

**OPINION**

# The Pope, the Governor, and the AI Washing Machine

*Three institutions used the same moral language about AI and workers in the same week. Only two of them meant it.*

By **Orson Aguilar** | Founding President & CEO, LatinoProsperity - June 2026

Los Angeles, CA - In the last three weeks, three very different institutions used the same moral language about the same crisis. On May 21st, Governor Gavin Newsom signed an executive order. His order directs California to prepare workers and communities for the economic disruption of artificial intelligence. On May 25th, Pope Leo XIV released Magnifica Humanitas, his first encyclical. This sweeping papal document focuses on safeguarding the human person in the age of AI. Around the same time, the OpenAI Foundation published a detailed framework titled Economic Futures in the Age of AI. The Foundation committed \$250 million to building what it calls “secure and abundant economic futures.”

This convergence is striking: a Pope, a Governor, and an AI company’s philanthropic arm all arrived at the same vocabulary in the same week — worker dignity, displacement, and the danger of concentrating AI’s gains in too few hands. Yet, while their language aligns, their actual commitments diverge sharply. A closer look reveals that what appears to be a unified movement is, instead, a mirror: the OpenAI Foundation reflects the moral seriousness of others while contributing only a fraction of what the problem demands.

## **The Pope Did Not Mince Words**

Pope Leo XIV signed Magnifica Humanitas on May 15th, the 135th anniversary of Rerum Novarum. This date was chosen deliberately to invoke Leo XIII’s response to the first Industrial Revolution. The message was clear: this Pope intended to do the same in our era. The encyclical identifies AI-driven unemployment as “a true social calamity that especially requires the State to exercise responsibility.” It warns that mass displacement leads to impoverishment far beyond income. The document reserves its sharpest language for private technological power. It notes that the main drivers of AI development are now private, often transnational entities. These entities are “endowed with resources and the capacity to intervene that surpass those of many Governments.”

The Pope's demand is unambiguous. Every introduction of automation and AI should be accompanied by verifiable measures to protect workers' employment, retraining, and participation. Central to his argument is the following contrast: "The pursuit of greater profits cannot justify choices that systematically sacrifice jobs, because the human person is an end, not a means, and the economic order must remain subordinate to human dignity and the common good." The message's force was accentuated by the composition of the Vatican's audience: a co-founder of Anthropic was present, whereas OpenAI itself was notably absent. That absence itself spoke volumes about the two organizations' differing positions.

### **The Governor Brought Specifics**

In contrast, Newsom's executive order reflects the same moral framework without theological language. He directs state agencies to review severance standards and expand worker ownership. The order updates California's WARN Act, creates an AI workforce dashboard, modernizes job-training, and delivers policy recommendations within 180 days. It also names those most at risk, especially women and low-income workers. The order establishes a statewide deliberative democracy so every Californian can help shape AI policy. This approach is enforceable, time-bound, and produced under democratic accountability, prioritizing those most affected by institutional decisions.

### **The Foundation Brought a Framework and a Fraction**

Similarly, the OpenAI Foundation's Economic Futures in the Age of AI is more candid than most corporate philanthropy. It admits that traditional retraining programs have "mixed evidence"—a polite way to say that the standard playbook for displaced workers does not work. Unlike many philanthropic documents, it openly discusses remedies such as shifting the tax burden from labor to capital and creating sovereign wealth funds, inspired by those of Norway and Alaska. These ideas align with the encyclical's call for "progressive redistribution" and Newsom's push for worker-ownership models, showing awareness of the scale of the coming challenge. The document reads less as a concrete plan and more as an inadvertent confession.

However, the numbers tell a different story. The OpenAI Foundation holds equity in OpenAI Group, valued at least \$130 billion. It describes itself as "one of the best resourced philanthropic organizations in the world." Its \$250 million commitment to economic futures is only 0.19 percent of its equity value—less than one-fifth of one percent. For comparison, during the COVID pandemic, California paid out \$180 billion in unemployment benefits. Against the scale of potential AI-driven displacement, \$250 million is not a safety net; it is a research agenda. With vast resources and modest commitments, the organization has not cleared the bar set by the Pope but only gestured at it.

### **Three Diagnoses, One Accountability Gap**

Despite differing approaches, the Pope, the Governor, and the OpenAI Foundation all agree on the diagnosis: AI is concentrating power and wealth in ways that will leave large numbers of workers behind. The window to intervene is shorter than we think. The encyclical identifies the root cause precisely—private technological power now surpasses government capacity to regulate. Newsom’s order recognizes California’s unique responsibility, as home to 33 of the world’s top 50 private AI companies. The Foundation’s own document also warns that the current pace of change means less time to get this right, with immense consequences if we fail. Yet, paradoxically, the institution with the most resources and the most direct responsibility for displacement also has the least binding commitment.

