

Integration of Local Wisdom in the Role of Village Heads as Mediators of Industrial Relations Disputes

Sarah Magfirah Daud^{1*}, Nur Mohamad Kasim², Weny Almoravid Dungga³

¹²³ Universitas Negeri Gorontalo, Kota Gorontalo, Indonesia

Address: Jl. Jend. Sudirman No.6, Dulalowo Tim., Central City District, Gorontalo City, Gorontalo 96128

Corresponding author: firahmagfirah1@gmail.com*

Abstract. *The integration of local wisdom in the role of village heads as mediators of industrial relations disputes is an effective strategy in rural conflict resolution. Local wisdom, which is a community's traditional knowledge and practices, can be used to understand and resolve complex conflicts. The village head, as a respected figure with traditional knowledge, can serve as an effective mediator in resolving industrial relations disputes. The results show that village heads play an important role as mediators by integrating local wisdom principles such as deliberation, mutual cooperation, and harmony in the mediation process. The custom-based approach proved effective in reaching an agreement that was acceptable to both parties and maintaining social harmony in the village. However, challenges arise when dealing with large companies or disputes involving formal legal aspects. This research provides new insights into the potential integration of local wisdom in the resolution of industrial relations disputes at the village level, as well as the implications for the development of a more contextualized alternative dispute resolution system in Indonesia. The analysis will discuss how the integration of local wisdom in the role of the village head can improve the effectiveness of conflict resolution in rural areas.*

Keywords: *Local Wisdom, Village Head, Mediation, Industrial Relation, Custom Based Dispute Solution*

1. INTRODUCTION

What. The Emergence of the Government's obligation to ensure the general welfare of its people is a central feature of the state (Mandjo & Imran, 2020). Every state relies on the independent right and freedom to enforce the law over its jurisdictional authority. Jurisdictional sovereignty must ensure the protection of human rights, regulate important state organizations, and restrict important state organizations (Tome & Dungga, 2020). According to Article 1 Number 16 of Law Number 13 of 2003 concerning Manpower, industrial relations is a system of relationships that are formed between actors in the production process of goods and/or services. These relationships include elements of employers, workers/laborers, and the government, and are based on the Republic of Indonesia's 1945 Constitution and Pancasila values. The Industrial Relations Court's existence is crucial since it is believed that the court would be able to fairly serve all societal levels in addition to being an independent, honest organization. The goals of Pancasila industrial relations are to promote business and workplace harmony, boost output, and enhance employee welfare while upholding human dignity.

When viewed from the point of view of assessed interests, disputes between labor and employers are acceptable because they defend each other's rights. Due to the large number of disputes that occur, a fair and non-adversarial settlement is a truly objective way to resolve these industrial relations disputes (Dungga & Tome, 2019). Basically, if any dispute occurs or

with the presence of a third party, either provided by the state or the parties themselves, the parties can regret it. The Industrial Relations Court, established by the state as a judicial institution, serves as the official forum to resolve disputes that occur in the field of industrial relations (Kasim dkk., 2024). In addition, it is possible that the parties themselves may reach an out-of-court settlement. It is also possible that the settlement can also be resolved outside the court by the parties themselves. Looking at disputes between workers and business actors cannot be seen in black and white, because in this era of industrialization, the problem of industrial relations disputes is increasing and complex, so institutions and mechanisms for quick, precise, fair and inexpensive settlement are needed. One settlement process that is currently occurring is with the help of the role of the village head as a mediator in resolving industrial relations disputes based on local wisdom (Grindulu dkk., 2023).

The role of the village head as a community leader is particularly important in Indonesia, which is rich in culture and customs. In addition, when dealing with the complex issues of industrial relations that are now beginning to make their way into rural areas. With this phenomenon, it is imperative to incorporate local wisdom into the conflict resolution process, especially when it comes to industrial relations in rural areas. The incorporation of local wisdom can enhance the role of village heads as mediators in industrial relations disputes, with a particular emphasis on the ways in which rural adat-based conflicts can be resolved. For a long time, the role of the traditional Indonesian village head has been recognized as an important role in village community life (Toni dkk., 2024). The village head is not only responsible for the administration of the village government, but also serves as an informal leader who helps communities unite and resolve disputes. However, along with economic growth and the entry of various industries into the countryside, the challenges facing village heads have become increasingly complicated. One such issue is the emergence of conflicts in industrial relations, which requires a resolution approach that considers the local context.

