



# Artificial Intelligence & Impact on Social/Labor Law

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# Technology Disruption: From the Printing Press to AI

- Gutenberg's Printing Press (1440s-1700s)
- 1st and 2nd Industrial Revolutions (1760s-1920s)
- 3d Industrial Revolution—Nuclear, Electronics, Computers (1960s-1990s)
- The Internet and AI (2000s-Present)



# Technology Disruption: From the Printing Press to AI

“Once in a while, technology comes along that is so powerful and so broadly applicable that it accelerates the normal march of economic progress. And like a lot of economists, I believe that generative AI belongs in that category.”

- Andrew McAfee, Principal Research Scientist, MIT Sloan School of Management.



# Transformation of the Global Economy

- **40% of jobs worldwide are likely to be impacted by AI**
- **Mixed impact on jobs**
  - Approximately half the workers exposed to AI likely will enjoy enhanced productivity
  - The other half face a danger of lowered wages and reduced hiring
  - The net effect of AI on a given labor market depends on various factors, especially the proportion of high-skilled workers
- **Advanced economies are likely to face more immediate disruptions**
  - 60% of jobs in advanced economies are likely to be impacted
  - 40% of jobs in emerging markets are likely to be impacted
  - 26% of jobs in low-income countries are likely to be impacted

Source: International Monetary Fund



# Key Factors that Could Determine the Net Effect of AI on Labor Markets

- **Infrastructure**
- **Proportion of high-skilled workers**
- **Sectoral composition**
- **Human capital and labor market policies**
  - Investment in education
  - Job market mobility
  - Social safety nets
  - Strength of trade/labor unions
- **Regulation and ethics**
  - Adaptability of legal framework to new technologies
  - Strong governance for effective enforcement



# Benefits of AI for Society & Labor

- Accelerated scientific progress
- Increased access to health care, education, and financial and legal advice
- New job opportunities
- Improved productivity and efficiency
- More accurate, fair, and speedy decision making
- Opportunities for increased data and information security

# Challenges of AI for Society & Labor

- **Loss of trust in information** (hallucinations, disinformation)
- **Bias and discrimination** (especially in hiring, admissions, and loan decisions)
- **Displacement and disempowerment of people**
  - Job loss
  - Wage discrimination and wage polarization
  - Data privacy invasions
  - Monitoring and surveillance of employees
  - Exacerbated inequality
  - Intellectual property infringement

# The Hollywood Writers Strike

- Last year's 148-day Hollywood screenwriters' strike was the first major labor battle over AI in the workplace
- Writers and studios agree AI is not “a writer”
- Studios are concerned AI infringes IP
- Writers Guild approved contract that gave writers control over the use of AI in generating storylines
- The strike is considered the first of many battles over the use of AI in creative professions





# Authorship/Inventorship

- Similarities between the Hollywood writers' demands and intellectual property guidance:
  - 1) authors/inventors must be humans (AI is not an author/inventor);
  - 2) authors/inventors may be *assisted* by AI (humans have agency);
  - 3) the human inventor's contribution to the invention must be significant.
- Will we be successful in shifting the dynamic from *AI-as-replacement* to *AI-as-partner*?
- Will partnership, and its gains, accrue only to a few?

# Coping with Competing AI Regimes in International Operations and Transactions—Need for Collaboration and Harmonization

- United States—President's Executive Order on AI
- Europe—AI Act
- China—Cybersecurity Law and New Generation AI Development Plan
- National laws—e.g. Turkey, Korea, Egypt, Switzerland
- OECD—AI Principles
- G7—International Code of Conduct for developers of AI

# Why International Cooperation on AI Matters

- **International cooperation can facilitate responsible development of the technology**
- **Divergent regulatory approaches can create barriers to innovation and impede labor flow**
- **Lack of cooperation heightens risks of irresponsible development and misuse**

“The only way of discovering the limits of the possible is to venture a little way past them into the impossible. Any sufficiently advanced technology is indistinguishable from magic.”

- Isaac Asimov