

## **Artificial intelligence and consumer rights**

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### **Abstract**

This study presents a quantitative assessment of artificial intelligence and the right of consumers that the artificial intelligence is a new area of discipline. Artificial intelligence and law are undergoing major changes. Traditionally focused on expert system development and academic research efforts to develop theories and methods of knowledge representation and reasoning in the legal field, the discipline has now adapted Changes in scenery. The paper also inserts a set of rights to the consumers, which states about the principles of fairness, safety to the consumers and the ensured to protection of consumers. We believe that although the transition is still in progress, the time is ripe for the next frontier in the research field, a new balance shift may appear enable by tools and services that can provide services not only for businesses but also for consumers, more broadly, in the civil society.

**Keywords:** artificial intelligence, right of consumers, discipline, fairness, safety, protection

### **Introduction**

There is no accepting definition for Artificial intelligence, Artificial intelligence is an activity dedicated to making machines intelligent, and intelligence is the quality that enables entities to function normally in their environment and have a vision. Now program machines to think like humans and imitate human behaviors. The unique thing about artificial intelligence is its ability to learn and rationalize independently, and then take actions that are most likely to achieve specific goals when needed. This makes it different from conventional software programs [1]. On the contrary, for traditional software programs, developers must define all the ways the program can follow to solve specific problems during its life cycle.

Artificial intelligence is changing the consumer market and the way our society operates. Artificial intelligence evokes a huge promise to make our lives easier and society better. It supports a range of new products and services from digital assistants to autonomous vehicles and various smart devices. All of these can bring benefits to consumers, but the widespread use of AI has also attracted a lot of attention. Consumers are at risk of manipulation, discriminatory treatment and arbitrary, non-transparent decisions. It must be ensured that consumers have strong tangible rights, defend themselves when necessary, and enable them to benefit from the digital transformation of our society.

The 21st century will be known as the digital era: consumers' lives are increasingly dominated by their interaction with products and services that are interconnected and increasingly automated using algorithms. The shift towards algorithm-based decision making and artificial intelligence is changing the way in which consumer markets and our societies function. Although the opportunities AI offers for consumers can be significant, strong consumer rights are necessary to address the risks associated with the digital transformation and to ensure that consumers and society as a whole can reap the benefits of it.

### **Scope of the paper**

The paper introduces a broad conversation about information privacy and AI. It is written for the current scenario around the globe with reference to artificial Intelligence. It should be noted that legal issues, consumer rights, justice to the consumer related to AI are also the scope of this article. The purpose of this study to discuss about information privacy which may cause a violation to the consumer the sub topics will be critically studied.

### **Objectives and research issues**

The objective of research issue includes the artificial intelligence and the right of the consumers. Whether the AI violates consumer rights? What is lawyer's view on this particular discipline? How AI and consumer protection laws awaken the COVID-19 pandemic? At the last stage of the paper it also covers the conclusion and suggestion.

### **Literature review**

- Nishika Gupta, a Literature Survey on Artificial Intelligence in the International Journal of Engineering Research & Technology 2017.

In this research article the author is briefly explained about the AI according to science prospectus and historical prospectus. AI such as Machine Learning, Natural Language processing, Image Processing and Data mining have become an important topic for today's tech giants. Author also stated the field of artificial intelligence gives the ability to the machines to think analytically, using concepts.

- Mr. Stankovic and Ravi Gupta, A Legal, Ethical and Policy Implications of Artificial Intelligence in the journal of Law Justice and Development.0

In this journal the authors stated in an era of increasing data collection and use, privacy protection is more important than ever before. To foster advances in AI that benefit society, policy frameworks must protect privacy without

Limiting innovation. For example, governments should encourage the development of anonymization techniques that enable analysis of large data sets without revealing individual identities and enact laws that recognize the value of anonymization in preserving privacy. Governments should provide reasonable latitude in assessing whether data used for AI analysis is within the scope of its original purpose.

- Prof, Pallavi Gupta, an Artificial Intelligence and legal challenges in India, available at Researchgate.in ISSN-2582-6403.

In the journal, the literature pointed out that artificial intelligence itself also plays a very important role in the legal profession. The most challenging part is data protection around AI, because each AI interface is completely dependent on the data input to its system. Secondly, in the absence of artificial intelligence directly acting behind any action taken by the artificial intelligence system. Therefore, the author also raised a question, that is, who should be responsible for the losses that innocent users may suffer? When we do not fully understand the decision-making methods of artificial intelligence systems, this will also become the danger of completely eliminating human supervision, that is, decisions that rely entirely on artificial intelligence systems. The author also talked about India's privacy policy and robots such as "Sophia".