Local wisdom, which represents traditional knowledge and principles that have stood the test of time, offers a different way to resolve conflicts. Many Indonesian indigenous communities have dispute resolution mechanisms that prioritize social harmony, deliberation, and rapprochement over punishment or formal sanctions. These principles are in line with the spirit of mediation, which favors beneficial resolution over adversarial approaches, which often characterize dispute resolution today.

In the context of rural industrial relations, there are several advantages to incorporating local wisdom into the mediation process led by the village head (Rahayu, 2016). First, this method is preferred by local communities because it conforms to established principles.

Second, conflict resolution using customary methods is usually cheaper and faster than formal legal channels. Third, in the long run, improving social relations and balance can help maintain the stability of village communities. Incorporating local wisdom into the village head's function as an industrial relations mediator, however, is not easy. How to balance customary practices with the formal legal framework governing industrial relations in Indonesia is a major problem. To resolve industrial relations disputes, the Manpower Law and other relevant regulations have set certain standards and protocols. The village head, as a mediator, must be able to integrate local wisdom without violating the law.

The provisions regarding the authority and rights that have been granted by laws and regulations, such as Law No. 32/2004 on Regional Government, to the Village Head must certainly be utilized properly and appropriately in order to realize a village government that can provide peace, security, and order in the village community. One of the powers granted by the laws and regulations governing village administration is the authority to resolve disputes that occur in the community

2. METHODS

This method in this legal writing is normative legal research, analyzing the existing legal framework, including village government regulations, industrial relations dispute resolution, and recognition of customary law in the national legal system. Conceptual and statutory approaches are used to see the integration of local wisdom in formal dispute resolution mechanisms. Primary data sources are laws and regulations, while secondary data sources are legal literature, academic journals, and related research reports (Irwansyah, 2020).

3. RESULTS AND DISCUSSION

Integration of Local Wisdom in the Role of Village Head as Mediators of Industrial Relations Disputes

In a unitary state, homogeneity must exist by recognizing and guaranteeing the existence of both legal citizens and their traditional rights. Village regulation combines local self-reliance and village independence (Irmanto & Priyono, 2024). Villages in Indonesia today have a democratic tradition that prioritizes openness, deliberation, and participation in the decision-making process. In addition, village heads are directly elected. The national government considers villages as formal legal entities. Villages have village autonomy, which means they have full authority to run their own lives. Such freedoms have been legally regulated by the state in several strands of their constitution. According to Law No. 23/2014 on Regional

Government and Law No. 6/2014 on Villages, a village is a legal community group that has the authority to manage its own territory. According to Article 371 of Law No. 23/2014 on Regional Government, districts or cities can form villages in their territory.

Capabilities include the ability to perform public and civil legal acts, own property, and can be sued before the court. The rights, powers, and freedoms of village autonomy require maintaining the integrity, unity, and integrity of the nation and the welfare of the people within the corridors of applicable regulations (Sara & Putra, 2023). According to Article 200 paragraph (1) of the Village Law on Regional Government, a village government is formed in the district/city regional government consisting of the Village Government and the Village Consultative Body. As a result, a village head is in charge of running the village government. The village head and village officials, who include the village secretary and other village authorities, make up the village government. The villagers themselves elect the village head in question, with additional conditions and election processes governed by regional laws that are influenced by national laws. Article 26 paragraph (4) letter k of the Village Law makes the Village Head have the responsibility and duty to resolve community disputes in the village. Village heads are usually respected by their communities, and they are strong (authoritative) government leaders who are expected to act as mediators or dispute resolvers (Toni dkk., 2024).

With the exception of public law and coercive law, the scope of alternative dispute resolution covers a wide range of legal dispute resolution methods. Alternative dispute resolution has the aim of carrying out legal actions or legal actions that can encourage people to choose to resolve problems by peace, because both parties realize that non-litigation methods are the most effective, efficient, and safe way to resolve their disputes (Dewi, 2022). To achieve peace, alternative dispute resolution continues to consider the explanatory material of legal articles, the cost of litigation, the importance of resolving disputes completely, leaving no grudges, and To achieve peace, the construction of the settlement is adjusted to the wishes of each party. This is done with the aim that each party is satisfied with the way the dispute is resolved. Alternative dispute resolution is based on an agreement that is considered most favorable by each party. Although the agreement to resolve this dispute must be made with a willingness to sacrifice, this sacrifice is considered the most reasonable and at a low cost, when compared to dispute resolution through litigation (Ramadhia & Sundary, 2023).

