



## Ensuring Labor Rights in the Age of AI: Strengthening Corporate Social Responsibility and Human Security in Vietnam

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### ABSTRACT

This study examines Corporate Social Responsibility (CSR) as a legal mechanism to protect the right to work in Vietnam amid disruptions caused by Artificial Intelligence (AI). While AI enhances productivity, it threatens labor rights and human security, particularly in labor-intensive industries. The research critically evaluates Vietnam's legal framework, including the 2013 Constitution (Article 35), the 2020 Labor Code, and the 2020 Enterprise Law, in alignment with international human rights standards such as the ICESCR, ICCPR, and ILO conventions. Drawing from global best practices, Germany's Digital Pact for Labor and Japan's Society 5.0 demonstrate how legal frameworks can balance AI-driven economic transformation with labor protection and human security. Sweden's CSR model ensures corporate accountability through mandatory reporting and supply chain oversight, while Singapore's Skills Future initiative offers government-funded reskilling to support workforce adaptation. This study proposes legally binding CSR obligations, fiscal incentives for sustainable employment, enhanced regulatory oversight, and a National Workforce Retraining Fund to align Vietnam's policies with international labor standards. By embedding CSR into law, Vietnam can balance economic growth with labor protection and human security, ensuring a just and sustainable transition in the AI era.

Keywords: Artificial Intelligence (AI); Corporate Social Responsibility (CSR); Labor Rights; Legal Framework; Sustainable Employment

### ABSTRAK

Studi ini meneliti bagaimana tindakan penahanan praperadilan Ukraina dapat selaras dengan Studi ini meneliti Tanggung Jawab Sosial Perusahaan (CSR) sebagai mekanisme hukum untuk melindungi hak untuk bekerja di Vietnam di tengah gangguan yang disebabkan oleh Kecerdasan Buatan (AI). Sementara AI meningkatkan produktivitas, ia mengancam hak-hak buruh dan keamanan manusia, khususnya di industri padat karya. Penelitian ini secara kritis mengevaluasi kerangka hukum Vietnam, termasuk Konstitusi 2013 (Pasal 35), Kode Ketenagakerjaan 2020, dan Undang-Undang Perusahaan 2020, yang selaras dengan standar hak asasi manusia internasional seperti ICESCR, ICCPR, dan konvensi ILO. Mengambil dari praktik terbaik global, Pakta Digital untuk Tenaga Kerja Jerman dan Masyarakat 5.0 Jepang menunjukkan bagaimana kerangka hukum dapat menyeimbangkan transformasi ekonomi yang digerakkan oleh AI dengan perlindungan tenaga kerja dan keamanan manusia. Model CSR Swedia memastikan akuntabilitas perusahaan melalui pelaporan wajib dan pengawasan rantai pasokan, sementara inisiatif Skills Future Singapura menawarkan pelatihan ulang yang didanai pemerintah untuk mendukung adaptasi tenaga kerja. Studi ini mengusulkan kewajiban CSR yang mengikat secara hukum, insentif fiskal untuk ketenagakerjaan yang berkelanjutan, peningkatan pengawasan regulasi, dan Dana Pelatihan Tenaga Kerja Nasional untuk menyelaraskan kebijakan Vietnam dengan standar ketenagakerjaan internasional. Dengan menanamkan CSR ke dalam hukum, Vietnam dapat menyeimbangkan pertumbuhan ekonomi dengan perlindungan tenaga kerja dan keamanan manusia, memastikan transisi yang adil dan berkelanjutan di era AI.

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Kata Kunci: Kecerdasan Buatan (AI); Tanggung Jawab Sosial Perusahaan (CSR); Hak-hak Tenaga Kerja; Kerangka Hukum; Ketenagakerjaan yang Berkelanjutan

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## INTRODUCTION

The right to employment, as enshrined in Article 35 of the 2013 Constitution of the Socialist Republic of Vietnam, constitutes a fundamental right aimed at promoting social equity and sustainable welfare. This right obliges the state, enterprises, and other stakeholders to ensure that all citizens are provided with opportunities to access employment, maintain a stable income, and contribute to collective societal development (National Assembly of the Socialist Republic of Vietnam, 2013). However, in the context of the Fourth Industrial Revolution—marked by the rapid advancement of Artificial Intelligence (AI)—Vietnam’s labor market faces unprecedented challenges.

The adoption of AI across key economic sectors such as manufacturing, logistics, finance, and retail is accelerating labor displacement at an alarming scale. According to the International Labour Organization (ILO, 2021), approximately 70% of jobs in Vietnam’s manufacturing sector are at high risk of automation over the next 10–20 years. This phenomenon is particularly pronounced in labor-intensive industries such as textiles, footwear, and electronics assembly, which collectively employ a substantial portion of the national workforce. The implications of this transformation threaten the realization of employment rights for many citizens while amplifying the strain on Vietnam’s legal and social welfare systems.

In addition to employment rights, the 2013 Constitution guarantees the freedom of enterprise. Article 33 stipulates that “all individuals have the right to conduct business in industries not prohibited by law.” This constitutional right enables businesses to exercise autonomy in organizing production, including decisions to adopt AI technologies as a substitute for human labor. In a competitive economic environment, the prioritization of cutting-edge technologies, including AI, to enhance efficiency and productivity is viewed as an inevitable and rational trajectory (Nguyen et al., 2022). However, this trend raises profound ethical and legal questions: How can policymakers reconcile the economic imperatives of enterprises with the constitutional obligation to safeguard workers’ right to employment?

The replacement of labor by AI technologies, without adequate social safeguards, risks driving millions of workers into unemployment, thereby undermining the constitutional commitment to employment rights. This technological displacement not only exacerbates labor market imbalances but also disproportionately affects low-skilled and unskilled workers, further restricting their opportunities for economic participation. Such challenges necessitate a more robust legal framework to balance technological innovation with social equity.

Vietnam’s existing legal framework has begun to recognize the role of Corporate Social Responsibility (CSR) in addressing labor rights, environmental concerns, and community development. However, provisions aimed at safeguarding employment rights in the context of technological transformation remain underdeveloped and fragmented. For instance, while the 2019 Labor Code and the 2020 Enterprise Law encourage enterprises to engage in CSR activities, they fall short of mandating specific obligations for retraining displaced workers or facilitating access to alternative employment opportunities (National Assembly of the Socialist Republic of Vietnam, 2019; 2020).

Empirical evidence highlights significant shortcomings in the implementation of CSR in Vietnam. According to a 2021 survey by the Vietnam Chamber of Commerce and Industry (VCCI), only 25% of large enterprises have instituted programs for workforce retraining and career transition. Among small and medium-sized enterprises (SMEs), which comprise over 97% of all businesses in Vietnam, CSR efforts are

largely ad hoc and confined to short-term initiatives rather than long-term strategies for ensuring employment security.

In light of these challenges, it is imperative to draw on international experiences and develop a comprehensive legal framework for CSR to safeguard the right to employment. Case studies from countries such as Japan, Singapore, and Germany reveal that a combination of stringent legal frameworks and effective regulatory oversight can enable enterprises to actively contribute to labor rights protection while promoting sustainable development (Schneider & Scherer, 2015). Notable initiatives such as Japan's "Society 5.0" and Germany's "Digital Pact for Labour" provide valuable lessons on integrating technological advancement with equitable social outcomes.

This study underscores the urgency of embedding CSR into Vietnam's legal framework as a legally enforceable obligation. By mandating retraining programs, offering incentives for green job creation, and strengthening social safety nets, Vietnam can ensure an equitable transition toward a labor market transformed by AI. Such measures are essential for reconciling technological progress with the constitutional imperatives of social justice and employment equity.

### **Research Questions**

RQ1: How does Artificial Intelligence (AI) impact workers' rights as part of human rights and human security in Vietnam, particularly regarding economic and social security?

This question explores the economic security risks posed by AI, including workforce reduction and the potential increase in social inequality, particularly in labor-intensive industries. It also examines the role of labor laws and CSR frameworks in safeguarding social security, preventing labor exploitation, and ensuring fair working conditions in the AI era. Additionally, this question addresses barriers to implementing human rights protections, assessing Vietnam's legal and policy responses to AI-driven labor disruptions and identifying necessary reforms to strengthen worker protection, corporate accountability, and regulatory enforcement.

RQ2: What is the concept, significance, and role of Corporate Social Responsibility (CSR) in safeguarding employment rights and human security in Vietnam, particularly in the context of digital transformation and global economic integration?

This question seeks to establish a theoretical foundation for understanding CSR as a governance mechanism. It aims to elucidate the normative and practical significance of CSR in ensuring employment rights and human security, particularly as Vietnam navigates the dual pressures of rapid digital transformation and increasing global economic integration.

RQ3: To what extent does Vietnam's current legal framework on CSR and employment rights adequately address the practical demands posed by AI-induced labor market disruptions, and how does it align with international legal obligations under ICCPR, ICESCR, and ILO conventions to protect workers' rights and human security?

This inquiry critically examines the sufficiency and effectiveness of Vietnam's legal infrastructure, including the 2019 Labor Code, the 2020 Enterprise Law, and the 2013 Constitution, in responding to technological displacement and AI-driven labor challenges. It assesses whether these legal instruments safeguard employment rights, economic security, and social security, aligning with international human rights and labor standards, particularly under ICCPR (Article 6: Right to Work), ICESCR (Articles 6 & 7: Just and Decent Working Conditions), and ILO conventions on labor protection and AI governance. Additionally, it identifies gaps, challenges, and necessary reforms to enhance state obligations, corporate

accountability, and legal mechanisms to ensure human security and sustainable labor protection in Vietnam's AI-driven economy.

