INDIAN JOURNAL OF LEGAL REVIEW [IJLR – IF SCORE – 7.58]

VOLUME 6 AND ISSUE 2 OF 2026

APIS – 3920 - 0001 *(and)* ISSN - 2583-2344

Published by

Institute of Legal Education

https://iledu.in

WHY IT IS UNREASONABLE AND UNJUST TO GRANT LEGAL PERSONHOOD TO ARTIFICIAL INTELLIGENCE

AUTHOR - UTKARSH RAGHUNATH, STUDENT AT SCHOOL OF LAW, CHRIST (DEEMED TO BE UNIVERSITY)

BEST CITATION – UTKARSH RAGHUNATH, WHY IT IS UNREASONABLE AND UNJUST TO GRANT LEGAL PERSONHOOD TO ARTIFICIAL INTELLIGENCE, *INDIAN JOURNAL OF LEGAL REVIEW (IJLR)*, 6 (2) OF 2026, PG. 821-829, APIS – 3920 – 0001 & ISSN - 2583-2344. DOI -https://doi.org/10.65393/RFCM8213

ABSTRACT

The emergence of Artificial Intelligence has come up with serious controversies concerning whether autonomous technological systems are legally considered or not.[2208] Other academics and policy makers have suggested that AI systems should be given the legal status of persons as a way of countering the problem of accountability when autonomous systems malfunction and harm people.[2209] This debate entered mainstream legal discourse with a proposal of the European Parliament of 2017 suggesting the idea of electronic personhood.[2210] Nevertheless, the concept is still debatable in the field of jurisprudence and regulatory theory.

This paper suggests that Artificial Intelligence should not be given legal personhood due to its imprudence as well as unfairness.Historically, legal personhood is a legal fiction designed to accomplish certain social goals like commercial facilitation, religious interests conservation, or environmental resource protection.[2211] Corporations, idols and rivers have been given legal identity due to the fact that they safeguard identifiable human or ecological interests.[2212] Artificial Intelligence, in its turn, does not have any consciousness, moral agency, and intrinsic interests. It is incapable of having intentions, moral responsibility, and independent rights to be accorded legal status.

This paper explores the notion of legal personhood, jurisprudential conditions of identifying non-human beings as legal persons, and the analogy of symbolic personhood in law.[2213] The paper will also examine the dangers of AI personhood such as corporate liability caps, lack of responsibility and moral hazards in technology advancement. The paper suggests that the harms caused by AI systems are better regulated by the existing legal doctrines of strict liability, corporate accountability, product liability, and transparency through algorithmic means.[2214]

Finally, it is concluded in the paper that the legal personhood of AI would be counterproductive to core foundations of justice by placing the burden off on the human agents who create, implement, and make money on AI technologies. An anthropocentric regulatory system is the most consistent and reasonable model of the regulation of artificial intelligence.[2215]

Keywords: Accountability, Artificial Intelligence, Legal Fictions, Legal Personhood, Responsibility.

[2208] European Parliament Resolution of 16 Feb. 2017 with recommendations to the Commission on Civil Law Rules on Robotics, 2015/2103(INL).
[2209] Simon Chesterman, We, the Robots? Regulating Artificial Intelligence and the Limits of the Law (Cambridge Univ. Press 2021).
[2210] Joanna J. Bryson, Mihailis E. Diamantis & Thomas D. Grant, Of, for, and by the People: The Legal Lacuna of Synthetic Persons, 25 Artificial Intelligence & L. 273 (2017).
[2211] Andrea Bertolini & Michela Episcopo, The (Un)Accountability of Artificial Intelligence: Why Electronic Personhood Won't Solve the Problem, 6 Eur. J. Risk Reg. (2022).
[2212] Luciano Floridi & Josh Cowls, A Unified Framework of Five Principles for AI in Society, 1 Harv. Data Sci. Rev. (2019).
[2213] Rylands v. Fletcher, (1868) LR 3 HL 330 (HL).
[2214] Restatement (Second) of Torts § 402A (Am. L. Inst. 1965).
[2215] Mohd. Salim v. State of Uttarakhand, W.P. (PIL) No. 126/2014 (Uttarakhand HC 2017).

