

Google carries out mass layoffs of 12,000 workers as global jobs massacre continues

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Are you a tech worker? Fill out the form below to tell us how you've been impacted by the layoffs. All comments will only be published anonymously.

Google's parent company Alphabet became the latest technology company to carry out a jobs bloodbath on Friday, when it announced it would cut over 6 percent of its global workforce, or 12,000 employees. Laid off workers in New York City who arrived at the office on Friday found that they could not enter the building as their badge access was cut off.

The same day, Vox Media also announced it would lay off over 7 percent of its employees, about 130 workers, and e-commerce company Wayfair said it would cut 10 percent, or 1,750 of its workforce. Layoffs have also begun at Apple's retail sector, according to AppleInsider, although it remains unclear how many workers have lost their jobs so far.

Large layoffs were also announced at a number of technology companies globally on Friday, including the Indian-startup Medibuddy (200 jobs), e-commerce company Zilingo (280), visitor-management company Envoy (67), Indian-based global consulting firm Wipro (452), Brainly (48), and others.

In total, over 40,000 workers were laid off this week, primarily in the tech sector. This includes 10,000 at Microsoft and 18,000 at Amazon, one of the largest layoffs the latter company has ever carried out in its nearly three-decade history as an e-commerce retailer. The first 20 days of the year have seen over 74,431 job cuts in the tech sector, compared to a total of 228,091 jobs cut in all of 2022, according to tech layoff tracker TrueUp.

In an email sent to employees Friday and published on the company blog, Alphabet CEO Sundar Pichai justified the cuts by declaring that Google had "hired for a different economic reality than the one we face

today." He added that cuts would be made across multiple business units, including in recruiting and its cloud computing divisions and its Area 150 business incubator, which had already faced job cuts last September. Pichai claimed the goal of the layoffs would be to "reengineer our cost base, and direct our talent and capital to our highest priorities."

News of the layoffs was greeted very positively by Wall Street investors. Alphabet stock jumped over 5 percent Friday. Wayfair stock skyrocketed by 22 percent. Capital One Financial Corp, which announced that it would cut 1,100 technology positions, saw its stock jump 4 percent Friday.

Alphabet's hedge fund investors such as TCI Fund Management have been demanding that the company pursue an aggressive policy of cost-cutting and layoffs since last year. In an open letter to the CEO of Alphabet, TCI said the company's "management needs to take aggressive action," adding that the "company has too many employees and the cost per employee is too high."

Investor analyst outlet Seeking Alpha likewise demanded layoffs this week in an article, "Google: When Will Pichai Drop The Axe?", citing the company's stock performance and a number of earnings misses and sales misses last year. It noted that "global ad spending is likely to remain muted, or even contract, within the near term given the industry's inherent sensitivity to macroeconomic headwinds... As such, reducing headcount could be a 'low-hanging fruit' for Google to preserve and expand its profit margins, and lift sentiment on the stock's sluggish performance."

The tech cuts are only the beginning of a broader offensive against jobs by the entire capitalist elite, who are determined to use unemployment as a weapon

against the rise of strike activity as workers push for wages that keep pace with the rising cost of living and other basic demands. This is being spearheaded by Washington and the Federal Reserve, whose series of interest rate hikes has as its stated purpose curbing wage growth. Globally, workers' real wages declined last year, according to reports by the International Labor Organization, the product of a skyrocketing cost of living triggered by pervasive shortages caused by the pandemic and the NATO-backed war in Ukraine.

In December, Democrats and Republicans came together to ban a strike by 120,000 railroad workers, justified in public on the grounds that it would have an unacceptable impact on "the economy" and even "working families." But the same ruling elite is deliberately pushing towards recession and mass unemployment to make workers bear the cost of the crisis that its own policies have created.

Substantial cuts in manufacturing and other sectors of the global workforce are also on the docket for this year. Stellantis is indefinitely idling its Belvidere Assembly Plant in February, and its CEO has threatened that a number of other auto plants could be shuttered.

Google workers responded to the announcement of mass layoffs with shock and anger. Chris McDonald, a Google software engineer, tweeted Friday morning, "I just got laid off. Mass layoffs happening at Google apparently." He added, "I was expecting a glowing performance review and had just started to lead a critical project in my org. This came as a total and nasty surprise." McDonald said he felt he had been "stabbed in the back" as management had assured him that his performance was valued.

Charlotte Cucchiaro tweeted about the cruel way in which Google shut down employee access: "I was not emailed. Just booted out of all corporate accounts with zero explanation. After 11 years."

Rob Giampetro tweeted, "Today me and many of my talented colleagues from Google's Insight+Innovation team were let go... My heart goes out to all those affected. I'm still processing, but in every end is a new beginning. I'm looking forward to discovering what's next."

Google employee Nick Eberts tweeted of the broader tech layoffs, "Imagine being 24 years and ten months at a company that has a 5 year stock vest schedule that

fully vest on your 25 year... and being let go a month and change before 25... and the company that cut you made \$198 billion last year. I HATE CAPITALISM."

The wave of layoffs will only fuel, not dampen, the growth of opposition in the working class. Indeed, the month of January has already seen massive strikes around the world, including by tens of thousands of nurses and railroad workers in Britain and millions in France who marched last week against government pension cuts. This is intersecting with and fueling growing political opposition against right-wing capitalist governments, as seen by the demonstrations by more than 100,000 in Israel.

Major class battles lie ahead in the US as well this year. On March 1, the contract expires for 5,000 Caterpillar construction equipment workers. Later this year, contracts expire for 200,000 postal workers, over 300,000 UPS workers and 150,000 autoworkers, among others.

The working class must meet the assault on their jobs with its own counteroffensive, which connects the defense of jobs and wages with a fight against the source of austerity, the capitalist system.



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