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# Artificial Intelligence and its Effects on Employment in India

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### **ABSTRACT**

Artificial intelligence being considered to be a legal person in the eyes of law lacking reasonableness and discretion which is owned by only human beings. Due to their reasoning and free will, humans are the source of the subject's mechanism and the source of value for the legal topic. The first topic of law was humans. The legal subject is distinguished from the personality traits throughout the substantiation process, and the legal person emerges as the derived legal subject. Artificial intelligence lacks the necessary conditions to become an original legal subject, but it may still be developed as a derivative legal subject if it can serve humanity's long-term basic interests as a legal subject. Artificial intelligence has a favorable impact on employment; however, this effect is unavoidably heterogeneous. In labor-intensive industries, it helps to boost the job share of women and workers. Mechanism study has demonstrated that one significant avenue for job growth in the digital economy is virtual agglomeration, which developed from conventional industrial agglomeration. The results of this study add to our knowledge of how contemporary digital technologies affect people's quality of life in underdeveloped nations. In order to fully realize the benefits of artificial intelligence technology in the workplace, we must enhance the social security system, expedite the creation of sophisticated household robots, and further overhaul the education and training system. The Evolution of the country is considered to be a development based on the technology but every people in the country is working for the minimum for their essentials such as food and shelter. The recognition of Artificial intelligence leads to the exploitation of the workers by not providing decent employment guaranteed under the directive principles of state policy given under the Indian constitution. This article finally concludes with findings and suggestions that help in the development of society into a socialistic approach rather a capitalistic approach.

KEYWORD: Artificial intelligence, Discretion, Reasonable, Data Privacy, Discrimination, Loss work

#### **INTRODUCTION:**

The NITI Aayog-prepared national plan for artificial intelligence in India lays out the next steps for leveraging AI's potential across a range of industries. To solve societal requirements in fields like healthcare, education, agriculture, smart cities, and infrastructure—including smart mobility and transportation using such dynamic data—India benefits from artificial intelligence (AI) methods and initiatives. At the start of the twenty-first century, electronics started to appear in nearly every item produced on the planet. Today, there have been amazing developments in computer power, data processing, and data acquisition. These days, intelligent systems may be used to a wide range of jobs and decision-making to improve productivity and provide greater connectedness. This article explores the history of artificial intelligence, including its global reach and advancements in India. But this development of AI



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is not only having advantages it also has more disadvantages especially in the field of Industrial Labour. The Replacement of AI in the Field of Industrial Management fails to apply equity principle in the case of employment. For example, in the process of appointment when the employer is replaced by the AI to appoint the employee the criteria on which the employee is selected is not determined in the precise manner and the selection is Soley based on the AI's knowledge and data which is present within the AI. So, AI is lacking the reasonableness and discretion which can be exercised only by human beings.

#### **BACKGROUND OF THE STUDY:**

A new generation of intelligent robots that can carry out normal, repetitive, and regular production jobs requiring human judgment, problem-solving, and analytical abilities has arisen as a result of advancements in machine learning, big data, artificial intelligence, and other technologies. Robotic process automation technology can be extremely helpful in processing large amounts of data because it can mimic and learn from workers' repetitive new tasks, such as data collection, report running, data copying, data integrity checks, reading, processing, and email sending. In a technologically and informatics-driven economy, employers are pushing workers into more creative roles.

The production of new demands, or tasks, is the primary benefit of the productivity boost brought about by intelligent technology, according to the theory of the integrated task framework. Along with updating the current tasks, these new task packages also provide new work combinations with more challenging technological requirements. Despite being widely employed in many areas, intelligent technology may cause people to be replaced, which might result in technical unemployment. But as a fresh wave of technological innovation and revolution emerges, high efficiency fosters the emergence of several new sectors and has a positive impact on employment creation. The result of technological advancement is the creation of new jobs. In other words, such advancements generate new jobs.<sup>1</sup>

In other words, when society advances, new employment is created that better meets the demands of social development, which raises the need for labor. As a result, human workers in nonprogrammed roles, like technology and knowledge, will have additional competitive advantages when intelligent enterprise evolution replaces initial programmed jobs with more complicated new ones.

The breadth and depth of employment are generally being impacted by the "new technology-economy" paradigm that is developed from automation machine and AI technologies. This is shown as follows:

- 1. It raises the need for nonprogrammed sophisticated labor while decreasing the need for coded occupations in businesses.
- 2. The growth of digital technology has improved and deepened the division of labor, hastened the manufacturing sector's shift to services, raised the employment percentage of the contemporary service sector, and produced a large number of new jobs.
- 3. More autonomy and productivity at work are provided by advanced productive forces, which raise employee job happiness and quality of employment. As stated in Das Kapital, "The number of factory workers may eventually exceed the number of handicraft workers in the workshops or handicrafts that they crowd out, despite the fact that machines actually crowd out and potentially replace a large number of workers. The development of machines themselves is manifested by the increase in the

https://www.scirp.org/journal/paperinformation?paperid=122946

<sup>&</sup>lt;sup>1</sup> Zhifeng Wen ,Deyi Tong, Analysis of the legal subject status of Artificial intelligence, Scientific Research An Academic Publisher (Mar. 29,2024,9.45pm),



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number of the same kind of factories or the expansion of the scale of existing factories. It is evident that there is a positive correlation between the percentage of employed workers and their number.