INDIAN JOURNAL OF LEGAL REVIEW [IJLR – IF SCORE – 7.58]
VOLUME 6 AND ISSUE 2 OF 2026
APIS – 3920 - 0001 *(and)* ISSN - 2583-2344
Published by
Institute of Legal Education
https://iledu.in

Introduction

Artificial Intelligence has become one of the most groundbreaking technological happenings of the twenty-first century.[2216] AI is becoming more and more adopted in different industries such as healthcare, finance, transportation, governance, and legal decision-making.[2217] Predictive algorithms, autonomous vehicles, generative AI systems, and decision-support technologies now have an impact on some of the major areas of human life. The legal system of any country is challenged with complicated regulatory issues concerning responsibility and liability as AI systems are increasingly becoming more sophisticated and can make independent decisions.[2218]

One of the main aspects in AI governance is responsibility in instances where AI systems harm.[2219] Indicatively, autonomous cars are likely to create accidents, AI-based decision processes will be discriminatory, and intelligent trading systems will evoke financial turmoil. Under these circumstances, it is hard to decide who will be legally responsible because the relationships between developers, manufacturers, users, and the system of artificial intelligence are complicated.[2220]

The concept of giving Artificial Intelligence the legal status of a person is one of the controversial suggestions to cover this gap in accountability.[2221] Legal personhood would enable the AI systems to enjoy rights and liabilities just like corporations or other established legal entities.[2222] The AI systems under this system can theoretically own money, sign contracts, and be liable to damages as a result of their actions.[2223] This was introduced into the international policy debate when the European Parliament suggested in a 2017 resolution the concept of an electronic personhood of highly autonomous AI systems.

Nonetheless, the decision to grant AI legal personhood brings serious philosophical, ethical and legal issues.[2224] Legal personhood is not just a term of technical classification but a normative term that embodies the legal system concept of accountability, rights, and moral agency.[28] Traditionally, the legal systems have applied personhood to non-human entities only in situations in which it fulfills human, social or environmental objectives, which can be defined.[29] Artificial Intelligence is not similar to the objects like corporations, religious idols, or natural phenomena like rivers as it is not conscious, morally acting, and has no interests.[30]

In this paper, it is suggested that it would be illogical and unfair to award Artificial Intelligence legal personhood.[31] Instead of addressing issues of accountability, AI personhood would pose a threat towards establishing accountability shields to corporations, undermine the value of human accountability, and distort the value of legal personhood.[32] Regulation of AI within the legal system should rather be confined to the available doctrines like strict liability, product liability, corporate responsibility and regulatory oversight.[33]

Research Problem

The case on AI legal personhood poses a number of conceptual, ethical, and regulatory dilemmas that need to be thoroughly analyzed.[34] These questions are the basis of the problem of the research that will be discussed in this paper.[35]

[2216] Ryan Calo, Robots and the Lessons of Cyberlaw, 103 Calif. L. Rev. 513 (2015).
[2217] Frank Pasquale, New Laws of Robotics: Defending Human Expertise in the Age of AI (Harvard Univ. Press 2020).
[2218] Stuart Russell & Peter Norvig, Artificial Intelligence: A Modern Approach (4th ed. 2021).
[2219] Nick Bostrom, Superintelligence: Paths, Dangers, Strategies (Oxford Univ. Press 2014).
[2220] Cary Coglianese & David Lehr, Regulating by Robot: Administrative Decision Making in the Machine-Learning Era, 105 Geo. L.J. 1147 (2017).
[2221] Karen Yeung, Algorithmic Regulation: A Critical Interrogation, 12 Regulation & Governance 505 (2018).
[2222] Ian Kerr, Bots, Babes and the Californication of Commerce, 1 U. Ottawa L. & Tech. J. 285 (2004).
[2223] Woodrow Barfield & Ugo Pagallo, Research Handbook on the Law of Artificial Intelligence (Edward Elgar 2018).
[2224] OECD, Principles on Artificial Intelligence (2019)

