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# Algorithms, Data, and Contemporary Legal Industry

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APOORVA CHANDRACHUR<sup>1</sup> AND VEDANT ERANDE<sup>2</sup>

## ABSTRACT

*There had been headlines all around with the advent of technology that artificial intelligence what's going to replace lawyers and that why would you need a lawyer when you had machines to do their work. However, this was not the case as was found out later. Artificial intelligence reduced the billable working hours of lawyers by 13 % which cannot be considered as it considerable amount to have a negative impact on a lawyer's career. On the contrary, the benefits of artificial intelligence and the human time and effort that was being saved as a result application of artificial intelligence to legal work was far more than the risk of artificial intelligence replacing human lawyers. Which new technologies got new and hyped-up expectations. However, every coming of the edge and cutting off the edge technology must be viewed with a bit of practicality and its impact on the future of human civilization. In the current scenario, artificial intelligence has more benefits than risks when it comes to using it for the legal fraternity. There were many apprehensions that artificial intelligence will be a disruptive technology in the sense that that the way normal lawyers work will be changed forever. However, it has turned out to be a development or an evolution to the legal processes carried out in the entire legal fraternity. It is of course, obvious, that lawyers will have to adapt to working with new technologies, but it is a positive sign as technologies make it a whole lot easier for humans to do their work. This article studies the scope of artificial intelligence, its applications in the legal fields, its negative and positive impacts in the world, and how AI has the ability to change the way the legal fraternity works.*

**Keywords:** Data Privacy, Legal Personality, Qui Tam Suit, AI-assisted Bots.

## I. OVERVIEW OF ARTIFICIAL INTELLIGENCE

*“By far, the greatest danger of Artificial Intelligence is that people conclude too early that they understand it.”*

—*Eliezer Yudkowsky*

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<sup>1</sup> Author is a student at Kirit.P. Mehta, School of Law, NMIMS, India.

<sup>2</sup> Author is a student at Kirit.P. Mehta, School of Law, NMIMS, India.

Artificial intelligence has been a topic of contemporary debates and discussions. Some see it as the next life-changing technology which will eliminate the need for humans to be employed while some see it as a technology that will intensely complement human labour.

Understanding Artificial Intelligence is a mammoth task but a superficial understanding of its working is enough to check what it holds in store for humanity in the future. Artificial intelligence is the ability of computers to do the tasks which have been predominantly done by humans like identifying speech, objects, people, making decisions based on information, etc. In a nutshell, artificial intelligence does exactly what a human mind does.<sup>3</sup>

How AI works is that it learns with experience. And experience for AI is ‘data’. As the system gets fed data, it adapts to it and learns from it through algorithms. This eventually makes it capable of making decisions and carrying out functions that would earlier,” require a human brain.”<sup>4</sup>

## **II. APPLICATION OF ARTIFICIAL INTELLIGENCE IN THE LEGAL INDUSTRY**

- One of the main facets of artificial intelligence is document review and research. When there are lots of documents, it becomes extremely tedious for humans to go through all of them and find out the relevant ones. It is a very tiring job and the chances of errors increases. Artificial intelligence goes through documents and researches documents way faster than humans do the margin for error is negligible. AI can also via its algorithm find out similar documents and relevant documents and forward this name to the relevant person. In this way, artificial intelligence saves humans a lot of time and effort in such tedious tasks.

- In cases of acquiring new clients or in cases of mergers and acquisitions, a lot of advocates and law firms must spend a considerable amount of time vetting and doing the due diligence of the clients and the companies involved in the mergers and acquisitions. Artificial intelligence can make this easier for the law firms as it can do due diligence on all the parties involved based on the data and the information that is fed to the system and provide a comprehensive report of the same.<sup>5</sup>

- Reviewing contracts and amending them takes up a huge chunk of time for anyone working in a corporate law firm. AI can make it easier for such forms by carrying out reviews

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<sup>3</sup> The Future of Law Firms (and Lawyers) in the Age of Artificial Intelligence Americanbar.org, [https://www.americanbar.org/groups/professional\\_responsibility/publications/professional\\_lawyer/27/1/the-future-law-firms-and-lawyers-the-age-artificial-intelligence/](https://www.americanbar.org/groups/professional_responsibility/publications/professional_lawyer/27/1/the-future-law-firms-and-lawyers-the-age-artificial-intelligence/) (last visited May 20, 2021).

<sup>4</sup> Mind Children — Hans Moravec Hup.harvard.edu, <https://www.hup.harvard.edu/catalog.php?isbn=9780674576186> (last visited May 20, 2021).