Traditional knowledge and practices of communities that have evolved over centuries are known as local wisdom. This wisdom usually takes the form of customs, traditions and values that are part of a community's identity. Local wisdom can be used in conflict resolution to understand and resolve complex conflicts. One example of local wisdom that can be used in

conflict resolution is its peace custom, which is a community habit of resolving disputes through a process of dialog and compromise. In their peace customs, disputants are given the opportunity to talk and find solutions that are fair to each party. Local wisdom can help communities understand that conflicts can be resolved through an organized and fair process. Village heads, as respected figures with traditional knowledge, can serve as effective mediators in resolving industrial relations disputes. This role is based not only on their position as village leaders, but also on their ability to understand and interpret local wisdom. Village heads can use local wisdom as a reference to understand the social and cultural context of the local community. They can use their peaceful customs to resolve disputes through a process of dialogue and compromise. In addition, village heads can also use local wisdom to identify the source of conflict and find solutions that are fair to all parties.

The integration of local wisdom in the village heads role as a mediator involves several important aspects:

- a) Understanding local wisdom. The village head must understand local wisdom. Local wisdom includes knowledge of traditional principles, rules and practices that have been used by villagers for many years
- b) Use of local wisdom in conflict resolution. In resolving conflicts, village heads can use local wisdom as a basis for understanding the sources and causes of conflict. For example, if a conflict occurs due to different understandings about customary rules, the village head can use customary knowledge to explain and resolve the issue.
- c) Using traditional methods. Local wisdom often includes traditional methods that have proven effective in resolving conflicts. For example, using musyawarah methods to reach an agreement that is fair and respectful to all parties involved.
- d) Integrating local wisdom with formal law. In some cases, conflicts that occur in rural areas also involve formal law. Therefore, the Village Head must be able to integrate local wisdom with formal law to effectively resolve conflicts.
- e) Analysis of custom-based conflict resolution. In rural areas, conflict resolution usually involves several important stages. First, the village head must be able to locate the source of the conflict. Often, conflicts in rural areas are caused by disagreements over traditional rules or practices. Second, the traditional way to reach an agreement is deliberation. In a musyawarah, all parties involved can talk and discuss to find solutions that are fair and respectful of each other. Third, adat knowledge can be used to explain and resolve problems arising from disagreements about adat rules.

One of the most easily understood types of alternative dispute resolution is mediation (Irmanto & Priyono, 2024). This alternative dispute resolution puts a mediator in charge of mediating disputes between disputants. According to Joseph Spence, there are three types of mediators. The first is social network mediators who work to resolve disputes because they have a social relationship with the disputing parties. The second is authoritative mediators, who seek to help disputants resolve conflicts and have a strong position, or authority, that can influence the outcome of the mediation process. Third, independent mediators, which are mediators who maintain inter-personal distance and the problems being faced (Rezaei dkk., 2021).

In this mediation technique, the disputants gather in one forum under the guidance of a mediator. The mediator does not make decisions; instead, he or she brings the parties together to understand each other and find ways to resolve the dispute. The mediator will help the parties reach an agreement to reconcile after they have communicated their intentions. The procedural law of mediation is not governed by fixed rules, but largely relies on local customs (Gayo, 2023).

Rural communities have a robust culture that reflects a social life built on sharing responsibilities or cooperating with one another. In contemporary communal life, this local knowledge is still prevalent. The terms "local wisdom," "local knowledge," and "local intelligence" are frequently used interchangeably. Some ethnic groups have acquired this human intelligence via communal experience, which is known as local wisdom. In other words, local wisdom is derived from the experiences of certain groups and is not necessarily shared by other communities.

The role of a village head is very important in resolving disputes in the village community. Historically, during the Dutch East Indies, village courts were recognized. Through the Rechterlijke Organisatie, which briefly states that it still recognizes the authority of judges from small legal communities (villages) to examine customary cases that fall under their authority, to adjudicate customarily without imposing (criminal) punishment. The role of a village head is very important in resolving disputes in the village community. Historically, during the Dutch East Indies, village courts were recognized. Through the Rechterlijke Organisatie, which briefly states that it still recognizes the authority of judges from small legal communities (villages) to examine customary cases that fall under their authority, to adjudicate customarily without imposing (criminal) punishment.

