

Latest round of tech layoffs at Microsoft and Meta shows need for a working class movement to defend jobs

Tom Hall
29 April 2026

Shock waves are continuing to spread throughout the technology sector as mass layoffs accelerate across the United States. Hundreds of thousands of jobs are being cut as the ruling class utilizes artificial intelligence and other technological advances to eliminate vast sections of the workforce.

In just the past week, Meta announced 8,000 layoffs and froze 6,000 open positions, while Microsoft unveiled plans for up to 8,750 voluntary buyouts. These follow a wave of earlier cuts, including 30,000 layoffs at Oracle in March and 4,000 job eliminations, nearly 40 percent of the workforce, at Block, the parent company of Square and Cash App. Block CEO Jack Dorsey spelled out the broader implications, declaring, “Within the next year, I believe the majority of companies will reach the same conclusion and make similar structural changes.”

The scale of the offensive is enormous. In the first quarter of 2026 alone, 217,362 job cuts were announced across the US economy, according to Challenger, Gray and Christmas. Of these, 27,645 were explicitly attributed to artificial intelligence, including a full quarter of all layoffs in March.

What is striking is that these cuts are not the product of economic weakness. The companies carrying them out are among the most profitable in the world. At the very moment they are shedding tens of thousands of workers, they are pouring unprecedented sums into AI infrastructure. Meta has projected capital expenditures of up to \$145 billion this year. Amazon spent \$44.2 billion on its cloud division in just the first quarter, while Microsoft reported surging growth in its AI-driven cloud business. A recent *Wall Street Journal* article declared the era of the “mega layoff,” noting that the stock market is actively rewarding companies for announcing large-scale job cuts, particularly when they are tied to AI restructuring.

Driving this process is not only the promise of higher productivity, but the expectation within ruling circles that new technologies will sharply reduce, or even eliminate, the

need for human labor. Mustafa Suleyman, head of Microsoft’s AI division, recently predicted that “most, if not all, professional tasks” could be automated within the next 12 to 18 months. Salesforce CEO Marc Benioff has likewise declared that “we are the last generation to manage only humans.” OpenAI investor Vinod Khosla predicted to *Fortune* magazine that 80 percent of all jobs “will be capable of being done by an AI” by 2030.

The upheaval in tech is only the leading edge of a much broader offensive. Across the economy, jobs are being eliminated in logistics, manufacturing and the public sector. The federal workforce has been cut by hundreds of thousands, as the government is reshaped to serve the interests of finance capital and militarism.

In the auto industry, layoffs are accelerating amid slowing electric vehicle sales and the reduced labor requirements of EV production, with General Motors reducing its flagship Factory Zero plant to one shift in Detroit.

The largest cuts by any private employer are taking place at UPS, which is carrying out a sweeping “network of the future” restructuring aimed at eliminating large portions of its warehouse workforce. On Wednesday, the company announced plans to close 27 additional parcel centers this year. Meanwhile, a manufactured financial crisis at the U.S. Postal Service is being used to slash pension obligations and push forward plans for privatization.

But for a whole layer of software engineers, developers, analysts and other technical workers, the jobs bloodbath in the high tech sector are a particularly abrupt collapse. During the decades-long expansion of the tech sector, they were encouraged to see themselves as part of a privileged “middle class,” insulated from the insecurities faced by other workers. High salaries, stock options and the mythology of the startup economy fostered the belief that they stood outside the basic class divisions of capitalist society.

That illusion has disintegrated with unprecedented speed.

Tech workers are being laid off en masse, replaced by smaller teams augmented by AI systems and subjected to intensifying labor discipline. They are discovering that they are sellers of labor power, whose fate is inseparably bound up with that of the working class as a whole.

The defense of jobs therefore requires a break with the existing framework. It requires the mobilization of the working class on the basis of its own independent interests, in opposition to inequality, oligarchy and capitalist exploitation.

This in turn raises the necessity for new forms of organization, including rank-and-file committees, through which workers can organize resistance outside the control of the established apparatuses. The International Workers Alliance of Rank-and-File Committees (IWA-RFC) is spearheading the development of these organizations to unite workers in a common struggle.

In those workplaces that are unionized, the union bureaucracy has for decades collaborated with management in the name of “competitiveness,” a process that is now reaching its logical conclusion. Under conditions in which the ruling class is seeking to permanently displace vast sections of the workforce, the old slogan of a “fair day’s wage for a fair day’s work,” which left capitalist property unchallenged, itself has become untenable.

At the same time, workers must reject all political subordination to the Democratic Party. As the party of Wall Street, it has responded to the crisis with occasional liberal rhetoric while refusing to seriously oppose the authoritarian policies of the Trump administration. In various forums, Bernie Sanders has advanced proposals for regulating AI—such as a 32-hour workweek, profit-sharing schemes and worker representation on corporate boards—but these amount to calls for self-regulation by the corporations themselves. On the last proposal in particular, Sanders cites Germany as a model, but this has only served as a mechanism through which German union officials collaborate in enforcing layoffs and suppressing strikes in the name of “social partnership.”

The ruling class hopes to use AI to open up new sources of surplus value and to stabilize a social system burdened by unsustainable levels of debt and mounting financial instability. The mass unemployment they hope to create through AI is also a political weapon to be used to discipline workers and suppress resistance.

The AI boom is also intensifying global conflicts. Competition over semiconductors, rare earth materials, energy and supply chains is sharpening geopolitical tensions, while militarization is being accelerated to secure strategic advantage. War, from the standpoint of the ruling class, serves not only to conquer markets and resources but also to

destroy accumulated capital that can no longer be profitably employed.

Capitalism, not the development of technology, is the cause of mass layoffs. Artificial intelligence has the capacity to automate vast amounts of repetitive labor, increase productivity and lay the material foundation for a dramatic reduction in the amount of labor required to sustain society. The problem is that under capitalism, every advance in labor-saving technology is transformed into a means of intensifying exploitation and destroying jobs.

As long as they remain in private hands, they will be used to enrich a financial oligarchy at the expense of society as a whole.

This raises the necessity for a program based on the expropriation of the major technology firms and their transformation into publicly owned utilities, under the democratic control of the working class. The same must apply to the banks, investment funds and other financial institutions that direct the flow of capital into these industries.

On this basis, workers must fight for concrete demands: no layoffs; guaranteed employment; a shorter workweek with no loss in pay; workers’ control over the implementation of new technologies; and the use of productivity gains to expand healthcare, education, housing and public infrastructure. The construction of data centers and related infrastructure must be carried out on the basis of rational, democratic planning, rather than the anarchic pursuit of profit.

Tech workers must unite with the broader working class. Their struggle is not separate but part of a common fight against a system that subordinates all aspects of social life to private profit. The fight against layoffs is, in the final analysis, a fight against capitalism itself.

The theme of the International Committee of the Fourth International’s May Day rally—to unify workers internationally in the struggle against capitalism, imperialist war and the global assault on democratic rights—finds direct expression in this developing movement. The fight for workers’ control over technology is a central component of that struggle.



To contact the WSWWS and the Socialist Equality Party visit:

[wsws.org/contact](https://www.wsws.org/contact)