

Tech CEOs boast about AI-driven mass layoffs

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Another devastating round of job cuts has just opened in the tech industry with the layoffs announced by Block and eBay, one in which corporate executives are openly and explicitly justifying mass sackings as the product of artificial intelligence and “new ways of working.”

On February 27, Block, formerly the financial services company Square, announced that it is eliminating more than 4,000 jobs—nearly 40 percent of its workforce—and cutting headcount from over 10,000 to just under 6,000.

Block CEO Jack Dorsey made a point of tying the destruction of jobs directly to AI, bragging that “the intelligence tools we’re creating and using, paired with smaller and flatter teams, are enabling a new way of working which fundamentally changes what it means to build and run a company.”

Dorsey insisted that this was not a response to crisis, but a strategic “structural change,” writing to shareholders that Block is “ahead of the curve” and that “within the next year, I believe the majority of companies will reach the same conclusion and make similar structural changes.”

The company expects hundreds of millions of dollars in restructuring charges in the first quarter alone, with most of the layoffs completed by mid-year, meanwhile its stock price surged on the news and Wall Street celebrated the enormous cut to labor costs.

Almost simultaneously, eBay announced that it will cut approximately 800 positions, around 6 percent of its global workforce, in yet another restructuring aimed at “realigning” staffing with “long-term strategic priorities.”

This is the third round of job cuts since 2023 at the massive global online marketplace, coming just days after its \$1.2 billion agreement to acquire Gen-Z-focused resale platform Depop, as part of a multi-year effort to “consistently” reduce headcount while ramping up AI investments across its marketplace and internal operations.

Local reports are saying that managers, researchers, data scientists and software engineers are being hit heavily and that the restructuring is directed squarely at the core technical and professional layers whose work is being increasingly automated or offshored.

These two announcements—one from an emblematic “fintech” and one from a major e-commerce platform—expose how the drive to integrate AI is being used directly to carry out mass layoffs, rationalized as “efficiency,” and being rewarded by the financial elite through rising share prices.

Jack Dorsey, the founder of Twitter who departed the company in 2022 prior to its takeover by Elon Musk, is not alone in spelling out what the corporate and financial elite intend to do with AI. Internal accounts from Block workers confirm that management warned

engineers that productivity targets would jump as AI tools were rolled out, and whole teams have now been shrunk from eight engineers to just one.

Jamie Dimon, CEO of JPMorgan Chase, has repeatedly compared AI’s impact to that of electricity or the printing press and now openly warns that entire job categories will be eliminated. In a February event, Dimon urged businesses and governments to “contemplate your options” now for the disruption that AI will bring, acknowledging that JPMorgan already has around 150,000 employees using large language models weekly and that automation “might lead to a decrease in staffing requirements over the next five years.”

Dimon has even raised the specter of self-driving trucks being rolled out suddenly, displacing millions of workers at once and provoking social upheaval. The subtext is that AI is to be used to eliminate vast layers of office, clerical, engineering and support jobs, and that the ruling class is preparing to press forward with this process and manage the consequences.

The present wave of layoffs has its foundation in very concrete changes in the labor process. AI systems—especially large language models and code generation tools—are being integrated into software development, customer support, logistics planning, financial modeling, marketing and content moderation.

At Block, former employees described a work environment in which AI tools were being celebrated and integrated into day-to-day workflows and used to accelerate coding and data analysis. However, those same tools have now been cited as justification for wiping out thousands of jobs. One laid-off worker summed up a growing realization: “AI is not layoff insurance,” despite all the corporate propaganda that retraining and “upskilling” would protect them from layoff.

AI agents capable of executing multi-step tasks on platforms have already begun to automate the more routine parts of programming, quality assurance and back-office work, enabling management to increase throughput expectations on the remaining staff while claiming that “redundant” workers can be dispensed with.

Industry analysts now explicitly forecast that AI could impact “the majority of computer-based positions,” while IMF head Kristalina Georgieva warns that it will alter or replace a “substantial portion of jobs worldwide,” with highly uneven and socially explosive consequences.

Under capitalism, the integration of AI does not mean the liberation of workers from monotonous tasks, but the consolidation of those tasks into automated systems that are owned and controlled by a tiny financial oligarchy, which uses them to slash payrolls and intensify exploitation.

According to one major layoffs tracker, at least 127,000 workers at US-based tech companies lost their jobs in 2025, with tech leading all sectors in announced layoffs. Parallel figures compiled by independent analysts show over 150,000 tech layoffs globally in 2025, or roughly 572 workers a day losing their jobs.