<sup>5</sup> Isba.org, <https://www.isba.org/sites/default/files/committees/futures/Canadian%20Bar%20Association%20-%20Legal%20Futures%20Initiative%20%28June%202013%29.pdf> (last visited May 20, 2021).

of contracts and pointing out errors and suggesting amendments to that particular part of a contract. The intriguing part is that it saves a lot of time as artificial intelligence can review multiple contracts at a time which saves both human effort and valuable time.

- Another use of AI in the public sphere is that it helps the government formulate better laws and better regulations and policies. It also helps the government to analyse legally whether a particular applicant for a government scheme is eligible to be given benefits or not. This saves a lot of paperwork and human effort.<sup>6</sup>

- The use of artificial intelligence in the judicial sphere has been noticed it has been increasing day by day. An example of the use of artificial intelligence while deciding cases is the judge could make use of AI while deciding and assessing the risk society may have while giving bail to the offender. The help of AI might be sought to do a risk assessment hand to help decide whether the bail should be given or not.

- Many law firms employing services of AI-assisted bots to interact with consumers or customers who visit a particular website looking for help. The AI-assisted bots help the consumer navigate through various legal options without requiring human contact.<sup>7</sup>

### **III. ISSUES THAT CAN BE ENVISAGED PERTAINING TO ARTIFICIAL INTELLIGENCE**

- There are currently no regulations to regulate the extent of working of artificial intelligence. Due to this, it is very difficult to ascertain liability in case damage is caused by the use of artificial intelligence. The main problem with ascertaining liability when it comes to the use of AI is who should be held responsible in case a liability arises? Should the organization that employs the services of the AI be held liable or the designer or the developer develop the AI be held liable for negligence in case of negligent conduct by the artificial intelligence system. This is a Gray area and a lot of thought must go into this to see to it that there aren't any loopholes and nobody supposes any damage because of this.<sup>8</sup>

- The main fodder that the artificial intelligence mechanism works with is data for AI mechanisms to work efficiently in the field of law, unrestricted access to data is

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<sup>6</sup> Lawyers Meets Artificial Intelligence-Triella, <https://www.triella.com/lawyers-meets-artificial-intelligence/> (last visited May 20, 2021).

<sup>7</sup> Legal Tech Startups Have A Short History And A Bright Future Techcrunch.com, [https://techcrunch.com/2014/12/06/legal-tech-startups-have-a-short-history-and-a-bright-future/?guccounter=1&guce\\_referrer=aHR0cHM6Ly93d3cuZ29vZ2xiLmNvbS8&guce\\_referrer\\_sig=AQAAALUURqHvPH\\_Etrp9kkDK6tNEzft8Oohm5ewkiHSPZ7Mwn\\_qD9RrxSbDz4xcMK\\_32w89hdqHn7p6Utluxw\\_z6eBNPaCQvNy3rx9uJB2ZIEuf4pCEiLPGEfC\\_ZoS4LIXKCTm\\_4p1DVCHmU\\_p1PN1Mc3PV3srPeTRxrXkYWg0in-A](https://techcrunch.com/2014/12/06/legal-tech-startups-have-a-short-history-and-a-bright-future/?guccounter=1&guce_referrer=aHR0cHM6Ly93d3cuZ29vZ2xiLmNvbS8&guce_referrer_sig=AQAAALUURqHvPH_Etrp9kkDK6tNEzft8Oohm5ewkiHSPZ7Mwn_qD9RrxSbDz4xcMK_32w89hdqHn7p6Utluxw_z6eBNPaCQvNy3rx9uJB2ZIEuf4pCEiLPGEfC_ZoS4LIXKCTm_4p1DVCHmU_p1PN1Mc3PV3srPeTRxrXkYWg0in-A) (last visited May 20, 2021).

<sup>8</sup> Liability for AI: public policy considerations Springer Link, <https://link.springer.com/article/10.1007/s12027-020-00648-0> (last visited May 20, 2021).

mandatory. This might cause problems because data privacy even though an unregulated subject of law is a very potential problem.

- Another area that is the cause of concern the losing artificial intelligence in the field of law is potential bias. As it is already established that artificial intelligence works and learns from a set of data, it is possible that the AI may not be able to filter out the bias from the existing data. For example, if law enforcement in a particular area has been biased towards a particular community, judges by using data from that particular area may get biased results because of the biased set of data that exists.<sup>9</sup>

#### **IV. REPERCUSSIONS OF APPLICATION OF ARTIFICIAL INTELLIGENCE**

1. Artificial Intelligence has an incontestable positive impact but the fact that it has a flip side full of inadequacies makes it susceptible to attacks. This just implants a false sense of security in the organizations.

