Last Place in the AI-First Economy

How the AI Industry Relies on Worker Disempowerment

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DATA& SOCIETY

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Executive Summary

The tech industry's promise of an AI-driven economic future depends on automating jobs and displacing workers while strengthening their own power. In a speculative race to build an "AI-first" economy, corporate spending on AI is climbing to new heights. While policymakers are anticipating a future of mass job displacement and large corporations continue to accumulate power, workers face an ever more hostile political environment. Recent policymaking has centered anti-worker policies, hollowing out standard labor rights and protections and effectively re-writing the social contract for workers. At the same time, private companies are building out AI technologies in ways that further entrench inequalities in the US and globally.

But the bleakness of this vision is not a foregone conclusion. To build a different future — one that integrates AI with a worker-first approach, not only industry agendas — requires us to understand and change the structures of power, control, and ideology behind AI adoption in the workplace. We offer a framework for the institutional, political, and economic shifts that underpin AI adoption. Analysis of this change rests on four components:

- **Weaponized Efficiency** — Perhaps the most frequently touted claim of AI's benefits is its ability to increase efficiency. But efficiency is not a stable concept, and AI-driven metrics often intensify labor pressures, distort professional norms, and fail to capture work quality while cutting off workers' abilities to define the value added — or not added — by AI systems.

- **Institutional Capture** — AI adoption is attractive to both private and public employers, particularly in an environment where chronic layoffs and budget cuts are straining critical social institutions like education and healthcare. As tech companies position AI as the solution to fill these gaps, they threaten to erode and diminish services that should serve the public good.

- **Occupational Erosion** — Tech companies use AI to redefine expertise and devalue the knowledge and experience of workers, even as these technologies rely on the data generated by those workers to function. As occupations across sectors are reduced to training data, new definitions of skill are used to justify lower wages and further devalue workers.

- **Racial and Structural Inequality** — The highly disparate ways in which AI systems are implemented across workplace hierarchies exacerbate racial, gender, and class inequalities that already exist within industries, and reinforces the precarity of societally-devalued labor. Yet rather than addressing these root disparities, policy debates often bypass them in favor of calls for reskilling.

The sprint to create the so-called AI-first economy must be understood not as the logical march of progress, but as deliberate economic decisions. Those decisions risk harming entire populations of workers in ways both old and new. To build a worker-driven future — one in which AI is subject to democratic oversight — we need rigorous, timely analysis of how workers are experiencing AI's impact to support organizing, bargaining, and policy work.

Introduction

Corporate spending on AI is approaching peak levels in a race to build an "AI-first" economy.[1] Around the globe, businesses, investors, and governments are heavily investing in AI development, attempting to be the first to achieve AI dominance — whether economic, political, or military. Tech companies are pouring trillions of dollars into AI infrastructure, and governments are attempting to both invest in and regulate their AI futures. At the same time, workers are already scrambling to "augment" or be automated. Those who promise that AI will create a brighter economic future paradoxically promise to do so by automating away as many jobs as possible. A Wall Street Journal article states plainly: "If AI continues to advance to the point where it can replace a large swath of white collar jobs, the savings will be more than enough to pay back the investment, backers argue."[2] Needless to say, such "savings" would come at the expense of countless workers.

The smokescreen of tech hype cycles, including eyebrow-raising claims over AI-driven job displacement, can take years to disentangle. In the early 2010s, the so-called gig economy emerged with the rise of companies like Uber, which touted algorithmically managed gig work as a welcome option for workers in an economy struggling to emerge from a recession. But just as the rise of the gig platform economy was not really about empowering workers to become their own bosses, as the recruitment ads promised, the current wave of AI investment is neither a matter of straightforward workplace augmentation nor of one-to-one task automation. Moreover, the alignment of corporate interests with political machinations that accompany this wave of automation requires that we take a much broader view of the situation to fully understand how workers will be affected.

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We need an approach to the current moment that reveals the real dynamics of power, control, and ideology that are shaping AI adoption in the workplace. The questions that are asked about AI's impact on labor shape how we think about the problems that need to be solved. Policy and advocacy that serves both workers and the broader goals of economic justice can accomplish more than narrowly scoped guardrails or inclusion of worker perspectives in technology design without assurances of benefits to workers. This report lays some groundwork for this alignment.