RQ4: What international experiences in integrating Corporate Social Responsibility (CSR) into labor rights policies can be effectively adapted to the Vietnamese context, and how have different countries responded to AI-driven labor market disruptions through legal and policy frameworks?

This question explores successful international models for embedding CSR within labor rights frameworks and mitigating AI-induced workforce challenges. By analyzing initiatives such as Germany's "Digital Pact for Labour" and Japan's "Society 5.0," as well as Sweden's CSR monitoring system and Singapore's SkillsFuture initiative, the study aims to identify transferable lessons and mechanisms that are both feasible and contextually appropriate for Vietnam. Additionally, it examines how AI is transforming labor markets globally and evaluates regulatory responses from various jurisdictions, highlighting policy interventions, workforce reskilling programs, and legal safeguards that ensure employment security and corporate accountability in the AI era.

RQ5: What actionable solutions can be proposed to establish a robust legal framework for Corporate Social Responsibility (CSR) to ensure the protection of employment rights in the context of AI-driven technological transformation?

This question focuses on the formulation of concrete legal and policy solutions. These may include legislative mandates for CSR reporting, fiscal incentives for enterprises promoting sustainable employment, and the development of public-private partnerships to support workforce retraining for AI-affected labor groups.

## Research Objectives

To address the research questions outlined above, the author has established the following research objectives:

RO1: To analyze the impact of Artificial Intelligence (AI) on workers' rights as part of human rights and human security in Vietnam, particularly concerning economic and social security. This objective aims to examine workforce reduction risks, rising social inequality, and labor exploitation, while assessing how CSR and labor laws can mitigate these challenges.

RO2: To elucidate the concept, significance, and role of Corporate Social Responsibility (CSR) in safeguarding employment rights and human security, particularly within digital transformation and global economic integration. This objective seeks to establish CSR as a governance mechanism that aligns labor rights protection with economic growth.

RO3: To critically evaluate Vietnam's existing legal framework governing CSR and employment rights, assessing its effectiveness in addressing AI-driven labor market disruptions. This includes analyzing key legislative instruments such as the 2019 Labor Code, the 2020 Enterprise Law, and the 2013 Constitution, and their alignment with international human rights obligations (ICCPR, ICESCR, ILO conventions).

RO4: To investigate international legal and policy frameworks that successfully integrate CSR into labor rights protection and AI governance. This objective examines global best practices, including Germany's "Digital Pact for Labour," Japan's "Society 5.0," Sweden's CSR monitoring system, and Singapore's SkillsFuture initiative, identifying lessons applicable to Vietnam's legal and socio-economic context.

RO5: To propose actionable legal and policy solutions for strengthening CSR as a legally binding obligation in Vietnam, ensuring employment rights protection in the AI era. This includes mandatory CSR

reporting, fiscal incentives for sustainable employment, enhanced regulatory oversight, and the establishment of a National Workforce Retraining Fund to support labor market adaptation.

## LITERATURE REVIEW

### Overview

Numerous studies have explored the intersection of Artificial Intelligence (AI), Corporate Social Responsibility (CSR), labor rights, and human security in the context of technological transformation. Schneider and Scherer (2015) underscore the role of CSR as an ethical governance tool, emphasizing that corporations bear responsibility not only for profitability but also for mitigating the adverse impacts of technological advancements on workers. Their work establishes a robust theoretical framework for CSR as a corporate duty, predominantly focusing on developed nations.

The International Labour Organization (ILO, 2021) supplements this discussion with quantitative insights, analyzing the effects of automation and AI on global labor markets, particularly in developing countries. The report highlights that over 70% of manufacturing jobs in Vietnam are at high risk of automation within the next 10–20 years, posing a significant challenge to employment rights, economic security, and social security, especially for low-skilled workers. Similarly, Frey and Osborne (2017) offer a detailed quantitative model identifying high-risk occupations vulnerable to automation, particularly in labor-intensive sectors such as manufacturing and transportation. These findings align with RQ1, which investigates how AI-driven job displacement affects workers' rights and human security in Vietnam.

Nguyen et al. (2022) approach the issue from a legal perspective, analyzing the relationship between the right to employment (Article 35, 2013 Constitution) and the freedom of enterprise (Article 33, 2013 Constitution). Their research reveals tensions between these two rights, particularly when businesses leverage AI to replace labor without providing necessary social protections. This aligns with RQ3, which evaluates whether Vietnam's legal framework on CSR and employment rights aligns with international legal obligations under ICCPR, ICESCR, and ILO conventions. Buhmann et al. (2019) expand the theoretical framework by emphasizing that in emerging economies like Vietnam, CSR must be codified into law to compel businesses to fulfill their social responsibilities during technological transitions. Their work informs RQ5, which focuses on the need for a legally binding CSR framework to protect employment rights in the AI era.

The interrelation among these studies highlights the multifaceted challenges AI poses to labor rights and human security. Schneider and Scherer (2015) provide the theoretical foundation, while Frey and Osborne (2017) contribute detailed quantitative data. ILO (2021) and Nguyen et al. (2022) contextualize these challenges in Vietnam, examining the state of labor markets and the legal obstacles. Buhmann et al. (2019) offer a perspective on the necessity of legalizing CSR, particularly in developing economies, proposing actionable solutions for safeguarding employment rights amidst technological transformation.

To address RQ4, which explores global best practices in integrating CSR into labor rights policies, this study builds upon international experiences in AI governance and labor regulation. Germany's "Digital Pact for Labour" and Japan's "Society 5.0" illustrate how legal frameworks can integrate AI-driven economic transformation with labor protection. Sweden's CSR monitoring model ensures corporate accountability through mandatory reporting, trade union oversight, and supply chain enforcement, contributing to stronger CSR compliance mechanisms. Meanwhile, Singapore's SkillsFuture initiative demonstrates how government-funded reskilling programs and employer-supported workforce



adaptation can mitigate AI's impact on labor markets. These cases provide transferable lessons for Vietnam's legal and policy responses to AI-induced labor disruptions.

### Gaps in the Existing Literature

While international research has illuminated the role of CSR and AI-driven labor transformation, much of the literature remains focused on developed nations, where CSR is institutionalized as a governance tool. For instance, Schneider and Scherer (2015) and Frey and Osborne (2017) emphasize CSR's ethical and economic efficiency dimensions. In contrast, Nguyen et al. (2022) apply these theoretical frameworks to Vietnam, where CSR remains largely voluntary and lacks legal codification as an enforceable obligation.

Key gaps in the literature include:

1. Limited focus on Vietnam, a country heavily reliant on labor-intensive industries.
2. Lack of detailed studies on how AI-induced disruptions impact economic security, social security, and labor rights.
3. Absence of research on concrete legal mechanisms to institutionalize CSR within Vietnam's legal framework, especially in a labor market heavily influenced by AI.
4. Scarce research on CSR enforcement, monitoring, and compliance mechanisms to ensure corporate accountability in AI adoption.

Discrepancies in prior studies primarily revolve around the roles of the state and enterprises in protecting labor rights. ILO (2021) highlights the state's role in supporting workforce retraining programs, while Schneider and Scherer (2015) argue that businesses should bear the primary responsibility through CSR initiatives. Nguyen et al. (2022) advocate for a balanced approach, emphasizing the need for collaboration between the state and businesses to address AI-driven labor disruptions. However, there is limited research on how Vietnam's obligations under ICCPR, ICESCR, and ILO conventions shape its legal responsibility to safeguard workers' rights.

### This study extends previous research by:

1. (i) Analyzing the impact of AI on workers' rights, human security, and economic and social security in Vietnam (Aligned with RQ1)
2. (ii) Proposing the codification of CSR as a legal obligation to safeguard employment rights and human security (Aligned with RQ2, RQ3, and RQ5)
3. (iii) Assessing Vietnam's compliance with international legal standards, including ICCPR, ICESCR, and ILO conventions (Aligned with RQ3)
4. (iv) Exploring international best practices in CSR and labor protection, adapting Germany, Japan, Sweden, and Singapore's AI labor policies to Vietnam (Aligned with RQ4)
5. (v) Introducing specific monitoring and enforcement mechanisms to ensure compliance with CSR mandates in Vietnam (Aligned with RQ4 and RQ5)

### Foundational Theories

#### *Labor Rights Theory*

Labor rights theory is grounded in international conventions promulgated by the International Labour Organization (ILO) and codified within key global human rights instruments, including the Universal Declaration of Human Rights (United Nations, 1948) and the International Covenant on

Economic, Social, and Cultural Rights (ICESCR, United Nations, 1966). This theory conceptualizes the right to employment as a fundamental human entitlement, serving as the foundation for social justice, economic security, and sustainable welfare (ILO, 2019). It emphasizes equitable access to employment, stable income, and safe working conditions, enabling individuals to contribute meaningfully to economic and social development.

In this study, labor rights theory supports RQ1 and RQ3 by examining how AI-induced labor disruptions impact workers' rights and human security. It serves as a critical framework for analyzing Vietnam's labor law framework, evaluating its compliance with international labor obligations (ICCPR, ICESCR, and ILO conventions) and identifying gaps requiring legislative reform (Nguyen et al., 2022). This aligns with RQ3, which aims to assess Vietnam's legal framework in relation to international labor rights protections.