Conceptual Question

The main question is whether Artificial Intelligence can pass the conceptual test of the rights to hold legal personhood.[36] Legal persons refer to individuals, which are able to have rights, duties and responsibilities in a legal system.[37] Although natural persons have their own conscience and moral agency, artificial persons who have been accorded personhood as in the case of corporations act through human agents and reflect on the interests of the human race as a whole.[38] AI systems do not have a sense of consciousness nor can they act in a morally responsible way, which begs the question whether they can have a legal responsibility at all.[39]

Ethical Question

The second question of crucial importance is whether the personhood given to AI would foster justice or destroy it. When AI systems are viewed as legal actors on their own, there is a likelihood that human creators, developers and corporations would pass the blame to the AI system itself. This may end up in cases where the victims of harm cannot take real decision-makers to task.[2225]

Comparative Question

Legal systems have been offering personhood to non-humans in the past such as corporates, religious icons, and features of nature such as rivers. These examples can be used as helpful information about the roles and restrictions of legal personhood. However, the comparative analysis is needed to understand if AI can be categorized as one of the established non-human legal persons.

Regulatory Question

Lastly, the discussion begs the question that AI personhood is needed to control technological harms. Other regulatory frameworks, such as strict liability regimes, product liability regimes, corporate accountability regimes, and algorithmic transparency requirements, could be better solutions, without new legal fictions.

The paper assumes the stance of AI legal personhood being conceptually unsound and practically redundant. As opposed to improving accountability, it may harm justice by providing influential actors with incentives to escape accountability.

Research Methodology

This study employs a doctrinal and analytical approach that will be based on legal scholarship, legal theory of jurisprudence, and comparative legal theory.

To start with, the paper uses primary legal materials, such as judicial rulings and administrative documents on legal personhood and non-humans. The judicial precedents of India, which acknowledge the existence of idols and natural entities as legal persons are also valuable sources of information concerning the logic of symbolic personhood.

Second, the study relies on the secondary sources which contain academic books, journal articles, and policy analyses in the field of artificial intelligence governance, legal theory, and technology regulation. The sources offer theoretical insights into the boundaries of legal personhood and the ethical aspects of AI regulation.

Third, the analysis is comparative, overlooking various types of non-human legal personhood as corporations, idols, rivers, and drawing parallels with the AI systems. Such a comparison will allow determining whether AI has features that warrant an equivalent recognition.

Lastly, the paper follows a normative approach to analysis by assessing whether giving AI personhood is consistent with the most basic legal principles, including accountability, justice, and responsibility.

Literature Review

The debate on whether Artificial Intelligence is entitled to have legal personhood has raised a

[2225] Lawrence B. Solum, Legal Personhood for Artificial Intelligences, 70 N.C. L. Rev. 1231 (1992).

vast amount of debate among legal, philosophical, ethical, and technology regulation scholars. As machine learning systems, autonomous technologies, and generative artificial intelligence have emerged and developed rapidly, legal scholars have begun to consider the possibility that the current legal rules can adequately address the issues presented by these systems. Other commentators have considered the option of granting AI a legal personality to exercise rights and responsibilities, especially in cases where an autonomous system makes decisions with minimal human supervision.[2226] Nonetheless, even in the academic literature, the vast majority of researchers doubt the possibility, consistency, and even the despiability of providing artificial intelligence with legal personhood. According to the argument of many scholars such a recognition would misrepresent the well-established tenets of legal responsibility, not to mention harming the very purpose of accountability in law. Instead of establishing a novel type of legal persons, the majority of the scholars encourage the reinforcement of the current structure of legal provisions like a product liability, corporate responsibility, and regulatory control.[2227]

Simon Chesterman is of the opinion that AI systems ought to be perceived as technological tools designed and operated by human entities as opposed to legal entities that merit legal status. Chesterman in his discussion about new AI governing structures stresses that artificial intelligence, however sophisticated, all works based on algorithms that have been created and executed by human computer programmers, companies, and institutions. He cautions that the decision to grant legal personhood to AI may lead to major gaps in accountability since corporations may seek to offload technological harms by placing the blame on autonomous systems. This type of development, he opines, would enable the organizations that develop and make money out of AI technologies to dissociate themselves with responsibility, thus undermining the legal responsibility. Chesterman also adds that the concept of legal personhood has always had certain social and institutional functions, including the possibility to engage in commercial transactions as with corporations. In contrast, AI systems do not have any personal interests or societal roles that would make them eligible to such treatment. This is why he insists that law should keep transparent systems of accountability that connect the results of the AI systems to the human participants that design, implement and regulate these systems.[2228]