4. The internet information technology facilitates the transnational movement of production components, deepens the international division of labor, and shortens the time and space gaps between nations. Traditional industries and departments in a nation are declining as a result of artificial intelligence (AI) technology. These departments and industries may grow in late-developing nations as a result of the recent changes to the division of labor, which will help to boost employment through the export of labor abroad. In the long run, artificial intelligence will lead to the creation of additional employment due to its ability to continuously expand the size of social production, enhance production efficiency, and lead to the emergence of more specialized industrial categories. Practitioners are progressively being released from labor-intensive and hazardous jobs as a result of the internet era's accumulation of human capital, and workers' abilities and job adaptability will continue to advance. More important than the consequences of substitution are the implications of industrial and technological advancements on remuneration and employment creation.<sup>2</sup>

#### PROBLEM OF THE STUDY

Recognizing AI as employer and employee in India has also some demerits. They include loss of work for workers and there will be problem of discrimination in appointment of employee by AI and the data privacy of the employees are affected when the employer itself an AI. So, these problems should be considered before recognizing AI as an employer or employee in Indian Society.

### **RESEARCH HYPOTHESIS:**

Artificial Intelligence increases productivity by decreasing the employee's opportunity which makes the country more capitalized.

#### NON-RECOGNIZING AI AS EMPLOYER AND EMPLOYEE IN INDIA:

Section 2 (l) of the Industrial relations code 2020 defines "employee" who is skilled or unskilled but should not be military person. Here the interpretation of the word person is about the living person and not about the artificial person. So, the AI is not included under this section.

Section 2 (m) of the Industrial relations code 2020 defines "employer" means a person who employs, whether directly or through any person, or on his behalf or on behalf of any person, one or more employees or workers. Here the word person includes only a living person and not an artificial person or AI. So, the AI is not included under this section.

Article 6 of UDHR is speaks about recognition of persons in all over the world includes, immigrants, refuges, workers and any other. The word any other includes only living persons which is based on the principle called ejusdem generis.

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<sup>&</sup>lt;sup>2</sup> Yang Shen, Xiuwu Zhang, The Impact of Artificial intelligence on employment: the role of virtual agglomeration, Humanities & Social Sciences Communications (Mar.29,2024,10.03pm), https://www.nature.com/articles/s41599-024-02647-

<sup>9#:~:</sup>text=As%20an%20essential%20force%20in,increasing%20the%20value%20of%20work



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#### ANALYSIS OF AI RECOGNITION AND HYPOTHESIS TESTING:

### AI as an employer

However, in some companies in India the AI is recognized as an employer and they are giving jobs to the workers e.g. ola, swiggy, uber etc. This affects the data privacy of the employees and discriminates against the employees. This is because, the employees cannot be appointed based on the equity principles given in the article 14 and cannot be appointed based on article 16 in case of special recognition to women and children as weaker section. That is, the AI Humanoid being an artificial person has no reasonableness and discretion. The reasonableness, proportionality and discretion which are not arbitrary can be taken only by the Human intellect. So, Recognition of AI as an employer is a failure and violating the provisions of the Industrial relations code 2020. So, it should not be recognized for prevention of data privacy violation under article 21 and violation by way of discrimination violating article 14 and 16.

### AI as an employee

AI as an employee may many times be helpful in making the job very accurate and perfect in nature. But country like India has more population and the economy is Soley depends on the Industrial labour. The people who live in India is also depends on their own handiwork. So, their livelihood is based on the living wage given by various Industries. By way of appointing AI as employees results in the huge job loss to the living workers. So, there will be an increase in productivity in Favour of the government and corporate companies which makes the court more capitalistic rather socialistic. Since the AI is a non-living person the government and employer need not worry about the social welfare schemes and protection. They need not worry about the minimum wage, bonus and other social security benefits that should be given to normal living workers. Therefore, this results in huge job and wage loss to the living workers. This affects the society art large. Thus, Hypothesis is tested and verified.

### FINDINGS AND SUGGESTIONS:

- 1. AI being an artificial person should not be recognized as an employer.
- 2. AI being an artificial person should not be recognized as an employee and should not provide employment.
- 3. Recognition of AI in the Industrial sector leads to the violation of the right to life and right to employment of the living workers of the country.

#### **CONCLUSION:**

The stance of legal anthropocentrism is that artificial intelligence cannot contest the status of humans as the original legal subject. The fundamental tenet and guideline that governs the consideration of artificial intelligence law's subject status is anthropocentrism. Humans may overcome the conundrum that existence has no purpose, and that life is pointless thanks to anthropocentrism. In the realm of metaphysics, anthropocentrism prioritizes the consolidation of people as the doctrinal matrix, perceiving themselves as the source of meaning, and elevating reason and free choice to the position of authority. This is important for more reasons than just maintaining people's worth and dignity. In addition, it gives the political system and social order context, which helps us to appreciate and recognize the importance of the legal system as a human social governance framework. We see ourselves as the object of this process in order to realize the organic unity of self with self, with others, and with the whole. We also become the creators of the law, but we also have to obey the law that we have created. This process helps us to achieve the beneficial



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coordination between personality and commonality, material and spirit. More significantly, we can only remain aware of how human subjectivity is eroding in the age of artificial intelligence as science and technology advance by stressing anthropocentrism. Not whether AI can be given rights and fulfill responsibilities, but rather whether AI should be given rights and fulfill obligations, is the crucial question in determining whether AI can be subject to the law. The crucial question in debating the latter is whether it ultimately advances human interests, as the fundamental principle of human rights should never be questioned.

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