A review of the 2025 year by the *World Socialist Web Site* noted that tech giants led “all industries in layoffs,” with more than 153,000 job cuts announced through November, driven by AI and automation at Microsoft, Intel, Amazon, Verizon, HP and others.

The WSWS detailed that AI and automation were central to thousands of layoffs at Microsoft (15,000 jobs), Intel (15,000), Amazon (14,000), Verizon (13,000) and HP (4,000 to 6,000), even as these corporations shoveled billions into stock repurchases and executive compensation.

These cuts extend beyond core “Big Tech” into logistics, telecom, hardware and enterprise software, with UPS, for example, eliminating tens of thousands of jobs through new automated hubs.

In the first months of 2026 the pace has not slowed and, if anything, it has intensified. Research drawing on the TrueUp Tech Layoffs Tracker and other sources estimates that around 30,000 tech jobs have already been cut in 2026, with Amazon alone responsible for more than half—approximately 52 percent—of the total as it flattens management layers and pours capital into AI infrastructure.

A widely shared summary of January layoffs counted 30,000 corporate roles cut at Amazon, 24,000 at Intel (around 20 percent of its workforce), 48,000 at UPS through automation, along with thousands more at Meta and other firms pivoting aggressively to AI.

The result is that 2025 marked one of the worst years for job growth outside an official recession in the United States, and 2026 is beginning with a coordinated offensive by major corporations to push through even deeper cuts, using AI as both tool and ideological cover.

The *Wall Street Journal* captured the mood of the ruling class on Saturday with its piece, “The Week the Dreaded AI Jobs Wipeout Got Real.” In that article, Marc Cenedella, CEO of the jobs platform Ladders, bluntly warned that, “When things crystallize like this, it brings out the pitchforks and the torches. People are angry at the destabilizing impact that AI is inevitably going to have on our economy and our work life.”

Industry experts quoted in the same Journal analysis describe a turning point in which the theoretical prospect of AI-driven job losses is materializing in highly visible waves of layoffs at blue-chip firms, undermining all the complacent talk about “AI creating more jobs than it destroys.”

The article points to a widening gap between corporate profits and the human cost, as investors reward companies that slash thousands of positions under the banner of “AI productivity,” while workers face an increasingly precarious and segmented labor market.

The nervous references to “pitchforks and torches” are a measure of the fear within the financial elite that this process will provoke mass opposition, not only among tech workers but across broad layers of the working class.

Far from passively accepting the narrative that AI job losses are inevitable or “creative destruction,” laid-off and threatened tech workers are voicing deep anger and growing political clarity. Former Block employees interviewed after the February layoffs described how they had embraced AI in their work, only to see it weaponized against their jobs.

“I had a hunch that, at some point, the company would cut people because of AI. I just didn’t think it would be right now,” one data

analyst remarked, summing up the abrupt and brutal character of the cuts.

Another worker rejected the notion that simply learning AI tools would protect employment, stating: “I was actively building with AI and know that many of my impacted colleagues were doing the same,” yet they were still thrown onto the scrap heap. Engineers reported that teams were gutted overnight with automation being used to intensify exploitation of those who remain as much as to eliminate those who are fired.

Similar sentiments are emerging across the industry and beyond, as white-collar and professional workers confront the reality that they are no less a target of AI-driven restructuring than factory workers were in earlier waves of mechanization. This has profound implications for the development of a unified, politically conscious movement of the working class.

The *World Socialist Web Site* and the Socialist Equality Party insist that AI itself is an exceptionally progressive development, capable of vastly reducing the amount of human labor required to perform tasks and opening new horizons for scientific, artistic and technical creativity. Properly developed and controlled by the working class, AI could eliminate monotonous and dangerous work, shorten the workday for everyone and raise the cultural and material level of society.

It is on this basis, that the WSWS launched SocialismAI on December 12, 2025, and placed this powerful technology into the hands of the working class to assist in the development of a scientific understanding of the crisis of capitalism and what must be done to organize its enormous revolutionary power to resolve this crisis by establishing socialism.

In a recent analysis of AI and the crisis of capitalism, the WSWS stressed that these very technologies demonstrate the objective basis for a rationally planned global economy in which the benefits of labor-saving innovations are used for the common good rather than private profit.

The SEP calls for the expropriation of the tech monopolies and financial institutions, their transformation into publicly owned and democratically controlled utilities, and the reorganization of production based on social need rather than shareholder value.

Under such a socialist reorganization, AI would be harnessed to reduce working hours with no loss of pay, expand free access to education and culture, and liberate human creativity instead of throwing millions into unemployment and poverty.



To contact the WSWS and the Socialist Equality Party visit:

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