The proposal of electronic personhood, developed by the European Parliament in 2017, is severely criticized by Joanna Bryson, Mihailis Diamantis, and Thomas Grant. They contend in their influential criticism that artificial intelligence does not have the necessary features in order to be legally responsible, such as moral awareness, intentionality, and the capacity to comprehend the outcomes of its actions. The traditional assumption of legal responsibility is that a given action assumes the ability by the actor to make or create intentions, understand legal norms, and react to incentives or punishment. AI systems, on the other hand, are run by computation processes that are not matters of deliberate thinking or moral judgment. Bryson and her co-authors thus argue that it would be conceptually erroneous to give legal personhood to AI. More to the point, they caution that electronic personhood would introduce legal gaps that would allow corporations to get away with the actions of AI systems. Treating an AI system as its own legal person would encourage corporations to transfer the negative consequences of the autonomous actions of the AI to design, program, or management flaws. This would bring down the intention of the legal liability,

[2226] Frank Pasquale, *New Laws of Robotics: Defending Human Expertise in the Age of AI* (Harvard Univ. Press 2020).
[2227] Ryan Calo, Robots and the Lessons of Cyberlaw, 103 Calif. L. Rev. 513 (2015).
[2228] Simon Chesterman, *We, the Robots? Regulating Artificial Intelligence and the Limits of the Law* 78–90 (Cambridge Univ. Press 2021).

INDIAN JOURNAL OF LEGAL REVIEW [IJLR – IF SCORE – 7.58]
VOLUME 6 AND ISSUE 2 OF 2026
APIS – 3920 - 0001 *(and)* ISSN - 2583-2344
Published by
Institute of Legal Education
https://iledu.in

which is to keep the creators and deployers of technologies liable to their effects.[2229]

Another regulatory framework is suggested by Matthew Scherer, which is a risk-based regulatory framework instead of a legal person-based one. Analyzing the regulation of AI, Scherer believes that AI systems should be regulated by a flexible law that provides various systems of AI under the classification of risks to society. Instead of the creation of new legal persons, regulators need to pay attention to the development of mechanisms that can address the risks of autonomous technologies. According to Scherer, the current legal doctrines applied, including negligence, strict liability, and product liability, already offer sufficient means to provide powerful instruments of grieving technological harms. To illustrate, the manufacturers may be liable to defective products, the operators to dangerous technologies may have to face strict liability regimes. These legal mechanisms can be modified to cope with AI-related harms, as contended by Scherer, without the conceptual and practical challenges of AI personhood. He thus gives a conclusion that the idea to give AI a legal personality is unnecessary and premature.[2230]

Andrea Bertolini and Michela Episcopo examine the proposal of electronic personhood of the European Union in detail and find out that it does not address the problems of accountability underlying AI systems. According to them, the idea behind the proposal is a misconception of the very concept of legal responsibility because AI is not supposed to have agency of its own. Factually, AI systems exist in complicated systems of human participants such as developers, data providers, deployers, and users. According to Bertolini and Episcopo, the regulatory frameworks ought to be more geared towards developing mechanisms that will recompense victims of harms associated with AI adequately. The creation of mandatory insurance schemes of AIs is one of the possible solutions that they offer. In these systems, AI-based companies would be obliged to have insurance cover that can cover those injured in an accident or malfunction of AI. This would offer viable solutions to victims and at the same time hold human actors accountable.[2231]

Luciano Floridi and Josh Cowls take the problem of AI governance in an ethical sense. According to them, regulatory frameworks of artificial intelligence must be based on principles of ethical beneficence, non-maleficence, autonomy, justice, and explicability. Floridi and Cowls argue that the overall goal of AI governance is to have the technological systems enhance the human well-being and prevent harm. They warn that placing AI systems on the same level or granting their legal rights or personhood will lead to a distraction of human responsibilities in terms of ethical moral duties of human designers and institutions. The artificial intelligence should hence be controlled as an instrument which is supposed to act within the ethical limitations which are meant to safeguard the human interests.[2232]