### ***Corporate Social Responsibility (CSR) Theory***

CSR theory posits that businesses have obligations extending beyond profit maximization, bearing responsibility toward a broader set of stakeholders, including employees, communities, and the environment (Carroll, 1991). It emphasizes that CSR is both an ethical obligation and a strategic imperative, designed to balance economic growth with social and labor protections (Schneider & Scherer, 2015). CSR is conceptualized through three dimensions: (i) Economic Responsibility: Achieving sustainable profitability while investing in workforce development; (ii) Social Responsibility: Promoting community welfare and safeguarding labor rights; and (iii) Environmental Responsibility: Preserving natural resources and fostering sustainability.

This study employs CSR theory to address RQ2, RQ4, and RQ5, particularly in evaluating the barriers to transitioning CSR from a voluntary initiative to a legally binding obligation in Vietnam. It also provides a lens through which international CSR models (Germany, Japan, Sweden, Singapore) can be analyzed and adapted (Nguyen et al., 2022). Furthermore, the research advances RQ4 and RQ5 by proposing concrete legal and institutional reforms to establish a robust CSR framework ensuring employment rights protection amid AI disruptions.

### ***Sustainable Development Theory***

Sustainable development theory advocates for the integration of economic growth, environmental stewardship, and social progress into policies and governance structures (Brundtland, 1987). It asserts that corporate and government actions must create enduring societal value, with the protection of employment rights being a fundamental component of this effort. This responsibility extends beyond legal compliance, reflecting businesses' long-term commitment to economic and social stability.

This study applies sustainable development theory to address RQ1 and RQ5, analyzing AI's impact on Vietnam's labor market and identifying the vulnerabilities of different worker groups. It provides guidance for formulating legal and policy mechanisms that balance economic imperatives with labor protection (ILO, 2021). By leveraging this theory, the research proposes actionable solutions and public-private partnership models to facilitate workforce reskilling, career transitions, and sustainable employment creation amid AI-driven economic transformation (RQ5).

### ***Modern Governance Theory***

Modern governance theory emphasizes the pivotal role of the state in designing and implementing effective legal and regulatory frameworks to mediate relationships among governments, businesses, and

labor forces (Rhodes, 1996). In the context of globalization and digital transformation, this theory asserts that the state must evolve beyond traditional regulatory roles to become a central coordinator, mobilizing resources and fostering collaboration to address AI-driven labor challenges.

This study applies modern governance theory to address RQ3 and RQ4, evaluating the Vietnamese government's role in crafting and enforcing legal frameworks for CSR and labor protection in the AI era. The theory also informs RO3 and RO4, helping design effective enforcement and monitoring mechanisms to ensure corporate compliance with CSR obligations. By analyzing global best practices in CSR governance (Sweden's CSR enforcement model, Singapore's workforce reskilling policies, Germany's Digital Pact for Labor, and Japan's Society 5.0), the study highlights policy solutions to strengthen Vietnam's labor protections (Nguyen et al., 2022; Buhmann et al., 2019).

## RESEARCH METHOD

This study employs a multi-method legal research approach to systematically examine Corporate Social Responsibility (CSR) and labor rights protection in Vietnam within the context of technological transformation and AI-driven labor market disruptions. The selected methods directly correspond to the research questions (RQs) and research objectives (ROs), ensuring a structured and comprehensive legal analysis.

### Legal Analysis Method

The legal analysis method is fundamental in evaluating the coherence, structure, and applicability of existing legal norms (Nguyen, 2020). In this study, it is applied to examine the provisions of the 2013 Constitution (National Assembly of the Socialist Republic of Vietnam, 2013), the 2020 Enterprise Law, the 2019 Labor Code, and other relevant legislative instruments governing CSR and labor rights. This method directly addresses RQ2 by identifying legal gaps in CSR obligations and workforce protection and supports RO1 by laying the groundwork for necessary legal reforms to enhance Vietnam's labor law framework in the AI era.

### Comparative Legal Method

The comparative legal method is employed to benchmark Vietnam's CSR and labor law framework against international best practices (Zweigert & Kötz, 1998). This study examines Japan, Germany, Sweden, and Singapore, focusing on their mandatory CSR regulations, workforce reskilling strategies, and AI governance policies. The method directly responds to RQ4 and advances RO3 by deriving actionable legal insights from these jurisdictions. It is particularly relevant in assessing the feasibility of implementing international legal models to address AI-induced employment challenges in Vietnam (Schneider & Scherer, 2015).

### Interpretative Legal Method

The interpretative legal method clarifies legal norms and principles through textual, purposive, and contextual interpretation (Hart, 2012). In this study, it is used to define the legal concept of CSR as a binding regulatory mechanism and analyze its role in safeguarding employment rights. This method addresses RQ1 by examining the theoretical and practical significance of CSR in Vietnam's legal system and supports RO2 by providing a conceptual foundation for legislative recommendations.



## **Synthesis and Evaluation Method**

The synthesis and evaluation method integrates findings from legal analysis, comparative law, and interpretative methods to construct a holistic understanding of Vietnam's CSR and labor rights framework (Nguyen, 2022). This method directly answers RQ5 and supports R05 by assessing the effectiveness of current regulations and proposing legally and socio-economically viable solutions. Through this integrative approach, the study formulates a structured policy roadmap for CSR legislation and workforce adaptation in Vietnam, ensuring that the proposed legal reforms align with both international standards and national socio-economic conditions.

## **RESULTS AND DISCUSSION**

### **The Impact of AI on Workers' Rights, Economic Security, and Social Security in Vietnam**

The integration of Artificial Intelligence (AI) into Vietnam's labor market has brought about significant economic and social security risks, particularly in job displacement, income inequality, and access to social welfare. While AI-driven automation enhances efficiency and productivity, it also exacerbates structural unemployment, deepens wage disparities, and challenges Vietnam's social protection mechanisms. These risks disproportionately affect low-skilled workers, women, and rural laborers, who often face limited opportunities for reskilling and reintegration into AI-compatible jobs. Without effective intervention, these challenges may result in widespread economic and social instability.

#### ***Economic Security Risks: Workforce Reduction and Rising Inequality***

##### ***AI-Driven Job Displacement and Structural Unemployment***

The International Labour Organization (ILO, 2021) estimates that over 70% of Vietnam's manufacturing jobs—particularly in textiles, footwear, and electronics assembly—are at high risk of automation within the next two decades. The increasing use of AI-powered robots, machine learning algorithms, and smart production systems is gradually replacing manual labor in factories, warehouses, and financial services, leading to large-scale job reductions and long-term structural unemployment (ILO, 2021).

This transformation is particularly evident in key industries where automation is becoming dominant. In manufacturing and textile production, AI-powered robotic arms and automated quality control systems are reducing human labor needs, displacing thousands of factory workers (World Bank, 2021). Similarly, in retail and logistics, AI-driven inventory management systems and automated warehouses are replacing store clerks and warehouse workers, minimizing the demand for manual labor (ILO, 2021). In the finance and services sectors, AI-powered chatbots and automated customer service tools are reducing employment opportunities for administrative personnel, leaving many traditional office jobs vulnerable to automation (McKinsey Global Institute, 2021).

The displacement caused by AI is particularly concerning for low-skilled and unskilled workers, who often lack the technical expertise needed to transition into AI-driven industries. Without adequate reskilling and training programs, many workers remain unprepared to adapt to digital transformation, increasing their risk of long-term joblessness and economic insecurity (World Bank, 2021). The World Economic Forum (2021) warns that, unless proactive measures are taken, Vietnam may experience a

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surge in wage disparities and unemployment rates, particularly among workers unable to transition into AI-compatible jobs.

### *The Growing Economic Divide: AI's Impact on Income Inequality*

The widespread adoption of AI has also created a growing economic divide, where high-skilled workers benefit from digital transformation, while low-skilled workers face economic exclusion (ILO, 2021). AI-driven industries increasingly require specialized knowledge in data analysis, programming, and automation technologies, meaning that workers with advanced digital skills enjoy job security and higher wages. Meanwhile, low-skilled laborers—who often work in repetitive, manual jobs—face a shrinking job market and reduced earning potential (World Bank, 2021).

This inequality is even more pronounced among Vietnam's rural labor force and female workers. According to ILO (2021), rural laborers, who make up a significant portion of Vietnam's workforce, often lack digital literacy and access to training programs, making it difficult for them to secure employment in AI-driven industries. Similarly, female workers, particularly those in the garment and textile sectors, are disproportionately affected by automation, as AI technologies replace sewing, cutting, and assembly tasks traditionally performed by women (World Economic Forum, 2021). As a result, women face fewer employment opportunities, financial instability, and reduced social mobility.

Without targeted government intervention, AI-driven disruptions could worsen social inequality, weaken purchasing power, and deepen poverty levels, particularly among Vietnam's most vulnerable populations (McKinsey Global Institute, 2021). The failure to address these disparities risks creating a permanent underclass of workers who are unable to compete in an AI-dominated economy, further widening the economic divide between different labor groups (World Bank, 2021).

### ***Social Security Risks: Challenges in Welfare Protection and Job Transitions***

The displacement caused by AI not only threatens economic stability but also places significant pressure on Vietnam's social security system. The existing welfare, labor protections, and unemployment support mechanisms are not adequately equipped to handle mass AI-driven job losses, leaving many displaced workers without financial assistance, retraining opportunities, or reintegration pathways into the workforce (International Labour Organization [ILO], 2021; World Bank, 2021). The consequences of these shortcomings extend beyond individual job losses, leading to broader social vulnerabilities, increased income inequality, and weakened labor protections (Frey & Osborne, 2017). This section explores the gaps in Vietnam's social security infrastructure, labor market resilience, and workforce transition programs, highlighting the urgent need for policy reforms to uphold workers' rights and human security amid AI-driven transformations.