In Order to emphasize the function of the village head as a disputes resolver, article 28 threatens through sanctions, as stated:

- a) Village heads face administrative punishments, such as verbal reprimands and/or written warnings, for failing to fulfill their responsibilities as stated in Article 26 paragraph (4) and Article 27.
- b) In the event that the administrative sanctions as referred to in paragraph (1) are not implemented, temporary dismissal is carried out and can be followed by dismissal.

Neither the provisions of Law No. 6/2014 on Villages nor Government Regulation No. 43/2014 on the Implementation Regulations of Law No. 6/2014 on Villages explain the types of disputes, mechanisms, forms, decision products, or legal implications of village head dispute resolution. It is unclear whether the village head acts as a “village judge” or as a mediator as in alternative dispute resolution (ADR). This is different from the Desa Adat as stipulated in Section Two, Authority of Desa Adat, Article 103: “The authority of the Customary Village based on the right of origin as referred to in Article 19 letter a includes:

- a. Regulation and implementation of government;
- b. Regulation and management of ulayat or customary terroty;
- c. Preservation of the socio-cultural values of ;
- d. Penalty settlement was necessary to preserve the sociocultural values of the traditional village citation. Resolution of conflicts resolution of customary conflicts is accordance with the customary law that applies in the Customary Village in a manner that respects human rights values by giving priority to deliberate settlement;
- e. The organization of peace hearings of the Customary Village court in accordance with the provisions of laws and regulations;

The function of the village head as a dispute resolver will greatly help reduce the number of cases that go to the state courts, which are currently overcrowded. Informal courts, which are expected to provide restorative justice, will be more effective in resolving many civil disputes and customary criminal cases. It is founded on the knowledge and wisdom of a community generated from the noble ideals of cultural traditions to govern the order of communal life by utilizing local wisdom as a basis for discussion. The mediation process considers and incorporates local knowledge in addition to cultural values. Cultural values may be used to structure community life in order to increase welfare and promote peace, particularly in rural regions where custom-based dispute resolution is prevalent.

The impact of local wisdom integration on industrial relations is that the integration of local wisdom in the role of the village head as a mediator of industrial relations disputes can have a significant positive impact. First, it improves the harmonization of industrial relations by creating fair and beneficial solutions for both parties. Second, it reduces the potential for

protracted conflicts and creates a conducive work environment. Third, it strengthens social solidarity and creates a harmonious atmosphere in society

Analysis of Existing-Based Conflict Resolution in Rural Areas

Custom-based conflict resolution in rural areas has several advantages, such as: it is faster, cheaper, and more accessible to the community. The customary system also has strong moral values, encouraging parties to seek fair and sustainable solutions.

1. Speed. The mediation process is faster and more efficient than formal legal channels.
2. Affordability. The mediation process is cheaper and does not require expensive legal fees.
3. Accesbility. The customary system is easily accessible to all levels of society, without any social or economic status barriers.
4. Moral values. The customary system has strong moral values, encouraging parties to seek fair and sustainable solutions.

Custom-based conflict resolution mechanisms in rural areas are diverse and adapted to the local culture. For example, in some areas, conflicts are resolved through village meetings, where the parties are brought before community leaders and are expected to reach a mutual agreement. There are also traditional justice systems, such as sari sepuh or adat councils, which are authorized to adjudicate conflicts and impose punishments that the community deems fair.

1. Village deliberation the parties are brought before communitu leaders and are expected to reach a mutual agreement throught open dialogue and discussion.
2. Traditional justice systems such as sari sepuh or adat councils are authorized to adjudiate coflicts and impose penalties.
3. The village head acts as mediator, facilitating constructive dialog between workers and employers to reach a fair solution..

Despite its great potential, the application of local wisdom in industrial relations conflict resolution also faces several challenges. First, there is a difference in perception between the younger and older generations about customary values. Second, there is distrust of the customary system which is considered less objective and transparent. Third, the lack of support from the government in integrating local wisdom into the formal legal system.