2. It requires an exorbitant amount of money to set up and alter it with the changing societal needs as society is like an organism that keeps evolving that poses a challenge to the machines to be upgraded from time to time. Instances of consequential breakdowns would require massive time, effort, and money.

3. Artificial Intelligence is as robust as the data and algorithm supporting it. A human is always required to monitor the working of AI and the results produced by it as the strength and the limitation of both of AI is that it does the work it is programmed to do. A law firm was criticized for failing to properly supervise a discovery consultant that used search phrase and keyword filters to filter records, among other items. Unfortunately, the procedure did not properly inspect the provider or audit the documentation before processing, resulting in the government producing privileged documents in a **qui tam suit**. The case is already underway seven years later, and it acts as a cautionary tale on not blindly trusting AI systems.<sup>10</sup>

4. Another issue with Artificial Intelligence is that it lacks human acumen, lacks the intuitive response people develop through experience which helps them adapt and react quickly to any given situation.

5. The entire system of AI is based on various data and algorithm, so when it comes to the issue of Data Privacy it seems like a grey area because AI in order to function requires a large amount of data and the user of the system needs to understand how their data is used but as

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<sup>9</sup> The ethics of artificial intelligence: Issues and initiatives [Europarl.europa.eu](https://www.europarl.europa.eu/RegData/etudes/STUD/2020/634452/EPRS_STU(2020)634452_EN.pdf), [https://www.europarl.europa.eu/RegData/etudes/STUD/2020/634452/EPRS\\_STU\(2020\)634452\\_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2020/634452/EPRS_STU(2020)634452_EN.pdf) (last visited May 20, 2021).

<sup>10</sup> Responsibility and AI [Rm.coe.int](https://rm.coe.int/responsability-and-ai-en/168097d9c5), <https://rm.coe.int/responsability-and-ai-en/168097d9c5> (last visited May 20, 2021).

Law Professionals are new to the system, understanding the algorithm and usage of the data would require excessive time and efforts and even after doing so there is no surety that the data would be safe considering a large number of Cybercriminals and data privacy cases surfacing in recent times.<sup>11</sup>

6. The crucial question of legal liability in relation to Artificial Intelligence is that if there is an issue with the AI who will bear the when criminal liability and whether an AI application is a product subject to product design regulations (e.g., in cases of design or engineering failures) or service subject to the tort of negligence under civil law. Another issue who will be accountable and compensate for the damage done, and whether or not an AI entity should be held legally accountable (beyond the criminal liability of the manufacturer, end-user, or owner, and their civil liability).<sup>12</sup>

7. The complex nature of legal reasoning can be a possible obstacle to implement because it is a parallel process that changes with facts as every case has a unique set of facts and no amount of data can fathom the upcoming case and new set of facts and also the answers to questions changes during the whole process, right from filing a case to the results because the entire process is volatile and depends on lots of elements that cannot be possible predicted like emotions, inherent biases, etc.

## V. CONCLUSION

Everything in law starts with legal research, it is the stepping stone for practicing law and in order to adapt to technological advancements, it has gone through series of developments. Considering the data available it is safe to say that there are many arguments that show that how will Artificial Intelligence will affect the industry and to deeply integrate Artificial Intelligence in the field of Law we will see legal professionals working in close proximity with the computers than the traditional way (i.e., dealing with clients). The evaluation of the dependability of the professional will be based on the parameter of how well versed he is with working with Artificial Intelligence and managing clients with interpersonal skills.

In the era where technological innovation is at its peak, many new technologies rise and fall often so It can be argued that every new legal development is not here to stay but considering the data and the efficiency of Artificial Intelligence it definitely points towards imminent

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<sup>11</sup> Security & Privacy in Artificial Intelligence & Machine Learning—Part-6: Up close with Privacy Medium, <https://towardsdatascience.com/security-privacy-in-artificial-intelligence-machine-learning-part-6-up-close-with-privacy-3ae5334d4d4b> (last visited May 20, 2021).

<sup>12</sup> When AI systems cause harm: the application of civil and criminal liability | Lexology Lexology.com, <https://www.lexology.com/library/detail.aspx?g=6ee25b10-23df-4452-b138-4da1104f70a7> (last visited May 20, 2021).

change. Considering the fact that Artificial Intelligence is already amending traditional ways be it economy or social interaction, it is not plausible to think that the legal field will be exempted from undergoing change.

It seems like earlier rather than later legal technologies would have an important effect. Culture may delay the introduction of legal technologies, but the mainstream culture can at some stage be overcome by those on the periphery who want to respond to the demands of the market and restructure the distribution of legal services.

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