#### *Inadequate Unemployment Insurance and Weak Social Safety Nets*

Vietnam's unemployment insurance system, regulated under the 2013 Social Insurance Law, is designed to provide temporary financial support to workers who lose their jobs. However, the system has significant limitations, particularly in addressing the long-term consequences of AI-driven job displacement (National Assembly of Vietnam, 2013). The benefits currently cover only 60% of a worker's average salary for a limited period, which may be insufficient for AI-displaced workers who require extended time to transition into new industries (ILO, 2021). Given the nature of AI-driven job losses, many affected workers may never return to their previous jobs, requiring a more robust and adaptable

unemployment insurance system that accounts for retraining and long-term economic reintegration (Schneider & Scherer, 2015).

A further weakness in the social security system is its limited coverage for self-employed and informal sector workers, many of whom work in agriculture, gig economy jobs, and domestic labor (Nguyen et al., 2022). As AI automates traditional employment sectors, a growing number of workers are pushed into informal labor markets, where social protections are minimal or nonexistent (Buhmann et al., 2019). These workers face job instability, lower wages, and lack access to essential social benefits such as healthcare, pension schemes, and retirement funds, deepening economic insecurity and social exclusion (World Bank, 2021).

The failure of Vietnam's current social insurance policies to adapt to the realities of AI-driven labor shifts creates a social protection gap, leaving displaced workers vulnerable to poverty and long-term economic marginalization (ILO, 2021). Without reforms to expand unemployment insurance eligibility, improve benefit adequacy, and provide long-term transition support, AI-related labor disruptions could destabilize social security structures and increase national inequality (Schneider & Scherer, 2015).

#### *Limited Workforce Retraining and Barriers to Reskilling Programs*

One of the most critical challenges in mitigating AI-induced labor disruptions is the lack of accessible and well-funded retraining programs. AI displacement requires workers to develop new digital competencies and technological skills to remain employable. However, Vietnam's vocational training and technical education programs remain significantly underdeveloped, creating a major obstacle for workers who need to transition into AI-compatible jobs (VCCI, 2021).

A 2021 report from the Vietnam Chamber of Commerce and Industry (VCCI) found that only 30% of large enterprises currently offer in-house training programs for employees at risk of job loss. Meanwhile, small and medium-sized enterprises (SMEs), which form the majority of Vietnam's business sector, lack the financial and technical capacity to provide AI-related skills training, further exacerbating labor market inequalities (ILO, 2021; Nguyen & Pham, 2022).

The accessibility of retraining programs is particularly challenging for rural workers and women, who face greater structural barriers to professional development (ILO, 2019). Many low-income workers cannot afford private training courses, while women in the labor force—particularly those in the textile and manufacturing sectors—often struggle to balance skill development with existing work and family obligations (World Bank, 2021). Without targeted interventions to improve digital literacy, expand training subsidies, and ensure equal access to workforce reskilling programs, the AI-driven economic transition will further marginalize vulnerable labor groups and worsen social inequality (ILO, 2021).

The failure to provide a structured, government-backed workforce retraining strategy means that Vietnam is unprepared to help displaced workers transition into new careers in AI-adapted industries. Countries such as Germany and Singapore have developed structured public-private workforce reskilling initiatives, ensuring that AI-driven transitions do not result in permanent unemployment crises (BMAS, 2020; SkillsFuture Singapore, 2021). Vietnam must follow similar strategies, incorporating financial incentives for retraining, collaboration with technology companies, and national upskilling initiatives to protect labor mobility and economic resilience in the AI era.

#### *Expansion of Informal Labor and Rising Exploitative Working Conditions*

As AI displaces workers from traditional employment, many affected individuals are forced to seek income in informal labor markets, where job security and labor protections are weak or nonexistent (ILO,

2021). The expansion of informal employment in response to AI-driven job losses presents a serious social security challenge, as informal workers often do not have contracts, social benefits, or protections against exploitation (Nguyen et al., 2022).

The informal labor sector is characterized by low wages, unstable employment, and exposure to exploitative conditions, making it a high-risk alternative for AI-displaced workers (ILO, 2019). Without strong legal mechanisms to protect displaced workers, the growing reliance on informal labor could accelerate labor casualization, pushing more individuals into precarious and unstable economic conditions (Schneider & Scherer, 2015).

A particularly alarming consequence of AI-driven displacement is the increased risk of worker exploitation. As more individuals lose formal employment and struggle to find stable jobs, employers in informal and gig economy sectors may take advantage of desperate labor conditions by offering low wages, denying social benefits, and engaging in discriminatory hiring practices (Oxfam, 2020). Without legal protections to prevent workplace exploitation and discrimination, AI displacement could lead to widespread labor rights violations, weakening overall worker protections and job quality in Vietnam's labor market (ILO, 2021).

Furthermore, informal workers are excluded from Vietnam's social security system, meaning they do not receive healthcare benefits, pension contributions, or unemployment insurance (World Bank, 2021). As a result, workers who are pushed into low-paid, unstable jobs due to AI displacement will face worsening economic vulnerability, with no long-term protections against financial hardship (ILO, 2021).

The absence of comprehensive labor protections for AI-displaced workers presents a major human security risk, as entire sections of the workforce could be pushed into exploitative and unsustainable economic conditions (Nguyen et al., 2022). Unless Vietnam strengthens labor enforcement mechanisms, expands workplace protections, and improves job quality in AI-transformed industries, AI could undermine national labor standards and widen socio-economic inequality (ILO, 2021).

The widespread adoption of AI in Vietnam presents both economic and social security risks, particularly for low-skilled workers, women, and rural laborers. While AI enhances efficiency and productivity, it also deepens employment inequality, weakens purchasing power, and challenges Vietnam's existing welfare and social security systems. The country's current legal framework and social safety nets are not prepared to handle mass AI-driven job displacement, leaving many vulnerable workers without financial support or retraining opportunities. To mitigate these risks, Vietnam must strengthen AI labor protections, expand social security coverage, and develop large-scale retraining programs. Without these interventions, AI-driven labor disruptions could exacerbate poverty, widen social inequalities, and destabilize economic security, threatening the country's sustainable development and long-term workforce resilience.

### **An Overview of Corporate Social Responsibility (CSR) in Safeguarding Employment Rights Amidst AI-Induced Labor Displacement**

Corporate Social Responsibility (CSR) in the context of safeguarding employment rights amidst AI-induced labor displacement can be defined as the comprehensive commitment of enterprises to ensuring fair, sustainable working conditions while assisting workers in adapting to technological advancements, particularly those driven by Artificial Intelligence (AI). This conceptualization is analyzed through four critical dimensions: economic, legal, ethical, and humanitarian responsibilities.

#### ***Economic Responsibility***

Economic responsibility represents the foundational pillar of CSR, mandating enterprises not only to achieve profitability but also to reinvest in workforce development to ensure adaptation to technological progress. Carroll (1991) posits that economic responsibility is the core component of CSR, enabling businesses to fulfill the expectations of stakeholders, including employees. In the AI context, this responsibility is operationalized through initiatives such as reskilling and upskilling programs. According to the World Economic Forum (2020), approximately 50% of the global workforce will require reskilling by 2025 to meet the demands of emerging technologies. In Vietnam, leading enterprises such as Viettel and FPT have launched advanced training programs focused on digital competencies, aiming to facilitate worker transitions into new roles within the digital economy (Nguyen & Pham, 2022).

### ***Legal Responsibility***

Legal responsibility refers to the obligation of enterprises to comply with statutory provisions designed to safeguard workers' rights, particularly in the face of AI-driven technological disruptions. Vietnam's 2019 Labor Code, alongside international labor conventions promulgated by the International Labour Organization (ILO, 2021), underscores the necessity for businesses to uphold the right to work and ensure equitable and safe labor conditions. Furthermore, Article 57 of the 2013 Constitution of Vietnam explicitly guarantees the right to employment, requiring the state and enterprises to uphold this fundamental right. In the context of AI integration, enterprises must adhere to legal standards that prevent arbitrary terminations or discriminatory practices in the adoption of new technologies (Tran, 2020).

### ***Ethical Responsibility***

Ethical responsibility emphasizes the imperative for enterprises to act in accordance with societal norms and ethical principles, even in the absence of specific legal mandates. Kolk and van Tulder (2010) argue that ethical responsibility plays a pivotal role in maintaining societal trust and mitigating the negative effects of technological displacement on workers. This dimension is particularly critical in contexts where AI replaces manual labor, exacerbating income inequality and social disparity. Enterprises are encouraged to support workers through financial assistance, career counseling, and job creation initiatives. A notable example is Microsoft's \$1.5 billion global investment in digital skills training programs, aimed at ensuring inclusive participation in the digital economy (Microsoft, 2021).

### ***Humanitarian Responsibility***

Humanitarian responsibility within the CSR framework reflects the voluntary commitment of businesses to enhance the quality of life for workers and broader communities. This encompasses the establishment of financial support mechanisms for displaced workers, investments in technological education, and the promotion of employment in emerging sectors such as the green economy. Bansal and Song (2017) emphasize that humanitarian responsibility not only enhances corporate reputation but also contributes to the sustainable development of society. In Vietnam, VinFast has implemented technical training initiatives targeting young workers, equipping them with the skills required to participate in the electric vehicle manufacturing sector—a high-potential industry for the future (Nguyen & Pham, 2022).

From the analysis above, CSR in ensuring employment rights amidst AI-driven labor displacement can be defined as a corporate commitment to fostering new employment opportunities while supporting workers in adapting to technological changes through sustainable and humane strategies. This dual commitment enables enterprises to achieve economic growth while fostering equitable and sustainable societal development.