### **Analysis the right of consumers**

#### **What is the Consumer Protection?**

The Consumer Protection Act of 1986 aims to protect and promote the interests of consumers through quick and inexpensive remedial complaints. It applies to all types of enterprises, regardless of whether it is a private or public sector, or a cooperative sector, whether it is a manufacturer, a trader or a trader, whether it is to provide goods or provide services. It can be seen that sometimes product advertisements are misleading, they persuade consumers to buy too many products, and may be wrong, false or misleading consumers spend money on buying goods. Sometimes, dealers do not give receipts for purchases, so many consumers can gather together and swear to the authorities as a class action lawsuit. Then the authorities can steal the dealers and ask them to provide detailed information and records. In order to stop his unfair trade practices, his business was purchased by consumers. However, if the manufacturer later changes or modifies the product, the endorser must prove that it is the original product in the advertisement.

### **The Consumers rights**

**There are several rights given to the consumers, they are as below**

#### **Rights to Protection/Safety**

Consumers should understand the knowledge of the products/commodities they buy, including the quality of the goods, regardless of whether they are good for health and do not cause any environmental hazards. Like all foods, consumers who need to be educated about the various hazards and problems related to product marketing/advertising are safe to eat.

#### **Right to be informed**

Informing consumers about the rights of goods and services

is the responsibility of manufacturers, distributors and traders to consumers. In commodities such as food, the batch number, expiration date, packaging date and ingredients used should be notified.

#### **Right to choose**

The Another right of the consumer is that, they can choose from the multiplicity of commodities at a reasonable price.

#### **Right to be heard**

If they are not satisfied with the goods or services, consumers have the right to file a complaint and conduct a hearing. Many commercial companies have established their own consumer service and complaint groups, and they are helping consumers correct their complaints.

#### **Right to seek redressal**

If the product or service does not meet his expectations or is not satisfied, the consumer has the right to receive relief. Relief measures can be in the form of product replacement, elimination of product defects, compensation, and product recovery.

#### **Right to consumer awareness**

Consumers should understand the goods and services they buy. Consumers should take the initiative to obtain information about the goods to be purchased. Consumers have the right to acquire knowledge and become informed consumers. Consumers have rights and can get relief if the product or service falls short of his expectations. When they buy any product, there will be a brochure or product information inside the product, and consumers must read the brochure before using the product.

#### **The lawyer's view of artificial intelligence**

The technology and as its phenomenon, artificial intelligence has attracted the attention of various disciplines including legal scholarships. Even if the topic seems to be a new topic, some people in the legal profession have been interested in AI for some time. Indeed, regular visitors to the International Conference on AI and Law held every two years and regular readers of "Artificial Intelligence and Law" publication may strongly object that AI and law are a new discipline, or that artificial intelligence is an emerging discipline. A new phenomenon only recently discovered by the legal profession.

It also includes criminal law and criminal liability, mens-rea, competition law and data issues such as market power and algorithmic collusion; intellectual property law, issues related to the copyright of computer-generated works and inventions and the possibility of using AI to implement intellectual property rights, Private law (i.e. tort law and contract law) and international law have been extensively debated around the use of automatic weapon systems.

#### **AI rights for consumers**

Consumers' AI rights involve ensuring fair, safe and justice and principles aimed at ensuring a high level of consumer protection. These rights should be embodied and transformed into enforceable rules so that AI can provide services to consumers without harming them. Legislators must ensure the safety of AI products and services and avoid risks, including discrimination, loss of privacy, and loss of autonomy and lack of transparency. In particular,

consumers should have the following rights

- Right to Transparency, Explanation, and Objection
- Right to Accountability and Control - Right to Fairness
- Right to Non-discrimination <sup>[2]</sup>
- Right to Safety and Security
- Right to Access to Justice
- Right to Reliability and Robustness

### Analysis and critical thought

The challenge debate revolves around the regulation of the technology in the field of domestic and international law. One of the primary considerations surrounding AI is data protection, because every AI interface is completely dependent on the data being fed into its system. Secondly, in the absence of direct application of human thought behind any action taken by the artificial intelligence system, it should be held responsible for the losses that innocent users may suffer. There are also criticisms that fully automated or fully dependent on AI systems may pose risks to humans <sup>[3]</sup>. There are some dangers in completely eliminating manual supervision, that is, when we do not fully understand the decision-making method of the AI system, it will completely depend on the decision-making of the AI system <sup>[4]</sup>.

