

Harmonization of Labor and Artificial Intelligence

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Abstract

President Joko Widodo has established the Making Indonesia 4.0 program as a road map for the nation's economic development, in the Making Indonesia 4.0 program, one of the main points related to employment is to improve the quality of human resources so that the available workforce becomes more productive and competitively. The challenges and potential of the industry in industrial revolution era 4.0 all parties must realize are artificial intelligence. The 4.0based industrial development road map relies heavily on artificial intelligence connected to the network (online).

Keyword : industrial relationship, employee, artificial intelegence

1. Introduction

The central issue in Mayday 2019 is related to wage issues, namely the revision of PP 78/2015 regarding procedures for determining wages with components of inflation and economic growth, in addition to other routine agendas such as outsourcing and the status of contract workers. In the study of Tim Bredman¹, it was shown that wages were very effective used as a political tool because they directly correlated with welfare that could be obtained in the short term.

Referring to a political perspective, if the revision of PP 78/2015 is directed at labor benefits such as if the component of wage setting is changed by accommodating input from labour unions (a component related to decent living), giving the right to negotiate with workers and stipulating wages through negotiations with workers meaning that if this policy is passed, workers will have a strong bargaining position in the economy.

A strong bargaining power for workers in addition to being able to be seen as successful by trade unions in carrying out their roles. Politically, trade unions will also be counted as elements that have political power to accommodate their interests. On the contrary before the revision is made or even if the revision of PP 78/2015 is conducted, of course the government must pay attention to the interests of investment and other stakeholders.

If the revision of PP 78/2015 is actually counterproductive to the interests of investment, then in the long run workers will lose their welfare because of shrinking investment and narrowing employment opportunities. In this case both the government and the political elite and labour unions must think of long-term goals and impacts, so that the revision of PP 78/2015 is not carried out on the basis of mere practical political considerations.

If the revision of PP 78/2015 is interpreted in the context of political wages, namely wages are the object (purpose) of political activities carried out. So that the political context of wages is

¹ Bredman, T : Labour and Political Instrumen, Mc Graw Hill publisher USA (2016), p 89

interpreted as a process (in the period of realizing the revision of PP 78/2015). Whereas if the revision of PP 78/2015 has been done by accommodating the proposals of labour unions and this reinforces the strong bargaining power of the workers, then this causes the shift of wage politics to political wages.

Political wages refer to the meaning of political promises as wages from the realization of the revised PP 78/2015 which strengthens the bargaining power of workers with the accommodation of proposals for labour unions over the revised PP 78/2015. Political wages can be read from two perspectives, namely political wages, which in this case are interpreted as political incentives obtained by the government when strengthening the bargaining power of the workers.

Conversely, in the context of labour union elites with the achievement of strengthening bargaining power for workers, the expected political incentives are, of course, with the support of strengthening the bargaining position, it will help union elites take part in the political stage. Things that need to be considered by all stakeholders that the essence of wages is to create harmonious industrial relations.

Djumaidji states that the existence of harmonious industrial relations is when the recipient of the wage and the wage provider feel they are not exploited². So that the aim of the revision of PP 78/2015 (if necessary) is to improve industrial relations, not to bargain positions in order to enhance each other's political bargaining position.

If the revision of PP 78/2015 is directed at practical political goals, this matter has deviated from the essence of the purity of the workers' struggle itself. If PP 78/2015 is to be revised, the consideration is to achieve a balance between labor welfare and the ability of the industrial world, so that the revision of PP 78/2015 is not carried out on the basis of consideration of political incentives.

Yuzuru Hamada Professor from Tokyo University describes that industrial relations will not be harmonious if stakeholders are not aware of the challenges of the industry and the potential of the industry itself³. Artificial intelligence connected to networks is an industrial development potential because it will increase market share, reduce fix costs including labor so that profits will be more aggregated.

2. Discussion

2.1 Artificial Intelligence in Industrial Relations

Nowadays artificial intelligence is also a challenge for entrepreneurs. Entrepreneurs can no longer rely on conventional based businesses. As seen in the last few years after the emergence of online businesses that relied on artificial intelligence made the growth of conventional businesses eroded and a lot of reduction and closure of conventional industry-based centers, consequently it caused unemployment and a reduction in labor.