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## **Vietnam's Legal Framework on CSR and Employment Rights in the Context of AI Disruptions: Compliance with International Legal Obligations**

### ***International Legal Framework on CSR, Employment Rights, and Human Security***

International legal instruments establish comprehensive obligations on Corporate Social Responsibility (CSR), labor rights, and human security, particularly in the context of technological disruptions. The International Covenant on Civil and Political Rights (ICCPR) and the International Covenant on Economic, Social, and Cultural Rights (ICESCR) form the cornerstone of global labor protection. Under Article 6 of the ICCPR, every individual has the right to work, requiring states to create legal mechanisms that protect against unjust termination and technological unemployment (United Nations, 1966). Similarly, Articles 6 and 7 of the ICESCR emphasize fair wages, safe working conditions, and job security, which are fundamental amid AI-driven automation (United Nations, 1966).

Additionally, the International Labour Organization (ILO) conventions provide specific labor protections relevant to AI's impact on employment. ILO Convention No. 122 (Employment Policy Convention, 1964) requires signatory states to pursue full and productive employment policies, ensuring that workers are protected from job displacement. ILO Convention No. 111 (Discrimination in Employment, 1958) mandates non-discrimination in hiring and retraining efforts, which is particularly relevant for marginalized groups disproportionately affected by automation, such as women and low-skilled workers (ILO, 2019). Furthermore, the ILO's 2021 Resolution on AI and the Future of Work underscores the state's responsibility to regulate AI-driven job transitions through CSR policies, workforce reskilling programs, and social security mechanisms (ILO, 2021).

### ***Vietnam's Legal Obligations Under International Law***

As a signatory to ICCPR, ICESCR, and multiple ILO conventions, Vietnam is legally bound to align its national legislation with international labor protection standards. This includes ensuring job security, enforcing CSR obligations, and implementing human rights safeguards in response to AI-induced labor disruptions. The Vietnamese Constitution (2013, Article 35) guarantees the right to work and mandates the state to create conditions for employment stability and fair wages. However, compliance with ILO standards and ICESCR obligations requires Vietnam to adopt stronger policies that mitigate job losses due to automation and provide effective retraining and transition programs (National Assembly of Vietnam, 2013).

Vietnam has also ratified ILO Convention No. 122, obligating the government to develop a national employment strategy to address AI-driven labor market shifts. However, gaps remain in the enforcement of these commitments, particularly in the absence of mandatory CSR requirements for AI adoption and the lack of robust social protection mechanisms for displaced workers. To fully comply with ICCPR and ICESCR, Vietnam must establish legal mandates for corporate responsibility, workforce reskilling, and labor rights protections in response to AI-related employment risks.

### ***The Current Legal Framework in Vietnam on CSR, Employment Rights, and Human Security***

Vietnam's legal framework acknowledges Corporate Social Responsibility (CSR) and employment rights, but it lacks binding provisions to effectively address AI-driven labor disruptions. The absence of clear regulatory obligations on businesses, coupled with weak enforcement mechanisms in employment security and social protection, raises concerns regarding compliance with international labor and human

rights standards. The current framework, while recognizing CSR as a guiding principle, does not impose legal mandates on companies to mitigate the negative impacts of AI adoption, particularly in cases of job displacement and economic insecurity.

### *Corporate Social Responsibility (CSR) and AI-Driven Employment Challenges*

Vietnam's Enterprise Law (2020) and Labour Code (2019) acknowledge CSR as a voluntary principle, but they fail to establish binding legal obligations requiring businesses to mitigate AI-induced job displacement. Unlike EU Directive 2014/95/EU, which mandates corporate non-financial reporting on labor rights, sustainability, and social policies, Vietnamese businesses are not legally required to disclose CSR-related commitments (National Assembly of Vietnam, 2020). The absence of such reporting obligations leads to weak corporate accountability, allowing businesses to deploy AI and automation technologies without responsibility for the social consequences, including the displacement of workers.

Vietnamese labor laws also lack provisions that require businesses to provide reskilling or job transition assistance for employees affected by AI-driven automation. The Enterprise Law (Article 4, Clause 1) encourages businesses to contribute to social development, but it does not specify obligations regarding the protection of workers affected by technological unemployment. Similarly, the Labour Code (2019, Article 5, Clause 3) establishes that employers must ensure fair treatment of workers, but no specific legal mechanisms exist to enforce retraining programs for employees displaced due to AI adoption. Without mandatory workforce reskilling policies, Vietnam remains unprepared for large-scale job displacement caused by automation.

AI-driven job losses are further exacerbated by the lack of AI-specific employment protections in Vietnam's labor laws. The Labour Code (Article 36) allows businesses to terminate labor contracts due to technological restructuring, yet it does not require companies to provide alternative employment, severance benefits, or retraining opportunities. This legal gap creates an environment where businesses can replace workers with automation without taking responsibility for their economic security. Unlike Germany's Digital Pact for Labour, which mandates corporate contributions to workforce reskilling, Vietnam has no legal provisions requiring employers to retrain displaced workers before implementing automation.

The Law on Employment (2013, Article 10) establishes that the government should adopt policies to promote job creation and stability, but it does not contain mandatory employer obligations to provide upskilling programs for workers displaced by automation. Although Article 12 mentions state-supported job transition programs, there are no detailed regulations addressing AI-driven unemployment. This contrasts with Singapore's SkillsFuture initiative, which legally mandates government-supported workforce retraining programs for displaced workers.

The absence of enforceable CSR requirements results in unregulated AI-driven labor transitions, where businesses have no responsibility to help displaced workers reintegrate into the job market. This directly contradicts international labor standards, particularly ILO Convention No. 122 on Employment Policy, which obliges governments to develop strategies preventing technological unemployment. Without reforming the Enterprise Law, Labour Code, and Employment Law, Vietnam faces increasing risks of wage disparities, labor rights violations, and economic inequality in AI-driven industries.

### *Human Rights and Human Security in Vietnam's AI-Driven Labor Market*

Vietnam's 2013 Constitution provides general guarantees for employment and social security, but it lacks specific protections for workers affected by AI-induced job losses. While Article 34 of the

Constitution guarantees social security rights, there are no implementation mechanisms to provide targeted unemployment benefits or financial support for workers displaced by automation (National Assembly of Vietnam, 2013). The absence of targeted policies makes Vietnam particularly vulnerable to structural unemployment, where displaced workers lack access to safety nets that would enable them to transition into new careers.

The Law on Social Insurance (2014, Article 42) provides basic unemployment benefits, but only for workers who lose their jobs due to business downsizing or economic conditions. This law does not recognize AI-driven automation as a legitimate cause for unemployment benefits, leaving displaced workers economically vulnerable. In contrast, Sweden's labour policy expands unemployment assistance to workers affected by digital transformation, ensuring structured career transition programs for those impacted by AI-driven displacement. Vietnam's legal framework remains ill-equipped to handle automation-related job loss, further limiting the country's ability to comply with ILO's 2021 Resolution on AI and the Future of Work, which calls for government-mandated workforce transition programs to protect workers affected by automation.

The Law on Employment (2013, Article 13) provides for employment services to assist workers in career transitions, but it does not contain specific measures to reskill workers affected by automation. Additionally, while Article 39 allows for government subsidies to unemployed workers, it does not outline provisions for AI-specific job displacement support. The failure to expand these legal protections places Vietnam at risk of non-compliance with ICESCR Article 6 (Right to Work) and ILO Convention No. 122 on Employment Policy, which require governments to establish proactive employment protection measures in response to technological changes.

### *Legal Implications and the Need for Reform*

The failure to incorporate AI-specific employment protections and retraining programs into national labor laws places Vietnam at risk of non-compliance with international labor and human rights obligations. Without legal reforms, the country faces growing economic inequality, where high-skilled workers benefit from AI advancements while low-skilled workers are left without viable employment opportunities. The absence of government-mandated workforce reskilling initiatives also means that displaced workers are forced to exit the labor market without adequate support, increasing the likelihood of social instability and economic decline.

To address these challenges, Vietnam must amend the Enterprise Law (2020) to mandate CSR compliance by requiring businesses to report on AI-driven employment policies and to implement mandatory workforce reskilling programs. The Labour Code (2019) should also be revised to include AI-specific labor protections, such as mandatory retraining obligations for companies deploying AI and legal safeguards against mass layoffs caused by automation. The Law on Employment (2013) should be amended to introduce targeted AI-driven job transition programs, requiring companies to offer retraining opportunities before implementing automation-driven job cuts.

Additionally, the Social Insurance Law (2014) must be expanded to provide unemployment benefits for AI-displaced workers and to support career transition programs, ensuring that automation does not disproportionately harm vulnerable labor groups. The government should also establish a National Workforce Reskilling and Adaptation Law, modeled after Germany's Digital Pact for Labour, to provide government-funded retraining initiatives for workers affected by technological shifts.

Furthermore, a CSR regulatory agency should be created to monitor corporate compliance with labor protections and AI workforce transition policies, ensuring that businesses are held accountable for

the social consequences of automation. These reforms are essential for aligning Vietnam's legal framework with international labor standards, protecting workers' rights, and fostering an equitable transition to an AI-driven economy.

## **Global Approaches to CSR and AI-Driven Labor Policies in Safeguarding Labor Rights and Human Security**

### ***Comprehensive Legal Framework for CSR and AI-Driven Labor Market Regulations in the European Union***

#### *Comprehensive Legal Framework for CSR*

The European Union (EU) has established one of the most comprehensive legal frameworks for embedding Corporate Social Responsibility (CSR) into labor and social policies, with Directive 2014/95/EU as a cornerstone. This directive mandates large companies, particularly publicly listed entities, to publish non-financial reports detailing corporate policies on environmental impact, labor rights, anti-discrimination efforts, and broader societal responsibilities (European Commission, 2014).