We identify four trajectories — weaponized efficiency, institutional capture, occupational erosion, and racial and structural inequality — that describe the larger institutional, political, and economic shifts underpinning AI adoption. Mapping these four trajectories across labor sectors, we propose, should be the foundation of a new critical research program.

This framework broadens the scope of analysis to reveal how labor issues are central to AI and industrial policy, and cannot be relegated to a downstream impact. By foregrounding these four dynamics, we can point to policy priorities and build new kinds of solidarities needed to rebalance power in the face of rapid tech entrenchment.

What's Propping Up the "AI-first" Economy?

The drive toward an AI-first economy is rapidly accelerating a concentration of money and power among an already powerful set of tech corporations, primarily US companies. In 2025, corporate investment in AI hit record numbers, as companies constructed data centers, acquired chips, and pushed AI into every corner of the economy.[3] Among the world's top ten most valuable companies, each valued in the trillions, all but one are tech companies that have invested in AI — specifically, generative AI. These companies also control a broad global network of suppliers that provide tech companies with chips, raw materials, and vast amounts of data, often obtained in highly extractive ways and relying on exploited data workforces both at home and abroad.[4] The opaqueness of AI infrastructures can make it difficult to see connections among the millions of people who shape, and are affected by, AI technologies: the global data workers who train AI systems, the local communities affected by data center development,[5] the workers using AI tools, and the populations indirectly subjected to AI systems through interactions with institutions in their day-to-day life.[6]

AI investments, domestically and abroad, are supported by a federal government intent on the idea of AI dominance. The US AI Action Plan has signaled that any limitations placed on tech companies, including those addressing harms to workers, would be deemed an impediment to innovation, instead opting for industry-led self-regulation,[7] a tightening fusion between public institutions and private sector tech companies,[8] and preemptive blocking of state-level efforts to impose guardrails on AI.[9] To secure this agenda, tech corporations are forming super PACs focused on defeating legislators who try to strengthen AI regulations.[10] At the same time, the Trump administration and tech corporations are using trade policy and tariffs as leverage to bully other countries supportive of a more measured approach to AI development, pressuring them to ease off their efforts to regulate tech.[11]

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Beneath it all is the promise that AI will optimize through automation, bolstering the power of the US and its tech industry. Most corporations have struggled to find viable use cases for the most recent generation of AI tools.[12] Yet major employers like Salesforce, Amazon, and Walmart have embraced the excuse of AI-enabled redundancies to lay off tens of thousands of workers.[13] Simultaneously, numerous journalists and cultural critics have been quick to claim that the rapid consumer uptake of popular, consumer-facing genAI tools such as ChatGPT suggests that they will soon displace humans across a variety of arenas. Policymakers at various levels are building out economic policies that take for granted a looming future of mass job displacement.[14]

At the same time that large corporations continue to accumulate power, workers are facing an ever more hostile political environment — one marked by efforts to dismantle democratic institutions and accelerate attacks on marginalized populations. The Trump administration is also re-orienting the regulatory institutions responsible for governing labor and civil rights protections and weaponizing their enforcement capacities.[15] This has included major staffing purges and sweeping repeals of workplace regulations at the Occupational Safety and Health Administration (OSHA),[16] the Equal Employment Opportunity Commission (EEOC),[17] the Consumer Finance Protection Bureau,[18] and the Federal Trade Commission.[19] Aided by the Department of Government Efficiency (DOGE), the Trump administration has hastily deployed costly AI systems in federal government while laying off thousands of civil servants and slashing critical spending for federal programs.

While the institutions responsible for workplace safety, working-time standards, anti-discrimination, and other protections are being hollowed out, the Trump administration's

efforts to rewrite the social contract for workers go beyond the realm of labor policy: for instance, attacks on diversity, equity, and inclusion, widely defined; self-styled quests to fight "woke AI;"[20] mandates to the Department of Education to impose AI on K-12 educators;[21] DOGE's use of AI tools to spy on government employee emails to ascertain their political views;[22] and growing partnerships with companies like Salesforce, xAI, and Palantir to expand the scope and scale of AI-powered government surveillance.[23]