² Djumaidji, FX : Membangun Hubungan Industrial Yang Harmonis, Penerbit Alumni Bandung (2002), p 45

³ Hamada, Y : Industrial Relation in Revolution 4.0, Publisher Tokyo University Press (2016) p 140

Keith Maxel states that the impact of the transformation of a business model is turbulence from the industry itself. Trade unions must be able to demonstrate their role as business partners to bypass turbulence during the transformation period⁴. Demands that copy paste, such as wage issues will actually cause stress factors during the transformation to form harmonization with an artificial intelligence-based business model.

This means that in this case the regulatory review agenda must be directed at the industrial relations side in relation to era 4.0, considering that the existing labor law (Law 13/2003) was made long before the 4.0 industrial revolution was rolling in Indonesia. Unions, employers and the government must jointly regulate the industry model 4.0 in labor regulation.

With the existence of clear regulations it will facilitate the transformation carried out by the business world because it already has a clear transformation platform. The establishment of a clear transformation platform is important to be voiced and discussed considering that this transformation platform is the basis for the establishment of harmonious industrial relations in the era of 4.0.

At present the paradigm that artificial intelligence is an investment medium for entrepreneurs to replace labor so that fixed costs can be reduced, must be replaced with the understanding that artificial intelligence is a welfare agent for employers, labor and government. The artificial intelligence paradigm as an agent of prosperity for entrepreneurs means that by transforming and adjusting business models, entrepreneurs can develop their businesses by utilizing artificial intelligence, such as virtual department stores managed by artificial intelligence and this certainly affects the industry as a whole.

For workers, artificial intelligence must be seen as a partner to facilitate work, but the challenge in this case is that the workforce must be able to at least be the operator of the artificial intelligence. Training (by adjusting the needs of each industry) is an important part in an effort to provide more value and empower the existing workforce so that 'it is not eroded' by artificial intelligence.

On the contrary during this transformation period employers also need to provide support to the existence of their workforce, such as adjusting the 4.0-based business model while still accommodating the existing workforce. The government must get rid of all political agendas in the political year, the government must be able to become a facilitator in the critical moment of industrial relations transformation in era 4.0. Forms of government support include preparing the necessary regulations and providing training and socialization support for both workers and employers.

If the challenge of harmonization between labor and artificial intelligence is able to pass through a smooth transformation by employers, the multiplier effect is that investment experiences growth, labor is absorbed and unemployment decreases. All of these are indicators of economic growth so that the harmonization agenda of manpower and artificial intelligence is an agenda of industrial relations that must be implemented immediately, considering that now all stakeholders must change the paradigm of artificial intelligence from the challenge of being a potential for mutual welfare.

⁴ Keith M : Labor and Artificial Intelligence, Publisher Columbia University Press (2014) p 127

2.2 New Paradigm

Now it's time to change the industrial relations paradigm to adjust to economic needs, especially in the era of the 4.0 industrial revolution, namely "jointly" developing competitiveness for national interests. This means that in this case LKS tripartite (Lembaga Kerja Sama Tripartit) is a forum to consolidate the interests of each party into a common agenda in the context of strategic partnerships with the interests of the national economy. If this can be realized, the new paradigm of industrial relations will not only stop in the term 'harmonious' but also the terminology of industrial relations that provides competitiveness for the economy.

Thus the industrial relations paradigm shift can have a positive influence on economic growth and its benefits can be felt by all Indonesian bloodshed as the ideals of Indonesian independence. On the other hand, the challenge of 4.0-based industry is to mitigate the effects of artificial intelligence.

Utilization of artificially managed artificial intelligence will actually lead to dehumanization and social inequality such as unemployment and economic inequality because there is no equal distribution of welfare for every citizen. The most obvious impact is the labor that survives is the labor skill, those who are able to become operators of artificial intelligence.

The real challenge is now empowering labor elements to both develop into labor skills so that they can become operators of artificial intelligence and create complementary relationships in the industry between artificial intelligence and unskilled labor, such as being developed in the Gojek business model. Thus the elements of labor remain irreplaceable, so that artificial intelligence (intelligence does not take casualties).