Since the enforcement of Directive 2014/95/EU, the proportion of large enterprises publishing non-financial reports increased to 76%, compared to just 45% before its implementation. This requirement has significantly improved corporate transparency and accountability, compelling enterprises to disclose their labor, environmental, and gender equality policies (European Commission, 2020).

Beyond reporting requirements, the EU enforces CSR compliance through robust monitoring mechanisms. National authorities within member states assess CSR reports and conduct compliance evaluations. Non-compliance leads to stringent penalties, including administrative fines and public disclosure of violators to ensure greater societal accountability (European Commission, 2021). A 2021 EU study revealed that enterprises adhering to CSR reporting requirements witnessed a 24% reduction in labor-related violations, particularly in workplace safety and anti-discrimination policies, underscoring the effectiveness of this framework in safeguarding workers' rights while enhancing corporate reputations (European Commission, 2021).

Moreover, the EU actively encourages enterprises to align their CSR strategies with the United Nations Sustainable Development Goals (SDGs), focusing on gender equality (SDG 5) and decent work (SDG 8). Approximately 68% of large enterprises in the EU have incorporated SDGs into their CSR frameworks, contributing to a 15% reduction in the gender pay gap between 2015 and 2020 (UN Global Compact, 2019).

#### *AI-Induced Labor Market Changes and EU Regulatory Responses*

The increasing integration of Artificial Intelligence (AI) and automation in labor markets has forced governments to redefine labor policies and corporate responsibilities. The EU has adopted a multi-faceted legal and policy framework to regulate AI's impact on employment, focusing on corporate responsibility, job security, and ethical AI adoption.

A key element of the EU's response to AI-driven labor disruptions is the EU AI Act, which classifies AI applications into risk levels and imposes strict regulations on high-risk AI systems used in employment, workforce management, and hiring. Employers utilizing AI for hiring, promotion, or workforce reductions must conduct risk assessments and transparency audits to prevent bias, discrimination, and unfair labor

practices (European Commission, 2022). This ensures that AI-driven labor market transitions adhere to principles of fairness, accountability, and worker protection.

To further mitigate the impact of AI-driven workforce displacement, the EU introduced the European Skills Agenda, a policy framework prioritizing lifelong learning and digital upskilling programs. The initiative mandates public-private partnerships for AI workforce reskilling, requiring companies adopting AI-based automation to co-finance training programs for displaced workers (European Commission, 2020).

The EU's Just Transition Fund, with a budget of €17.5 billion, supports workers transitioning from traditional industries to AI-driven jobs, ensuring that automation does not exacerbate employment inequalities. This funding mechanism aligns with CSR principles, as businesses are encouraged to invest in retraining programs to fulfill their corporate social responsibilities in AI adoption (European Commission, 2021).

Additionally, the Directive on Adequate Minimum Wages (2022) mandates that companies implementing AI-driven automation must provide alternative employment pathways or retraining programs before conducting workforce reductions. This directive ensures that AI-driven layoffs must be accompanied by workforce transition support, reinforcing corporate accountability in labor disruptions (European Parliament, 2022).

For workers engaged in gig and platform-based work, the EU Platform Work Directive (2021) regulates AI-driven employment models where algorithmic decision-making determines wages, job allocations, and terminations. Under this directive, gig workers must be classified as employees if AI systems exert significant control over their work, granting them full labor protections, including minimum wages and social security contributions (European Commission, 2021).

### *Germany's Digital Pact for Labour: A Strategic Framework for Workforce Resilience and AI Regulation*

#### Strategy for Sustainable Employment and Workforce Adaptation in the Age of AI

As automation and artificial intelligence (AI) continue to transform labor markets, governments must develop proactive strategies to mitigate job displacement and equip workers with future-ready skills. In response to these challenges, Germany has introduced the Digital Pact for Labour (DPL)—a comprehensive national initiative aimed at fostering workforce adaptability, ensuring sustainable employment, and enhancing economic competitiveness.

Launched as part of Germany's broader Work 4.0 Strategy, the DPL represents a tripartite collaboration between the government, trade unions, and enterprises. Unlike traditional labor policies focused solely on social protections, the DPL adopts a proactive approach, ensuring that workers are not only shielded from automation's risks but also empowered to thrive in the digital economy. By integrating targeted funding mechanisms, tax incentives, and public-private training programs, the initiative supports employees in transitioning to new roles while maintaining Germany's industrial leadership. Key Pillars of the Digital Pact for Labor include:

1. **National Training Fund:** To address the skills gap, the German government established a national reskilling fund, jointly financed by public resources and corporate contributions. This fund subsidizes training programs that equip workers with the skills required in high-demand industries, including digital technologies, industrial manufacturing, and renewable energy (BMAS, 2020).



2. **Incentives for Workforce Retention:** Recognizing that layoffs often accompany automation, the government introduced tax incentives to encourage companies to retain employees and invest in retraining programs. By aligning financial incentives with corporate social responsibility, this policy promotes sustainable employment strategies while minimizing labor market volatility (BMAS, 2020).
3. **Public-Private Collaboration in Workforce Development:** To ensure that reskilling programs align with industry demands, the German government has partnered with leading corporations, including Siemens and Bosch, to co-develop industry-aligned training curricula. This collaboration enhances the relevance of training programs, maximizing the employability of reskilled workers (ILO, 2020).

### *How Germany Regulates the Relationship Between AI and Workers*

Germany has taken a worker-centric approach to AI governance, ensuring that automation and AI technologies are integrated into the workforce responsibly and ethically. The country's AI labor regulations focus on job security, fair treatment, and transparency in AI-driven employment decisions. Particularly,

1. **AI and Employment Protection Laws:** Under Germany's Works Constitution Act, employee representatives (Betriebsrat) have a legal right to participate in decisions related to AI implementation in workplaces. This ensures that workers have a say in how automation impacts their roles and prevents unilateral employer decisions on AI-driven layoffs (BAG, 2021).
2. **Algorithmic Fairness and Transparency Mandates:** AI-driven hiring, promotion, and workforce management systems are subject to strict transparency requirements under Germany's AI Governance Framework. Employers using AI for recruitment or performance evaluations must ensure algorithmic fairness and conduct bias audits to prevent discrimination in hiring and workforce decisions (BMW, 2021).
3. **AI Workforce Transition Assistance:** Companies adopting AI-driven automation are required to co-finance retraining programs for displaced workers. Under the German Employment Promotion Act, businesses implementing AI systems must contribute to workforce transition initiatives, ensuring that automation does not disproportionately impact job security (BMAS, 2021).
4. **Gig Work and Platform Economy Regulations:** AI-driven employment models, such as gig and platform-based work, are regulated under Germany's Fair Work in the Digital Economy Act. This law ensures that platform workers—such as those employed by Uber or delivery services—receive social protections, including minimum wages, collective bargaining rights, and protection from algorithmic decision-making biases (BMAS, 2022).
5. **EU AI Act Compliance and Ethical AI Development:** As a member of the European Union, Germany aligns its AI regulations with the EU AI Act, which classifies AI applications into risk levels and imposes strict guidelines on high-risk AI systems used in employment. Employers using AI for hiring, workforce monitoring, or job termination must conduct risk assessments and transparency audits, ensuring compliance with ethical AI principles (European Commission, 2022).

Between 2018 and 2021, Germany's Digital Pact for Labour and AI labor regulations significantly mitigated automation-related unemployment, reducing joblessness in high-risk sectors from 6.3% to

4.5% while boosting labor productivity by 15% (BMAS, 2020). Approximately 80% of reskilled workers successfully transitioned into technology-related roles, strengthening Germany's global competitiveness. Additionally, the introduction of algorithmic fairness audits led to a 23% decrease in AI-driven hiring discrimination cases (BAG, 2021). Germany's approach offers a holistic model for balancing automation with labor rights, integrating economic incentives, worker protections, and ethical AI governance. As AI adoption expands worldwide, this framework serves as a blueprint for nations seeking to regulate AI's impact on employment while fostering workforce resilience in the digital era.

### *Sweden's Legal Framework for AI, CSR, and Labor Rights Protection*

Sweden has developed a comprehensive legal framework to regulate the impact of Artificial Intelligence (AI) on the labor market, integrating Corporate Social Responsibility (CSR) mandates with AI-specific labor laws to ensure fair employment practices, prevent discrimination, and uphold worker rights. As AI adoption increases, automated decision-making systems and algorithmic hiring tools have reshaped employment structures, particularly in manufacturing, logistics, and digital services (ILO, 2021). These transformations have raised concerns about job displacement, wage inequalities, and biased hiring practices, prompting Sweden to introduce proactive AI labor regulations alongside rigorous CSR monitoring mechanisms (SWEA, 2020).

Sweden's Legal and Regulatory Response to AI's Impact on Labor

In response to AI-driven labor disruptions, Sweden has introduced AI labor governance policies that ensure companies implement algorithmic transparency, worker reskilling programs, and fair employment practices (European Commission, 2021). The Swedish Work Environment Authority (SWEA) plays a pivotal role in monitoring both CSR compliance and AI labor regulations, requiring companies to: (i) Conduct algorithmic bias assessments to prevent discrimination in AI-driven hiring and promotion processes; (ii) Implement AI transparency mandates, ensuring that workers understand automated decision-making in employment; (iii) Develop reskilling and upskilling programs for workers at risk of job displacement due to automation; (iv) Enforce ethical AI usage policies, holding corporations accountable for worker treatment in AI-managed workplaces.

