amazon clearly expanded total surplus through logistics, platform technologies, and cloud infrastructure. Employee studies identify adverse amenities and control mechanisms, but they do not establish that total compensation is below feasible alternatives. Customer evidence is strongest for impaired consent and for categories in which competition weakens; broader effects depend on country, category, seller dependence, and platform design. Value creation and rent capture can therefore coexist, but each rent claim must satisfy a specific counterfactual test.

4 Discussion

4.1 Interpreting Mutual Benefit

Mutual benefit does not establish distributive fairness. Accepting an Amazon job shows that its expected utility exceeded the worker's available option at that moment; it does not show that wages and benefits fully compensated for injury risk, psychological strain, or constrained mobility. Likewise, a Prime purchase can create surplus while dark patterns increase switching or cancellation costs (Vallas et al., 2022; Ziermann, 2024). The relevant tests are therefore total compensation and net consumer surplus relative to feasible, better-governed alternatives, not voluntariness alone.

4.2 Policy Implications

The findings support targeted governance rather than treating Amazon's size or Bezos's wealth as inherently illegitimate. Labour policy should require transparent performance standards, credible safety enforcement, and reporting that links pay, benefits, injuries, turnover, and well-being at facility level. Consumer and competition policy should secure simple cancellation and test pricing, ranking, and seller treatment by country and product category. Evaluation of future wage policies should also trace incidence across margins, consumer prices, employment, and supplier terms rather than assuming that shareholders bear the full cost.

5 Conclusion

Amazon created substantial value through logistics, variety, convenience, marketplace infrastructure, and cloud computing. Workers received jobs and wage gains, and customers received meaningful consumer surplus; Bezos's fortune is therefore not a simple zero-sum transfer. The available evidence, however, does not justify estimating what share of the fortune reflects value creation rather than rent.

The stronger conclusion is conditional. Rent is supported where a persistent, economically meaningful gap appears relative to a feasible counterfactual and is linked to

restricted alternatives or externalised costs. For workers, existing studies reveal intensive control and adverse job amenities, but do not yet show whether total compensation falls below comparable employment. For the wage floor, the distribution of costs among margins, prices, employment, and suppliers remains unknown. For customers and sellers, power is most plausible after rival exit or where platform dependence, ranking control, and weak multihoming reduce contestability; it is weaker in competitive categories and differs across countries. Amazon therefore combined substantial value creation with plausible but unquantified channels of rent capture.

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