In India do we have some scheme or policy on application of Artificial Intelligence-In the global market, AI is yet to have a guidepost, be regulated or even be legally understood. Niti Aayog released the national programme on probabilities AI in various sector. In keeping with this objective, the government is set to support start-ups and centres of excellence with respect to AI training and research activities. In the course of communicating with the Chatbot, if a person was to reveal sensitive personal information for any reason whatsoever, In the case of a machine learning Chatbot which does not work as per a scripted text and has collected sensitive personal information.

### AI and consumer protection laws awaken the covid-19 pandemic

The Federal Trade Commission (FTC) has extensive experience in implementing consumer protection through data and algorithms that protect consumers. This statement further strengthens the reality of combining AI technology to implement such protection. The top priority of the evaluation will be the traditional concepts of fairness, accuracy and transparency. These concepts are consistent with Section 5 of the FTC Act <sup>[5]</sup> prohibiting unfair and deceptive conduct, the Equal Protection Act (such as the Equal Credit Opportunity Act <sup>[6]</sup>) and consumers' access to credit, employment and insurance, such as the Fair Credit Reporting Act ("FCRA") <sup>[7]</sup>.

Section 5(a) of the Federal Trade Commission Act <sup>[8]</sup> is designed to prevent "unfair or deceptive acts or practices in business activities or affecting business" and is generally used to enable companies to comply with fair and transparent privacy and security standards. For example, in times of crisis, people may be more willing to share personal information related to COVID-19 identity and location for certain purposes.

### Supreme Court of India on Right to Privacy

The Supreme Court of India consists of nine judges composed of judges R.K. Agrawal, S.A. Bobde, J.S.

Chalameswar, Dr. D.Y. Chandra Chud (S.K.) R.F. Kaul Nariman, S.A. Nazeer and AM Saples agreed that the right to privacy is an inherent part of the right to life and personal freedom guaranteed in Article 21 of the Constitution of India and Article 14 and 19 freedoms guaranteed in Part III of the Constitution of India This is a milestone in the verdict of Justice Puttaswamy <sup>[8]</sup>. In this case, the Supreme Court held that reasonable expectations for privacy may vary from private areas to private areas and from private areas to public places. SC once again explained the importance of privacy, that is, privacy will not be lost or handed over to individuals in public places. In addition, the quorum view is that privacy always belongs to people, because it is a fundamental aspect of human dignity.

### Accountability and governance

The information privacy law advocate governance and oversight to ensure that appropriate structures are established to prevent power imbalances between citizens and governments. It depends on the supervisory authority to ensure that personal information is handled correctly. The challenges to our understanding of information privacy when effectively supervising AI technology. The difficulty of monitoring technology has been discussed in depth elsewhere, but some considerations specifically related to AI and information privacy include:

- Artificial intelligence technology is not limited to one state or jurisdiction, so it is difficult to create and uphold good privacy practices and cross-border governance.
- Good governance must be based on an understanding of technology. As AI continues to develop rapidly, the long-term gap between law and technology is widening, and the complexity and widespread use of AI continue to grow.

### Conclusion and Suggestion

The term "artificial intelligence" includes a wide range of technologies in its scope. The process makes it difficult to understand and therefore formulate policies. Due to the application of AI, we are unable to cope with the challenge, which forces us to understand the weaknesses of the legal system for coping with AI. Since AI is the ability of machines to imitate human intelligent behaviour However, equally importantly, AI also throws up key normative and practical questions of ethics and governance that will play a central role with increased adoption of these technologies.

According to my opinion, we should not forget that AI applications are not only harmful or violates privacy of consumers. AI-based systems can also be used to enhance consumer rights. AI-based personalization can help ensure that the information and contracts provided to consumers are tailored to the wishes and needs of individual consumers.

In our country the general rule is that since an AI cannot meet the criteria for being a legal person, it cannot assume responsibility in its own capacity. The biggest obstacle to considering this rule is how to punish AI misconduct or who will be held responsible. Will this be the technology developer, the retailer or the final consumer?

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