



CIPRIANI COLLEGE
OF LABOUR AND CO-OPERATIVE STUDIES

AI: THE SCAPEGOAT

WORK MATTERS

APRIL 2026

COLUMN

AI: The Scapegoat

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Since the First Industrial Revolution in 1760, mankind has invented technologies that improved the lives of millions, but rarely without displacing jobs in the process. Steam power, the automobile, the smartphone and its ecosystem of apps all reshaped the workforce. Jobs were lost, but we adapted. Most workers pivoted to where their skills were most transferable; others learned new ones to keep pace. That pattern of disruption and reinvention is well established. What is less established, and far more troubling, is what is happening now.

The recent wave of mass layoffs across major corporations has introduced a chilling new phrase into the corporate lexicon: “AI-driven restructuring.” While Artificial Intelligence promises genuine leaps in efficiency and innovation, its increasing use as the primary justification for cutting thousands of jobs deserves intense scrutiny. It is becoming alarmingly clear that AI is not merely a technological advancement but a convenient corporate scapegoat, used to mask deeper issues of financial mismanagement, over-hiring during boom times, and a relentless pursuit of short-term shareholder value.

When companies announce significant workforce reductions, the accompanying press releases lean heavily on the language of automation, optimization, and the necessity of pivoting toward AI capabilities. This narrative works for several reasons. It de-personalizes the decision, framing layoffs as an inevitable response to technological evolution, an unstoppable and objective force, which allows executives to distance themselves from the painful human cost. The job cuts are presented not as a failure of management or strategy, but as a consequence of progress itself. Beyond optics, invoking AI signals financial prudence to investors, implying aggressive cost discipline and forward-thinking positioning. Several companies that announced major AI-related layoffs in 2023 and 2024, including Google,

Meta, and Microsoft, saw their share prices rise in the immediate aftermath. Perhaps most cynically, the AI narrative conveniently obscures past mistakes, burying any mention of the aggressive and often unsustainable hiring sprees these same companies undertook during the pandemic-driven tech boom. The current “optimization” frequently looks less like a strategic pivot and more like a correction for overexpansion, retroactively dressed up in the language of innovation.

The numbers themselves tell a different story. If AI were the true driver of these layoffs, we would expect to see focused, incremental reductions in specific, highly automatable roles. Instead, we are seeing broad, sweeping cuts across diverse functions, including marketing, human resources, and project management, areas where AI integration remains nascent or supportive rather than fully substitutive. During the COVID-19 pandemic, demand for digital services skyrocketed, and major tech companies hired tens of thousands of additional workers to meet it. When the pandemic ended and the world reopened, digital demand normalized and profits followed suit. It is no coincidence that the mass layoffs of 2023 and 2024 arrived precisely when companies needed to reduce operating expenses, stabilize payroll costs, and reverse declining stock performance. This is a well-worn corporate pattern. When economic headwinds hit, or growth targets prove too ambitious, the workforce becomes the most immediate and controllable variable for cost reduction. AI, powerful, abstract, and widely misunderstood, provides the perfect justification for what is, at its core, a financial decision.

The danger in this kind of corporate misdirection runs deeper than individual job losses. By assigning blame to an abstract technological force, companies risk normalizing workforce insecurity and shutting down critical conversations about the ethics of automation. Corporations that benefitted enormously from public infrastructure, education systems, and

years of cultivated talent have a genuine obligation to the communities that supported their growth. That obligation does not disappear simply because a convenient narrative is available. If AI is truly the future, the transition should be managed with foresight, through meaningful reskilling programs, internal transfers, and phased transitions rather than rapid, indiscriminate cuts that prioritize the next earnings call over the livelihoods of thousands of people. Framing those cuts as technological inevitability does not make them responsible. It makes them dishonest.

Ultimately, we must stop accepting the convenient narrative. AI is a tool, not a corporate deity demanding inevitable human sacrifice. The responsibility for mass layoffs rests squarely with the executives who make strategic decisions, and they must be held accountable for using a genuinely transformative technology as cover for financial belt-tightening. Progress has always come with disruption, and that disruption has historically demanded adaptation from workers, industries, and societies alike. But disruption has never been a justification for dishonesty, and it should not become one now. The conversation we need is not about whether AI will change the nature of work, because it will, but about who bears the cost of that change and whether the people making those decisions are being truthful about why.