Additionally, Sweden enforces mandatory corporate non-financial reporting, requiring businesses to disclose AI-driven employment changes, workforce transitions, and CSR initiatives. Violations of these regulations lead to financial penalties, trade restrictions, and public disclosure of non-compliant firms (SWEA, 2020).

### *CSR Compliance and AI Workforce Adaptation*

A key component of Sweden's AI labor policy is its alignment with CSR enforcement, ensuring that AI implementation does not lead to exploitative labor conditions. Sweden integrates trade unions and non-governmental organizations (NGOs) into CSR and AI policy monitoring, strengthening transparency and worker representation in technology-driven workplaces (ILO, 2019). The government also mandates AI-integrated industries to invest in workforce retraining, preventing large-scale automation-driven unemployment (European Commission, 2021).

Between 2015 and 2020, these measures resulted in a 32% reduction in labor rights violations, particularly in manufacturing and technology-intensive sectors, alongside a 92% compliance rate with CSR and AI workforce regulations, ensuring ethical employment practices. Additionally, the enforcement of AI fairness audits led to a 27% decrease in algorithmic hiring bias cases, while large-scale reskilling initiatives successfully equipped workers with future-ready skills (SWEA, 2020).

Sweden's CSR and AI labor laws provide a holistic model for balancing technological progress with worker protection. By enforcing ethical AI governance, corporate transparency, and labor reskilling mandates, Sweden demonstrates that AI-driven economic transformation can be inclusive and sustainable. As AI adoption expands globally, Sweden's approach serves as a policy blueprint for countries seeking to regulate AI's impact on employment while ensuring corporate accountability and social responsibility in the digital age.

### **Japan's AI Governance and CSR Framework for Workforce Protection and Economic Growth**

Japan has adopted a comprehensive approach to balancing economic growth with labor protection in the face of AI-driven workforce transformations. As part of its national Society 5.0 initiative, Japan integrates AI, automation, and digitalization to enhance productivity while simultaneously protecting employment rights and ensuring workforce adaptability (Ministry of Economy, Trade and Industry [METI], 2021). AI has significantly reshaped Japan's labor market, particularly in manufacturing, retail, and service industries, where automation and robotics have replaced routine jobs but also created new opportunities in high-tech sectors. To mitigate labor disruptions, Japan enforces AI-specific labor laws and Corporate Social Responsibility (CSR) policies, ensuring that AI-driven economic transformation remains inclusive and sustainable (Japan Labour Policy & Training Organization [JILPT], 2020).

#### *Japan's Legal and Policy Response to AI-Driven Labor Changes*

Japan's AI labor regulations and CSR framework are designed to ensure that technological innovation does not come at the cost of worker rights and job security. The government has introduced a multi-tiered strategy, involving:

1. AI governance laws that require companies to conduct risk assessments on AI-driven employment decisions, preventing unfair dismissals and algorithmic discrimination (METI, 2021).
2. Corporate obligations to provide AI training programs for employees, ensuring that displaced workers can transition to new roles in emerging sectors.
3. Mandatory labor impact disclosures, requiring companies to report how AI adoption affects workforce structure, wages, and job security (JILPT, 2020).
4. Worker retraining subsidies, incentivizing corporations to invest in employee upskilling rather than mass layoffs.
5. AI transparency mandates, ensuring that automated decision-making processes in hiring and performance evaluations remain accountable and non-discriminatory (Japan Fair Trade Commission [JFTC], 2020).

These regulations align AI implementation with labor rights protections, preventing social inequality and worker exploitation in AI-integrated workplaces. Japan's strong collaboration between government agencies, corporations, and labor unions has played a key role in balancing technological progress with job security.

#### *CSR Compliance and AI Workforce Protection*

Alongside AI labor regulations, Japan has reinforced CSR compliance mechanisms, ensuring that companies integrate labor protection measures within their AI adoption strategies. Under Japan's Work Style Reform Law, corporations are required to:

1. Develop CSR-aligned AI workforce policies, ensuring responsible automation practices.
2. Adopt fair employment standards that protect non-regular and gig economy workers impacted by AI-driven job restructuring (JILPT, 2020).
3. Ensure ethical AI implementation, preventing discriminatory hiring and biased wage structures due to automation.

These policies oblige corporations to prioritize worker welfare, making CSR a core component of Japan's AI-driven economic model. Trade unions and regulatory bodies, such as Japan's Ministry of Health, Labour, and Welfare (MHLW), oversee compliance with AI labor regulations, conducting regular audits and workplace inspections to protect workers from automation-related risks (MHLW, 2021).

Between 2016 and 2021, Japan's AI labor governance and CSR policies significantly contributed to workforce stability and economic resilience amid technological transformation. The country achieved a 74% employment retention rate in AI-integrated industries, effectively minimizing mass layoffs and ensuring job security (JILPT, 2020). Corporate investment in worker retraining programs increased by 30%, helping to reduce labor skill gaps and facilitate smooth workforce transitions into AI-driven sectors. Additionally, the enforcement of algorithmic fairness regulations led to a 25% decrease in workplace AI bias cases, strengthening transparency and ethical employment practices (JFTC, 2020). Japan's proactive policies also spurred substantial job creation, with over 500,000 new AI-skilled positions emerging in automation-related industries, reinforcing the nation's global competitiveness in the digital economy (METI, 2021). These outcomes underscore Japan's success in balancing AI-driven economic growth with labor protection, demonstrating a sustainable model for integrating technological progress with social responsibility.

Japan's Society 5.0 framework, combined with AI labor laws and CSR regulations, presents a holistic model for managing AI's impact on employment. By balancing automation with job security, investing in workforce adaptability, and enforcing ethical AI governance, Japan demonstrates that technological progress can drive economic growth without undermining labor rights. As global AI adoption accelerates, Japan's policy approach serves as a blueprint for nations seeking to harness AI's benefits while ensuring an equitable, sustainable labor transition in the digital age.

### **Singapore's AI Labor Policies and CSR Framework for Workforce Resilience and Economic Growth**

Singapore has adopted a strategic approach to integrating Artificial Intelligence (AI) into the labor market while ensuring economic competitiveness and workforce resilience. Under its Smart Nation Initiative and SkillsFuture Program, Singapore leverages automation, AI, and digital transformation to boost productivity while actively mitigating the risks of job displacement and social inequality (Ministry of Manpower [MOM], 2021). AI has reshaped Singapore's employment landscape, particularly in finance, logistics, and manufacturing, where automation has replaced repetitive tasks but has also created new high-skilled job opportunities. To ensure a sustainable and inclusive transition, Singapore enforces AI-specific labor laws and Corporate Social Responsibility (CSR) policies, which align technological progress with workforce protection and upskilling initiatives (SkillsFuture Singapore [SSG], 2022).

#### ***Singapore's Legal and Policy Response to AI-Driven Labor Changes***

Recognizing the potential of AI to widen labor market inequalities, Singapore has introduced AI labor governance policies that require corporations to invest in workforce adaptability. The government has implemented comprehensive labor and education policies designed to:

1. Mandate workforce reskilling programs, ensuring that displaced workers are retrained for AI-related roles (MOM, 2021).
2. Introduce AI hiring fairness regulations, preventing algorithmic discrimination and bias in employment decisions (Infocomm Media Development Authority [IMDA], 2022).
3. Establish AI-driven workforce transition strategies, providing government funding and employer incentives to support labor market adaptation (Economic Development Board [EDB], 2021).
4. Enhance social protections for gig and contract workers, many of whom face job instability due to AI automation (MOM, 2021).
5. Require corporate AI disclosure reports, compelling companies to report how AI impacts employment practices and wage structures (IMDA, 2022).

Singapore's tripartite collaboration model, involving the government, businesses, and labor organizations, ensures that AI-driven economic growth does not marginalize vulnerable workers. These policies help Singapore balance efficiency-driven AI adoption with social and labor protections, reinforcing long-term workforce sustainability.

### ***CSR Compliance and AI Workforce Protection***

Singapore's AI labor policies are closely tied to CSR mandates, ensuring that corporations adopt responsible AI employment practices. Under Singapore's Employment Act and Corporate Governance Code, companies must:

1. Implement fair AI hiring practices, ensuring transparency and non-discrimination in recruitment and wage allocation (IMDA, 2022).
2. Provide lifelong learning and upskilling programs, aligning workforce training with AI-driven industry demands (SkillsFuture Singapore, 2022).
3. Adopt sustainable labor transition models, minimizing worker displacement and creating pathways for career mobility in AI-driven sectors.

These policies make CSR an essential component of AI-driven economic expansion, holding corporations accountable for investing in workforce development and ethical AI integration. Regulatory bodies, such as SkillsFuture Singapore (SSG) and the Ministry of Manpower (MOM), conduct regular audits and compliance checks to ensure businesses adhere to AI labor laws and corporate accountability standards (MOM, 2021).

Between 2016 and 2022, Singapore's AI labor governance and CSR-driven workforce policies delivered substantial benefits for labor market adaptation. The country achieved a 90% workforce participation rate in AI-related training programs, preventing widespread job displacement (SSG, 2022). Corporate investment in AI workforce retraining increased by 40%, reducing employment gaps caused by automation. Additionally, the introduction of AI fairness audits in hiring led to a 29% decrease in algorithmic bias cases, strengthening ethical employment practices (IMDA, 2022). AI-driven job creation surged, with over 650,000 new positions emerging in high-tech, automation, and data analytics industries, reinforcing Singapore's position as a global leader in AI workforce integration (EDB, 2022).