Case Study: rural areas in Gorontalo

In Gorontalo, the role of the village head as a mediator in dispute resolution is still quite strong, especially in communities that uphold customary values and local wisdom. In Gorontalo, there is the concept of “Hulonthalo” which means unity and social harmony, which is still strongly held by the community. In more complex disputes, such as those related to

industrial relations or agrarian conflicts, the role of the village head sometimes involves the sub-district or district government to resolve them, but still maintaining customary principles in the process. Customary values in conflict resolution in general, Gorontalo customary tradition emphasizes values such as:

- a. Deliberation for consensus: All parties are invited to dialogue in a family atmosphere.
- b. Mutual cooperation (Tolemo): Often conflict resolution is followed by joint social activities to reinforce solidarity.
- c. Sipakala (Solidarity): The community is encouraged to maintain a sense of brotherhood and not to prolong the conflict
- d. Social justice: Custom-based conflict resolution often prioritizes social harmony over individual interests.

Here are some examples of customs practiced in various regions in Gorontalo, relating to dispute resolution mechanisms and local wisdom in everyday life:

1. Gorontalo District: “Mopohuta” Custom. Mopohuta is a Gorontalo custom that means “to reconcile.” This tradition is applied in resolving disputes between residents, be it family conflicts, land disputes, or labor disputes. The mopohuta process is usually led by the village head or a respected traditional elder. In practice, both parties to a dispute are called to gather and deliberate at the village hall or the village head's house. They will be listened to and invited to find a solution that benefits both parties, based on the values of justice and community.
2. North Gorontalo District: “Pohala’a” Custom. Pohala'a is one of the customary traditions often used in conflict resolution. In pohala'a, the village community gathers in a traditional meeting led by the village head and traditional leaders. The aim is to restore harmony between the disputing parties. Pohala'a emphasizes the value of sipakala (solidarity), where all parties are encouraged to maintain harmony and not damage relations between community members. The outcome of this deliberation is usually a peaceful agreement that is accepted by all parties.
3. Boalemo District: “Palebohu” Custom. Palebohu is a tradition rooted in the values of togetherness and mutual cooperation (tolemo). This tradition is not only a form of dispute resolution, but also a way for communities to strengthen social ties. In the context of conflict resolution, palebohu emphasizes open dialogue, where the village head acts as a facilitator who leads the community towards a peaceful solution. Once the dispute is over, the two disputing parties will engage in social activities together, such as working in the fields or helping with village development projects, as a symbol of reconciliation..

4. Pohuwato District: “Motonggolo” Custom. Motonggolo is one of the traditions used in dispute resolution in Pohuwato District. Motonggolo is a customary forum where the village head and other traditional leaders invite the disputing parties to speak and express their opinions. The process emphasizes fairness and openness. The village head acts as a mediation leader, trying to find a middle ground between the two parties, and often the decisions made in this tradition are considered binding because they are respected by the local community.
5. Bone Bolango District: “Mopohuli” Custom. Mopohuli is a Gorontalo tradition that is also applied in Bone Bolango to reconcile disputes. This tradition emphasizes mutual respect and prioritizes mutual agreement. Mopohuli is conducted by gathering all parties involved in a dispute for deliberation under the guidance of the village head. Decisions are usually agreed upon after various views and opinions have been fairly and thoroughly considered.

4. CONCLUSION

The integration of local wisdom in the role of the village head as a mediator in the settlement of industrial relations disputes in rural areas shows that custom-based approaches are still very relevant and effective in maintaining social harmony. The village head, as a central figure in the community, uses customary mechanisms such as deliberation, gotong royong, and values of solidarity to create peaceful, fair, and sustainable solutions. One effective strategy for resolving conflicts in rural areas is to incorporate local wisdom into the village head's function as a conflict mediator in industrial relations. To understand and resolve complex conflicts, local wisdom, i.e. the traditional knowledge and practices of the community, can be used. The village head, who is respected and knowledgeable, can help resolve conflicts in industrial relations. Village heads can understand the social and cultural context of the local community by using local wisdom as a reference. They can resolve disputes through a process of dialogue and compromise using their peaceful customs. Village heads can also use local wisdom to find the source of conflict and find a way that is fair for all parties. In conclusion, the integration of local wisdom in the role of village heads as mediators of industrial relations disputes can increase the effectiveness of conflict resolution in rural areas. Local wisdom and the role of the village head as a mediator are an effective combination in resolving complex conflicts in rural areas

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