At the same time, the Trump administration has doubled down on aggressively nativist, anti-worker projects, targeting immigrants as the enemies of the "real" American worker. The Department of Labor, at one time the seat of federal regulation and enforcement of labor standards like the Fair Labor Standards Act, now regularly broadcasts white supremacist slogans[24] and fantastical AI-generated illustrations of blond, blue-eyed white men posing in front of oil refineries as the face of the American workforce.[25] At the 2026 World Economic Forum, Alex Karp, the CEO of Palantir, asserted that advances in AI would eliminate the need for most immigration to the US.[26] Nvidia's CEO Jensen Huang echoed this sentiment, stating that "AI immigrants" (as opposed to actual immigrants) were the solution to labor shortages in industries like manufacturing and health care.[27] In the meantime, the Trump administration has ramped up the deployment of Immigrant and Customs Enforcement (ICE) — whose budget has ballooned to $85 billion—to harass, detain, and deport immigrants across different urban centers.[28]

At the heart of the federal government's efforts to realign the US economy is a project to reinforce brute labor hierarchies along lines of race, gender, class, and immigration status. For workers, struggles over control of workplace technologies are part of a larger struggle to challenge a long-standing system of racial capitalism around questions of who counts as a real worker, who is deemed inherently suspect or undeserving or a threat to the state, and who is considered part of one's shared community. We call attention to a massive contradiction between the ongoing waves of disinvestment in workers and critical public institutions at the same time that trillions of dollars are being poured into AI infrastructures as well as institutions carrying out state violence with impunity in Minnesota[29] and beyond. Critically, these developments are not solely being ushered in through top-down federal policy. They intersect with the work private companies are doing to build out AI technologies in ways that further entrench inequalities in the US and globally. We need to question who these projects serve, who they harm, and how workers and other constituencies can be empowered to chart a different future.

Four Trajectories of AI Entrenchment

This primer is structured around four common dynamics of AI workplace adoption, and proposes a set of framing questions that labor advocates, policymakers, and rank-and-file workers can use to interrogate the role of AI technologies within their workplaces. By trajectories, we mean the interlocking mechanisms that characterize how employers and other institutions justify and integrate AI technologies into workplaces.

We bring together a review of existing scholarly research and media reporting with our findings from conducting expert interviews with labor and civil society leaders, policy experts, and researchers connected to workers and constituencies. In mid-2025, we conducted 15 interviews with 21 experts across multiple sectors, including service industries, healthcare, journalism and entertainment, creative labor, data work, K-12 and higher education, call centers, warehousing, the public sector, and clerical work. We asked participants to describe their top concerns and challenges around AI within their industries, what factors they believe are driving AI adoption, and where they see gaps in existing knowledge about AI's workplace impacts. In October 2025, we hosted a working group meeting with participants and other researchers to reflect back our framework and to facilitate a dialogue on where new areas of research can connect with future labor organizing and policy.

To understand the bigger picture beyond sector-specific labor concerns, we must first understand the mutually reinforcing narratives and structural trends that fuel the AI boom. First, we examine how tech companies' and employers' pursuit of **AI-driven efficiency** metrics cut off workers' abilities to define the value added — or not added — by AI systems within their workplaces, distorting both professional norms and how efficiency itself is defined. These narratives of efficiency subsequently serve to legitimize institutional leaders' framing of AI as **a solution to widening service and labor gaps** in the wake of large-scale disinvestments, particularly in sectors like health care, education, legal services, and the public sector. Through **institutional and narrative**

capture, technology firms further consolidate authority over **professional expertise and occupational scope**, further devaluing skilled labor. These shifts exacerbate existing **racial, gender, and class inequalities within industries**, where AI integrations often reinforce the precarity of societally devalued labor, while shifting policy debates toward calls to reskill workers. Together, these trajectories risk perpetuating a vicious cycle that disempowers workers.

1. Weaponized Efficiency

The strongest supporters of AI technologies largely emphasize their purported ability to efficiently re-organize human labor by automating routine tasks and enhancing productivity. However, there is a sharp disconnect between "efficiency" as a permission structure that enables companies to justify AI adoption, and what efficiency often means for workers and for society at large.

> AI-driven efficiency metrics can serve as a smokescreen for deeper structural problems

AI-driven efficiency metrics can serve as a smokescreen for deeper structural problems — such as chronic understaffing, disinvestment in public services, and intensifying labor extraction — by presenting AI adoption as a technical solution to fundamental political and economic challenges. This sleight of hand places workers in a position of powerlessness, particularly when they have little control over the measures that assess efficiency or define what outcomes in a workplace are desirable.