Singapore's AI labor regulations and CSR framework provide a successful model for integrating technological advancements with workforce resilience. By mandating AI governance, workforce retraining, and ethical labor practices, Singapore ensures that AI-driven economic growth benefits all segments of society. The country's government-led upskilling programs and CSR-aligned corporate policies create sustainable employment pathways, demonstrating how nations can harness AI innovation without exacerbating social inequalities. As AI adoption accelerates worldwide, Singapore's tripartite



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governance approach serves as a benchmark for economies seeking to balance AI-driven efficiency with workforce security and social equity in the digital era.

## **Proposals for Enhancing Vietnam's Legal Framework on CSR and Safeguarding Labor Rights**

### ***Amendments to the 2020 Labor Code***

#### ***Revising Article 43 on Workforce Retraining***

The current provision in Article 43 of the 2020 Labor Code, which merely encourages enterprises to retrain their workers, lacks sufficient legal force to address the profound challenges posed by technological transformation and automation. To strengthen its impact, Article 43 should be revised to impose a mandatory obligation on enterprises employing technologies that alter the job requirements of their workforce. Enterprises should be required to design and implement comprehensive retraining (reskilling) and skills upgrading (upskilling) programs for affected workers. Such training programs must focus on equipping workers with digital skills and high-tech competencies that align with contemporary labor market demands. Furthermore, these programs should prioritize vulnerable worker groups, including women, older workers, and low-skilled laborers, to mitigate the risk of socio-economic disparities.

Enterprises must also be required to report on the progress and outcomes of these programs to ensure transparency and accountability. Such reporting would allow for consistent oversight and provide a clear framework for evaluating the effectiveness of retraining efforts.

#### ***Introducing Penalties for Non-Compliance***

The Labor Code currently lacks explicit sanctions for enterprises that fail to fulfill their retraining obligations, which undermines the enforcement of these provisions. To address this issue, detailed administrative penalties should be introduced. Penalty levels should be proportionate to the number of workers affected and the severity of the violation. Enterprises failing to retrain between 1 and 10 workers could face fines ranging from VND 50–100 million, while those impacting 11–50 workers could incur fines between VND 100–300 million. For violations involving more than 50 workers, fines should escalate to between VND 300–500 million.

In cases of repeated violations, penalties should increase progressively. For example, fines should rise by 50% if enterprises fail to rectify their violations within six months of the initial penalty. Enterprises with multiple violations within a two-year period should face doubled fines. Additionally, violators must implement corrective measures, including retraining programs or financial compensation for affected workers. Compensation amounts should be no less than six months of the worker's basic salary at the time of the violation, ensuring adequate remediation.

#### ***Strengthening Enforcement Mechanisms***

To ensure effective enforcement, local labor management agencies, particularly the Department of Labor, Invalids, and Social Affairs, should oversee compliance monitoring. These agencies should conduct inspections to verify the implementation of retraining programs, impose administrative penalties where violations are identified, and oversee the remediation process. Furthermore, the publication of violators' names should be mandated to increase societal pressure and incentivize compliance. These proposals

should be codified through amendments to the Labor Code or detailed administrative decrees, providing a robust legal foundation for enforcement.

### ***Amendments to the 2020 Enterprise Law***

#### ***Introducing Mandatory CSR Reporting***

The 2020 Enterprise Law currently does not include provisions requiring enterprises to report on their CSR activities, resulting in inconsistent and opaque implementation. To address this gap, a dedicated provision should be introduced, mandating that large enterprises, export-oriented companies, and publicly listed firms publish annual CSR reports. These reports should comprehensively address four key areas:

1. **Labor Rights Policies:** Information on efforts to ensure safe working conditions, provide workforce retraining, and comply with international labor standards.
2. **Environmental Sustainability Measures:** Strategies for reducing emissions, adopting renewable energy, and managing waste.
3. **Social Contributions:** Documentation of initiatives aimed at supporting local communities and philanthropic activities.
4. **Impact Assessments:** Evaluations of the social and environmental impacts of the enterprise's operations.

To ensure objectivity, CSR reports should be reviewed and certified by specialized regulatory agencies. The Ministry of Planning and Investment, in collaboration with the Ministry of Labor, Invalids, and Social Affairs, should establish a standard evaluation framework. Additionally, independent oversight by trade unions and NGOs would enhance the transparency and credibility of CSR reporting.

#### ***Penalties for Non-Compliance***

Enterprises that fail to submit CSR reports or provide false information should face administrative penalties ranging from VND 100–500 million, depending on the severity of the infraction. Persistent violations, such as repeated failures to comply or intentional falsification, should result in additional sanctions, such as temporary suspension of export licenses or disqualification from participating in state-funded projects for periods ranging from six months to two years. These penalties would reinforce the importance of integrating CSR into corporate governance.

#### ***Encouraging Green Jobs through Tax Incentives***

To promote the integration of sustainable development goals into corporate operations, tax incentives should be introduced for enterprises investing in renewable energy, clean technologies, and green job creation. Proposed measures could include corporate income tax exemptions for four to six years for qualifying green projects, followed by a 50% reduction in tax liability for the subsequent five years. Additionally, enterprises could receive partial reimbursement (15–20%) of their green investment costs, such as expenditures on renewable energy projects or eco-friendly technologies. Eligibility for these benefits should be contingent on compliance with international environmental standards, such as ISO 14001, and verifiable contributions to greenhouse gas reduction and green job creation.

#### ***Establishing a National Labor Training Fund***

To mitigate the financial burden on enterprises and ensure adequate workforce adaptation to technological changes, the government should establish a National Labor Training Fund. This fund would support enterprises in implementing reskilling and upskilling programs for their workers. The fund's financing could draw from three primary sources: the state budget (particularly for high-impact sectors such as renewable energy and clean technologies), mandatory contributions from enterprises employing disruptive technologies, and funding from international organizations like the ILO or the World Bank.

The fund's operational framework should require enterprises to submit detailed proposals for training programs, including clear objectives, training content, and expected outcomes. Priority should be given to programs that address labor market demands in high-growth sectors such as digital technology, artificial intelligence, and renewable energy. A specialized regulatory agency under the Ministry of Labor, Invalids, and Social Affairs should manage the fund, ensuring accountability through transparent reporting and independent oversight.

### ***Developing a National Strategy for Sustainable Employment***

To ensure equitable and sustainable development, the government should adopt a National Strategy for Sustainable Employment, with clear targets such as the creation of 500,000 green jobs by 2035. Key sectors for job creation should include renewable energy (300,000 jobs), clean technologies (150,000 jobs), and smart agriculture (50,000 jobs).

Collaboration with educational institutions and vocational training centers will be critical to aligning workforce training with labor market demands. Specialized programs in renewable energy, artificial intelligence applications, and supply chain management should be developed in partnership with enterprises and funded by the National Labor Training Fund. To monitor progress, a National Green Job Database should be established to track job creation, training outcomes, and employment trends. Regular evaluations by independent oversight bodies should ensure the strategy remains on track and adaptable to emerging challenges.

Encouraging public-private partnerships (PPPs) will also be essential. Through tax incentives and government-backed financing, private enterprises should be motivated to invest in sustainable employment projects, fostering a collaborative approach to national development.

The proposed reforms aim to fortify Vietnam's legal framework for CSR and labor rights, fostering sustainable employment and equitable development in the face of rapid technological change. By leveraging global best practices and tailoring them to Vietnam's socio-economic context, these measures provide a comprehensive pathway to align the country's labor market with the demands of the Fourth Industrial Revolution while promoting long-term sustainability and inclusivity.

### **CONCLUSION**

Corporate Social Responsibility (CSR) plays a crucial role in protecting labor rights and ensuring human security in Vietnam's AI-driven economy. As automation continues to reshape the labor market, a comprehensive legal and policy framework is necessary to prevent rising unemployment, social inequality, and labor rights violations. This study highlights significant gaps in Vietnam's existing CSR and labor laws, emphasizing the need for regulatory reform to balance technological progress with social equity. Drawing from international best practices, countries such as Germany, Sweden, Japan, and Singapore have successfully integrated CSR into labor policies to mitigate AI-induced workforce disruptions. Their models, including mandatory reskilling initiatives, corporate accountability

mechanisms, ethical AI adoption strategies, and large-scale workforce adaptation programs, provide valuable lessons for Vietnam in designing legal and policy responses.

To strengthen labor protections and facilitate a smooth workforce transition, Vietnam must implement key reforms. First, the government should amend the 2020 Enterprise Law to make CSR a binding obligation, requiring AI-driven businesses to invest in workforce retraining and fair employment policies. A national oversight mechanism should be established under the Ministry of Labor, Invalids, and Social Affairs (MoLISA) to monitor corporate accountability and enforce compliance. Additionally, financial incentives, such as tax breaks and subsidies, should be introduced to encourage businesses to participate in large-scale workforce retraining. A National Workforce Reskilling Fund, financed through public funding, mandatory corporate contributions, and support from international organizations, should be created to provide retraining opportunities for workers, particularly in labor-intensive industries.

Vietnam must also develop a National Strategy for Sustainable Employment to align workforce training with AI-driven labor market demands. Collaboration between the government, universities, vocational institutions, and the private sector is essential to equipping workers with future-ready skills and ensuring stable employment in emerging industries. By embedding CSR into law, enforcing corporate accountability, and investing in workforce resilience, Vietnam can create a balanced framework that maximizes AI's economic benefits while safeguarding labor rights and promoting social stability. These reforms will not only enhance Vietnam's compliance with international labor standards but also contribute to long-term economic sustainability and equitable development in the digital age.

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