LKS Tripartite as stipulated in the Government Regulation of the Republic of Indonesia number 4 of 2017 concerning the second amendment to Republic of Indonesia Government Regulation number 8 of 2005 concerning the working procedures and organizational structure of tripartite cooperation institutions.

In principle, tripartite worksheets are a forum for communication and consultation, but in reality tripartite worksheets are more concerned with the issue of industrial relations only so that the direction of this LKS tripartite must be reformulated so that it can be a facilitator in mutual relations between employers and workers.

LKS Tripartite must function as an instrument to achieve national welfare, meaning that in this case LKS tripartite must be able to support economic growth that can be achieved if a balance is created between the creation of industrial competitiveness accompanied by competitively employed workers, so that both industry and workers are equal the same as an asset to achieve prosperity. Industry requires workers as assets and vice versa, workers need industry as assets.

Of course, harmonious industrial relations will occur if the industrial world and businesses both view each other as assets, this paradigm will be achieved if each has competitiveness in the global market. In this case tripartite worksheets must be formulated as a forum for establishing harmonious industrial relations through the achievement of industrial competitiveness and

workers in accordance with the government's industrial revolution 4.0 road map platform developed.

To adjust these needs, LKS tripartite must be able to build strategic partnerships with the government in terms of achieving economic growth targets. The target of economic growth will be achieved through the formation of competitive competitiveness against global competition, meaning tripartite worksheets must be able to guard the empowerment of the industrial world as well as empowering workers. Empowerment referred to here is forming competitiveness both in the industrial world and in workers so that mutualism will become an asset of economic growth.

3. Conclusion

So far, workers have always been positioned or positioned to deal with entrepreneurs or in a position to criticize government policies. This conventional paradigm should have been abandoned considering that the position of workers facing the authorities and the government took place during the industrial revolution in Europe when the economy class was still divided into dichotomous capital owners and workers who were oppressed by bourgeois culture and corrupt governments.

Especially in Indonesia today the old paradigm has been abandoned and immediately optimizes tripartite cooperation institutions (LKS) in this case between the government, employers and workers. The form of face-to-face relations must be changed in a mutualism paradigm that will strengthen the nation's economy, so that tripartite cooperation institutions must be optimized considering that the Indonesian nation must adapt to the era of the latest industrial revolution, era 4.0.

Indonesia has confirmed and chosen the form of the state as a welfare state, this can be seen from the constitution in the Preamble of the 1945 Constitution, paragraph 4 states that advancing public welfare is the ideal of the independence of the Indonesian nation. In the amendments to the 1945 Constitution there has been a change from limited positive right to extensive positive right. The implication is that the government requires empowerment towards independence for the realization of a welfare state.

With the concept of industrial relations that forms mutual relations in understanding mutual empowerment, then between the world of industry, workers and the government is a synergy that sustains economic growth in the road map of industry revolution 4.0. This would be better than the old industrial relations paradigm that positioned the industrial world, government and workers in separate interests so that it would be vulnerable to conflict which resulted in disruption of the investment climate and economic growth.

Relations between employers, workers and the government must be purely in the orientation of harmonious industrial relations. If the LKS tripartite fails to carry out this role, industrial relations will become a political tool that actually makes the Indonesian people return to the period of the 1600s when the world of industry, workers and government was always positioned opposite.

The era of 4.0 is the momentum of the consolidation of the new industrial relations paradigm, namely industrial relations that provide mutual empowerment to achieve global competitiveness and economic growth. In this context, in order to support this, it means that each party with a LKS tripartite container must mitigate the needs of competitiveness in the industrial world.

In the empowerment perspective, the momentum of changing industrial models in era 4.0 can be used as a consolidation arena in order to strengthen dialogue in order to convey aspirations with a focus on forming competitiveness to pursue economic growth. The paradigm of industrial relations between the industry in this case employers and workers as well as labour unions is that they can jointly establish strategic partnerships to support national interests, namely the welfare of the nation that will be obtained through economic growth.

References

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B. Regulation

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