Efficiency is not a self-evident concept. The US labor market's transition from an industrial to a largely knowledge- and service-based economy has unsettled conventional understandings of automation-driven productivity gains. Traditionally, we've thought of knowledge and service work as difficult to automate, both because they're deeply rooted in human interactions and because they do not fit neatly into standard productivity measures.[30]

At the same time, financialized business practices such as private equity takeovers have widened the gap between corporate value and workers' actual productivity, so that standard economic measures of productivity no longer reflect where value is actually being generated. Developments in corporate governance over recent decades, shaped by venture capital and shareholder-driven growth imperatives, have prioritized perpetual expansion and profit maximization. To satisfy the "efficiency" gains demanded by this business model, corporations squeeze their workers, offering lower wages and fewer benefits, prompting longer hours and higher quotas, and circumventing classifications that have traditionally protected workers. AI serves as an additional rationale for such

practices, and "AI-enabled fissuring" of employment further enables firms to outsource labor, suppress labor costs, and restructure jobs.[31]

Interrogating how employers define and leverage notions of efficiency is important because it shapes what workers are able to demand following AI-driven organizational changes. Some critics have considered how to ensure an equitable redistribution of the efficiency gains enabled by AI to workers.[32] But such critiques take these gains as a given, when in fact they remain to be proven and may vary widely across contexts. Some emerging examples — such as within coding labor — show only marginal or mixed outcomes following the incorporation of AI tools into workflows. On the one hand, executives at companies like Meta have told their employees they are now expected to use AI to work "five times faster," a mandate that underscores the arbitrariness of many productivity metrics.[33] Yet, among tech developers, the rapid uptake of genAI tools like Copilot have proven helpful with some tasks and not others, offering diminishing returns for more experienced coders.[34]

On the other hand, employer-driven initiatives to incorporate AI may also reconfigure how efficiency itself is defined. For example, companies like Amazon are using synthetic data — or artificially generated data intended to mimic real datasets of human activity — to create simulations of warehouse operations, which in turn are used to design labor processes and performance benchmarks by which workers are measured.[35] The circularity of many AI-driven labor augmentations also reveals the potential inefficiency of efficiency. Within the healthcare sector, insurers have employed genAI to speed up claims denials, while hospital administrators have done the same to generate appeals to those denials.[36] In hiring, both employers and jobseekers are turning to AI in an attempt to outmaneuver each other.[37] Publishing, media, and academic outlets increasingly require more human labor to parse the flood of AI-generated manuscript submissions and peer review.[38] Workers ranging from freelance gig workers to independent musicians are embracing AI tools to take on more work, while also being threatened by accelerated competition.[39] In other words, AI-driven efficiency may simply be a means for many workers to run as fast as they can to stay in the same place.

Lastly, organizational pressures for workers to perform productivity may distort professional norms in the long term. In the legal professions, there is concern from experts that the proliferation of AI tools may be distorting norms of established legal process.[40] The term "workslop" (a reference to the broader idea of AI slop) has entered popular discourse to describe the low quality of AI-generated content that "lacks the substance to meaningfully advance a given task."[41] But beyond questions of quality, other values such as care, maintenance, reliability, and accountability may be necessary to effectively sustain institutions, even if they cannot be reduced to easily quantifiable metrics. Journalist Sam Adler-Bell, for example, has argued that when it comes to major public institutions like the Social Security Administration (which has been a target of DOGE's AI-driven agency overhauls),[42] some degree of "inefficiency" in the form of redundancies is the "price we pay for consistency, for fail-safes and predictability."[43]

However, workers do have the ability to articulate alternate values to the ones pushed forward by technology companies. A report from University of California (UC) Berkeley Labor Center summarizes some of the principles emerging in public statements and collective bargaining agreements from unions and worker organizations — such as the importance of collaborative, human-driven processes; prioritization of health and safety; foregrounding of objectives that serve the public good and society at large ahead of private gain.[44]

2. Institutional Capture

The efficiency narratives driving AI adoption are appealing to both private and public sector employers. As the previous section has shown, employers can deploy AI-driven efficiency metrics in ways that fail to measure actual output quality or labor processes, obscure new pressures on workers, and distort professional norms. In the context of public sector employment, these are not only workplace issues, but affect huge swathes of constituencies accessing a variety of public services, including those interacting with educational and healthcare institutions, the legal system, and virtually any public agency. These institutions are also sites of long-standing political battles — over social safety nets, what does and does not belong on students' course syllabi, what legal due process looks like, what kinds of community-level programs deserve public funding, and more. Accordingly, decisions over procurement of AI systems, debates over funding and efficiency, and considerations around how AI is implemented across these workforces are inevitably inflected by these politicized struggles. Workers situated within these systems need real answers about what problems AI is purporting to solve, and who stands to gain when AI is presented as the only viable solution.