Given this, we need a term for what the OpenAI Foundation is doing. When a fossil fuel company funds a clean energy nonprofit, we call it greenwashing. When a pharmaceutical company funds advocacy groups aligned with its interests, we call it astroturfing. Similarly, when an AI company establishes a foundation to address harms caused by its own technology but remains structurally tied to the for-profit entity, we should call it AI Washing. This means using philanthropic language and modest resources to suggest accountability, without the structural independence to guarantee it.

Moreover, employment is not the only concern. Technologists, civil liberties advocates, and AI safety researchers issue urgent warnings about broader dangers, including the erosion of privacy through mass surveillance, the concentration of economic and political power, and the risk that AI will manipulate information and undermine democratic institutions. Some scientists point to even longer-term existential risks. The Pope’s encyclical and the Governor’s executive order focus on economic displacement as it is immediate and measurable. Yet, the same factors that allow AI Washing—voluntary accountability, captured governance, and insufficient resources—also make broader threats harder to contain. If an institution cannot be held accountable for the harms it is already causing, we should not expect it to self-regulate more serious risks.

### **A Word to Civil Society**

In practical terms, the OpenAI Foundation’s \$250 million commitment is calculated: large enough to draw credible civil society partners, but small enough to avoid true accountability. This delicate balance only succeeds if organizations accept it. When nonprofits, advocacy groups, and research institutions line up for a share of that fund without demanding independence, transparent governance, and appropriately scaled investment, they fail to advance their communities. Instead, they confer the most valuable asset—legitimacy. Organizations that accept AI money under these conditions, while remaining silent about its limitations, become enablers rather than partners in accountability. The Pope called on Christians not to be “passive spectators” or “mere commentators on what is crumbling.” The same standard applies to civil society.

## **What Real Accountability Requires**

The OpenAI Foundation claims ensuring AI's economic benefits reach all humanity is "among the most important things the Foundation could be doing right now." The Pope frames it as a moral duty. The Governor phrases it in legal terms. Taking these voices seriously means specifying what accountability requires:

1. Structural independence from OpenAI's commercial interests—governance, grantmaking, and leadership fully insulated from business motives, with transparent conflict-of-interest policies and published audits.
2. Investment proportional to the harm. If AI could create the largest economic shift in generations, then 0.19 percent of current equity value is not a serious response. A credible commitment would mean a sustained floor—no less than 5% of annual equity value directed to economic transition, maintained over a decade, rather than a one-time fund.
3. Verifiable worker protections before deployment, not after. The Pope's proposal that "every introduction of automation and AI should be accompanied by verifiable measures to protect the employment, retraining, and participation of workers" is not a theological abstraction. It is a policy standard. The Foundation should adopt it explicitly and fund the infrastructure needed to make it enforceable.
4. Named leadership and committed timelines for the jobs program. The Foundation's Life Sciences program has a named director with full credentials. The economic futures program has no named leader and no announced initiatives. An organization that treats human dignity as seriously as it treats disease research will fix that before the end of the quarter.
5. Active support for public policy. The Foundation should openly back the legislative and regulatory frameworks most relevant to its stated mission, including Newsom's executive order, federal AI workforce protections, and WARN Act modernization. A philanthropy that stays neutral on the policy questions it claims to care most about is not advancing its mission. It is protecting its relationships.

## **The Clock the Pope Named**

Pope Leo XIV chose the 135th anniversary of Rerum Novarum to sign his encyclical because the historical parallel needed to be unmistakable. Leo XIII wrote in 1891 because the first Industrial Revolution had already produced widespread suffering by the time institutions could catch up. It took generations, and millions of people paid the price of that delay. The AI transition is moving faster by orders of magnitude, and the same company, which is now pledging to get it right, just completed what legal analysts have described as one of the largest transfers of charitable wealth to private investors in history. OpenAI's original structure promised that profits beyond a threshold would be returned to the world. The nonprofit board voted unanimously to abandon that promise. Legal commentators estimate the value transferred to private investors, above all to

Microsoft and early backers, at somewhere between \$250 billion and \$500 billion. And beyond the financial expropriation, the restructuring transferred intellectual property to the for-profit entity without compensation commensurate with its value, a question California Attorney General Rob Bonta, who has pledged to keep “a close eye on OpenAI,” may be actively examining.

AI Washing is what happens when institutions use the moral vocabulary of accountability without accepting its demands. The Pope named those demands plainly. The Governor is trying to meet them with the tools of government. The OpenAI Foundation must now decide whether it is in that company or content to be the most elegantly branded component of the problem it claims to solve. A foundation that gave away its most valuable assets and then committed only 0.19% of the resulting equity to addressing the harms its technology creates is not an accountability partner. It is an open investigation waiting to happen.

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