These issues are not new. The public sector has been buffeted by nearly half a century of neoliberal policy and governance, which has included the defunding and privatization of publicly financed K-12 and higher education, health care, housing, and other social safety net programs. The political influence of corporations in state and federal policymaking has expanded significantly, coinciding with sustained efforts by legislators to curtail social support programs. Advocates of defunding and privatizing welfare systems have mobilized public and political support through appeals to fiscal responsibility, frequently characterizing public programs as inefficient, ineffective, or lacking legitimacy. While budgetary cuts are often invoked as a necessary measure during times of economic downturn, the current trajectory has no clear end in sight. Rather, it has become a modus operandi that supports a vicious cycle of AI-enabled entrenchment.

The latest shocks to the system have come in the form of major staffing cuts, service reductions, and decreases in direct funds to constituents, which seriously affect the wellbeing of different communities and have ripple effects on local economies.[45] COVID-era funds supporting community-level organizations are tapering off, federal grants have been cut, and other public programs like SNAP benefits have been targeted by the current administration. Cuts to Medicaid and grant terminations for community

organizations[46] not only impact individual access to healthcare coverage, but also staffing and operations in hospitals and local healthcare services across the country.[47] In higher education, more than 4,000 federal grant terminations to over 600 colleges and universities have left higher education struggling to fill funding gaps.[48]

In this environment, AI companies offer their systems as a ready solution to fill the gaps.[49] Within the public sector, agencies may implement AI tools under the guise of handling increased workloads and easing administrative burdens. Yet administrative burdens themselves are often by design: public administration has long implemented complex bureaucratic hurdles like means testing and demanding paperwork to create roadblocks that impede access to public benefits.[50] For example, recently passed legislation under the One Big Beautiful Bill Act has added new work-reporting requirements for Medicaid eligibility that add pressure for benefits recipients to periodically prove their employment and for public sector workers to process millions of verifications.

In other words, policymaking often produces the problems that AI is then purported to solve.

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These trends are evident not only across government-driven budgetary cuts, but also private and philanthropic investments motivated by efforts to fill gaps in funding with AI technologies.[52] OpenAI's philanthropic arm — which was established after the company converted to a for-profit structure in 2025 — has now become the largest nonprofit organization in the US, with funding priorities around health care and education.[53] In health care, AI startups like Hippocratic AI explicitly cite widespread nursing workforce shortages as a motivation to implement AI agents.[54] Community health organizations are turning to AI to address "significant financial challenges" facing frontline clinics serving low-income populations.[55] Anthropic, as part of its AI for Social Good program, is developing a digital platform for social workers in government social service agencies.[56] In the legal realm, there is a burgeoning market of genAI tools promising to aid public defenders and other legal service providers in bridging the "justice gap," making up under-resourcing in legal representation for low-income clients.[57]

But as scholar Abeba Birhane has pointed out, AI-for-social-good initiatives have a tendency to assume that complex social, organizational, and economic issues can be addressed with relatively simple, entirely technical solutions.[58] Invoking the softer, kinder language of "social good," many of the world's largest AI corporations are offering their services in industries strained by cycles of disinvestment, high workforce turnover and

burnout, job precarity, low pay and benefits, and histories of harsh retaliation to worker organizing.

AI companies have thus garnered significant power and influence by making themselves seem indispensable within industries facing massive upheaval. Media scholar Burcu Baykurt has used the term "capture corporations" to describe the way tech companies increasingly insert themselves between services and populations, extracting value by commodifying captured government data while undermining regulatory capacity and entrenching power over entire industries and services.[59] When AI companies operate in this way, they are also aided by the fact that building, training, and deploying AI systems requires vast workforces, resources, datasets, and finances available only to a very small number of big tech companies. Employers often do not have the resources to invest in fit-for-purpose AI tools, instead turning to off-the-shelf commercial tools whose general-purpose architectures shape the contours of their implementation.[60] For workers, this growing centralization and control may obscure avenues for decision-making, increasing vendor lock-in that makes it difficult to wean off technologies or consider alternatives. Recent Amazon Web Services and Cloudflare outages (which took down the entire website for Medicare)[61] have also highlighted the fragility of concentrating infrastructures within a handful of big tech companies.[62] For workers, there are important questions around what can be done to meaningfully shape these AI-driven infrastructures before they become entrenched.

Lastly, private sector capture of revenue can vacuum up resources while deprioritizing investments in human infrastructures and locking workers out of decision-making. Sociologist Tressie McMillan Cottom has observed that the influx of AI tools in fields like education echoes past hype cycles: in the 2010s, educational institutions reduced staffing on the promise that massive open online courses (MOOCs) would replace professors, and while MOOCs faded in popularity, those jobs never returned.[63] History may be repeating itself at institutions like the California State University system — the largest public university system in the US — where partnerships with Amazon, OpenAI, Meta, and Nvidia are not merely offering student software but steering educational programs wholesale.[64] Faculty members have called out how these decisions have not only bypassed normal IT decision-making processes, but also degraded academic labor conditions.[65] Critically, a report from the American Association of University Professors (AAUP) describes how AI initiatives enable university administrations to wrest shared governance over education away from faculty members.[66] Consequently, a major site for many workers' struggles over automation will be within the relationships between funding, privatization, and administrative hierarchies.

3. Occupational Erosion

GenAI technologies are distinct in that their applications as commercial products have largely been advanced as tools for content production, communication, and the simulation of specialized knowledge work. As a result, the consolidation of corporate power over

labor outputs set the conditions for further capture, whether accomplished by major film studios, healthcare startups, or media conglomerates. Much marketing language around workers' relationship to AI — as assistants, agents, co-pilots, or collaborators — puts AI in the position of intelligent yet nonthreatening helper. However, workers' relationships with AI are often more complicated, and "augmentation-washing" can undermine workers' roles while maintaining the illusion that they are in control.[67] Worker-led struggles over automation are thus not just about preventing jobs from disappearing but also protecting occupations themselves from being hollowed out and re-shaped in the image of prevailing tech business models.

Firstly, workers' data commodification and the rise of increasingly autonomous AI agents will have impacts on workers far beyond task automation.

Workers' explicit and tacit knowledge, their expertise, and their digital likenesses are increasingly used to train AI systems.

Workers' explicit and tacit knowledge, their expertise, and their digital likenesses are increasingly used to train AI systems. AI companies, already running out of training data, have begun to court publishers, media outlets, and entertainment conglomerates for access to copyrighted material. Copyright law has become the main battleground for struggles over workers' ability to retain creative and financial control over their work. However, the vast majority of workers — whether in creative industries or otherwise — have always labored under conditions with little or no control over intellectual property. As a result, existing frameworks for understanding how workers and creators are protected do not account for the new business models enabled by AI. Legal scholar Ifeoma Ajunwa uses the term "captured capital" to describe how worker data has value for employers beyond merely automating workplace management, raising ethical and legal questions about who owns and profits from workers' commodified data.[68] For example, companies like Replica Studios and Narrativ are moving voice acting toward a residuals-based compensation structure, promising to create a "lucrative passive income for voice actors" who can lease out their synthetic voices through the companies' platforms.[69]

But these endeavors go beyond the reproduction of workers' likenesses, and into the realm of anthropomorphically simulating entire occupations. Several AI startups, for instance, have created copycat versions of popular websites like Amazon, Airbnb and Gmail to serve as training environments for AI agents to perform tasks as if they were white collar workers.[70] Chatbot "personas" impersonating specific professions, such as licensed therapists,[71] real estate agents, financial and legal advisers, and medical professionals, have proliferated on social media.[72] In states like California, this phenomenon has prompted moves to regulate over their misleading authority in dispensing medical and

mental health advice.[73] These are not merely efforts to augment labor, but to wholesale co-opt professions and profit from the semblance of expertise.

Moreover, traditional distinctions between "skilled" versus "unskilled" labor, or between knowledge and other categories of work like manual labor may obscure the fact that all workers increasingly share the experience of having their professional knowledge reduced to training data. Whereas past waves of automation centered around robotics and routine automated decision-systems, genAI tools have targeted more "cognitive-intensive" tasks that span across everything from academic labor to logistics.[74] Alex Hanna and Emily M. Bender argue that Large Language Models (LLMs) are best understood as "synthetic text extruding machines," in that they can parrot the language of professional expertise, such as medical or legal terminology, in a way that appears seamless and authoritative.[75] These capacities can be deployed to deskill jobs by treating workers as unskilled, fungible labor, even if they don't effectively replicate distinct skills. The Washington Post, for example, said it would begin hiring more "nonprofessional writers" whose writing will be coached by an AI editor — a move that was followed a few months later by massive layoffs of professional staff.[76] Translation workers have for years fought to defend their linguistic expertise against the lower quality of machine translation. Yet the rise of LLMs has further legitimized the automation of translation work. In Wisconsin, legislators have recently proposed replacing human translators with AI in the court system and other state institutions, prompting strong objections from advocates.[77]

There is a long history of workers taking the lead to professionalize their craft like electricians who developed training and apprenticeship programs as well as collectively bargaining for safe and fair working conditions. The International Brotherhood of Electrical Workers was formed, first and foremost, to develop safety standards for people working with this new technology.[78] In this moment, protecting these values can also be enshrined in collective bargaining agreements and in developing professional standards. For instance, a recent arbitration ruling determined that Politico's newsroom managerment had violated key AI terms in its union contract because its AI-powered editorial tools did not meet journalistic standards of quality.[79] Similarly, information workers like librarians have an ethical mandate to ensure that the public has access to trustworthy and accurate information,[80] which has led to professionals developing new protocols to counteract the flood of low-quality, AI-generated records.[81]

4. Racial and Structural Inequality

How human expertise is valued, credentialed, and compensated raise critical questions about the unequal consequences of AI deployment. In many cases, AI integrations function less to augment human activity than to reinforce labor precarity or intensify regimes of surveillance and algorithmic control. Marketing narratives that promise the seamless substitution of human workers with AI systems are effective in part because they rest on enduring myths that portray specific categories of workers — whether teachers, frontline public sector employees, or warehouse workers — as lazy, inefficient, or unskilled.

Policy interventions and collective labor strategies should be oriented toward systemic approaches to AI governance that don't merely displace responsibility onto individual workers or cede ground to these narratives.

The history of AI and automation has long been rooted in political projects of sorting hierarchies of labor often along the lines of gender, race, and class.[82] Societally devalued labor is particularly vulnerable to flawed AI deployments, enabling "AI failure loops" wherein poor design and integration further entrenches and justifies the devaluation of occupations like home health care, K-12 education, and social work.[83] Many of the most vaunted applications of AI specifically target the automation of occupations that are racially stratified, often highly feminized, and societally devalued: teachers, care workers, clerical and administrative staff, nursing and parahealthcare workers, public sector workers, creative professionals, customer service workers, and gig platform workers.[84]

Economic and social policy further institutionalizes the devaluation of these professions. For instance, the Department of Education recently made a move to re-classify certain graduate degrees — including those in nursing, education, and social work — as "nonprofessional" programs, making them newly ineligible for certain kinds of federal student aid and thus placing a higher debt burden on students seeking to enter these highly in-demand careers. The decision raised public outcry from labor unions and professional associations, who pointed out that this carveout would have a huge disparate impact for women, and particularly women of color, who are disproportionately represented in these career pathways.[85]

Rather than attending to broader structural barriers, the solution that is often presented in government and the private sector is to establish more opportunities for upskilling and AI training. Demonstrations of AI competency are increasingly a requirement of today's job market, including law school applications,[86] job interviews,[87] and in managers' performance evaluations of employees.[88] However, while workers are told they will fall behind if they fail to acquire these skills, it's unclear what, exactly, it means to be "AI literate."

Researcher Anuli Akanegbu's study on workforce training initiatives in metropolitan Atlanta demonstrates how such terms have become commodified buzzwords and gatekeeping mechanisms that obscure the continued structural exclusion of Black workers from meaningful opportunities. And even in the incessant calls to reskill, differences in how similar skills may be valued may fall along familiar social hierarchies. Akanegbu's work shows that what distinguishes a "prompt engineer" from a "vibe coder" has less to do with technical skill than with social status.[89] Accepting that upskilling will solve the labor devaluation problem is not a given, particularly as professionalization has long been a major mechanism for reinforcing occupational closure and race, gender, and class inequalities.

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There is an urgent need to investigate the unequal effects of AI beyond issues of access. Some economists have suggested that genAI may even the playing field for less experienced, less educated workers by giving them an "artificial" boost. But in some industries, evidence is emerging that AI is both eroding occupational pipelines and shifting where different kinds of labor are being performed. In the film and television industry, for instance, studios' use of generative AI to automate entry-level roles like writers' assistants and personal assistants may disrupt standard career trajectories.[90] Tech may provide an "artificial" boost, but as we've seen in other forms of automation, tech as a means to "democratize" work often leads to greater competition with few clear winners. More research is needed to understand whether and how workers may be affected by new credentialing hierarchies, and where displacement of junior and entry-level roles may disrupt access to certain career pathways in ways that heighten inequity.[91] Within entertainment industries, for example, recent mass layoffs have been found to undercut diversity gains because historically underrepresented groups have been concentrated in entry-level and junior roles — a key starting point for members of these groups to gain a foothold.[92] Public fears around AI displacement may manifest in attrition and chilling effects that shape perceptions of what is a "safe" occupation, who can afford to take career risks, and who is the first or last to be laid off.

Moreover, in some sectors, it is already becoming clear that new applications of AI systems unquestionably serve as tools of control and workplace surveillance, particularly in low-wage workplaces. One example of this may come as Human Resource departments acquire AI agents not only to assist with decision-making but execute actions like payroll changes, firings, and reallocating workers' roles — shifts that make it increasingly difficult to discern the sources of disciplinary action and avenues for redress.

We can already see the directions in which extreme automation of workplace management can lead. Amazon's largely automated HR functions have been central to distancing workers from company leadership and blocking their ability to raise grievances; during Amazon workers' first union election at the Bessemer, Alabama, fulfillment center, for example, the company's largely automated HR functions were weaponized as part of its anti-union campaign.[93] Existing labor management structures paved the way for these AI applications by leaving workers "isolated by design" through practices like tight scheduling, obstructing spaces for worker communication, and enforcing workplace cultures marked by sharp divisions between managers and managed.[94]

Given these applications of AI technologies, there is a critical need to consider which workers are empowered to reject or embrace AI technologies, which workers can turn these tools to their advantage, and the highly disparate ways in which AI systems are

implemented across class and occupational hierarchies. Unsurprisingly, recent Gallup polling has shown that US workers with a high degree of influence over how technologies are adopted in their workplaces strongly tend to have higher job satisfaction,[95] and that workers reporting "high agency" in their workplace were more likely to adopt genAI.[96] Yet there is a "stark mismatch," as one Brookings Institution report puts it, between the occupations most acutely exposed to genAI and the sectors where workers actually have access to union support or other worker-led organizations.[97] In other words, workers that are least likely to have power over AI integrations are the ones most likely to experience its most harmful applications.

Conclusion

As speculations of an AI bubble loom[98] and numerous investors await their financial returns, workers remain at the center of the economy. If the bubble bursts, the US government has shown it is willing to act to protect major corporations, like tech firms considered "too big to fail." As global financial markets and political forces push forward an "AI-first" economy, seemingly with few or no guardrails in place, our fear is that, much like the housing collapse of the early 2000s, when the fallout was borne by homeowners and renters, workers will be the ones left in the lurch.

While this document is focused on a core domain in which effects of AI-related discourses and practices are being felt — the world of work — it is not possible to consider the impacts on workers outside the institutional forces around AI. This framework must ask questions such as: *How are AI tools being used by leaders in corporations and government to automate aspects of service delivery across both the private and public sector? Are these tools actually achieving what is claimed or simply being used as a rationale for layoffs and deepening exploitation? What are the implications for long-term job stability for workers and access for constituents to basic public services?*

This agenda must also ask larger questions beyond impacts on labor processes or total job numbers. AI is a political force that has the potential to degrade democratic institutions,[99] including those that enshrine and enforce labor rights, making it ever more challenging to protect all workers. By drawing out these interwoven issues, we can begin to see where coalitions can be mobilized to challenge AI implementations that harm different constituencies, and help shape forms of AI use that do, in fact, serve the public good.

What comes next is using this framework to bring together evidence from across the world of work. Reaching across different occupations and sectors, we can work together with labor organizations, researchers, community leaders, to show how these dynamics are already affecting workers. And the reach is broad: from civil servants to fashion models, from data workers to screen writers, from nurses to warehouse workers — employers everywhere are eager to leverage new technologies to re-configure the domestic and global economy. In these intersections, worker organizing has and will continue to overlap with broader struggles, including racial, immigration, and environmental justice, struggles that necessitate research that cuts across any individual labor sector. Using this framework, we must develop a clear worker-first agenda that foregrounds human working conditions, not just the advancement of AI industry objectives.

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