Ugo Pagallo gives other reasons that may be a result of AI being made a legal person. He cautions that AI personhood has the potential to raise what he terms a so-called double shield effect where corporations use both corporate and AI personhood to abscond themselves of legal responsibility. In this case, the corporations may defend themselves by stating that the cause of the bad things was the independent acts of legally legal AI agents and not the corporate acts or negligence. This may greatly undermine regulatory responsibility and

[2229] Joanna J. Bryson, Mihailis E. Diamantis & Thomas D. Grant, Of, for, and by the People: The Legal Lacuna of Synthetic Persons, 25 Artificial Intelligence & Law 273 (2017).
[2230] Matthew U. Scherer, Regulating Artificial Intelligence Systems: Risks, Challenges, Competencies, and Strategies, 29 Harv. J.L. & Tech. 353 (2016).
[2231] Andrea Bertolini & Michela Episcopo, The (Un)Accountability of Artificial Intelligence: Why Electronic Personhood Won't Solve the Problem, 6 Eur. J. Risk Reg. 1 (2022).
[2232] Luciano Floridi & Josh Cowls, A Unified Framework of Five Principles for AI in Society, 1 Harv. Data Sci. Rev. (2019).

INDIAN JOURNAL OF LEGAL REVIEW [IJLR – IF SCORE – 7.58]

VOLUME 6 AND ISSUE 2 OF 2026

APIS – 3920 - 0001 *(and)* ISSN - 2583-2344

Published by

Institute of Legal Education

https://iledu.in

pose serious problems to victims who want compensation.[2233]

The literature overall shows that there is a broad scholarly consensus that artificial intelligence fails to satisfy either normative, conceptual, or practical conditions of legal personhood. A majority of researchers believe that AI systems do not possess the necessary features of legal responsibility, such as consciousness, intentionality and moral agency.[2234] Furthermore, legalizing AI as a person might lead to the loss of accountability since it will enable companies and developers to pass the responsibility onto the AI. Consequently, the powerful side of the modern legal discourse is inclined to the reinforcement of the existing regulatory order as opposed to the creation of a new type of artificial legal person.

Main Body

The Character of the Personality of the Law.

Legal personhood is a core term used in the study of jurisprudence that establishes the entities that can have rights and responsibilities in a court of law. According to the traditional law there are only two main classifications of legal persons and they are natural persons and artificial persons.[2235]

Natural persons are human beings who have the rights and responsibilities as a result of being. Artificial persons on the other hand are those who are formed by legal means to achieve certain social functions.

The leading example of artificial legal personality is probably corporate personhood. Corporations are legally recognized as a person to enable the economic operations in which businesses are free to possess property, contract, and litigate.[2236] The corporations however, eventually run by human beings like directors, managers, stockholders.[2237]

Even symbolic legal personhoods have been given to religious idols and natural resources. Religious idols in India are legal persons able to own property and may even litigate on human trustees.[2238] Equally, the rivers and natural ecosystems have also been identified as legal persons in several jurisdictions with an aim of enhancing the protection of the environment.

The presented examples show that the legal personhood is not given out of the air. It has certain functional, symbolic or protective functions. The main point is whether Artificial Intelligence is used in a similar manner that would be worth being treated under law.

Why Artificial Intelligence Does not Pass the Test of a Legal Person.

Artificial Intelligence does not meet the basic requirements that are usually related to legal personhood.

To begin with, AI is not conscious and morally agentic. Moral agency means the capacity of knowing what is right and wrong, making intentions and having one responsible to their actions. AI works based on algorithms and data-related procedures instead of a rational thought.

Second, AI does not have any intrinsic interests. Wildlife and natural resources (animals and ecosystem) have welfare interests, which can be used to warrant legal protection. Corporations are agents of shared economic interests of the shareholders and stakeholders. However, AI systems do not have independent interests not related to their founders.

Third, AI is an instrumental technology but in no case an independent social agent. It is implemented and created by human beings to attain a particular goal usually in a business setting.

[2233] Ugo Pagallo, *The Laws of Robots: Crimes, Contracts, and Torts* 111–120 (Springer 2013).
[2234] Ryan Abbott, *The Reasonable Robot: Artificial Intelligence and the Law* (Cambridge Univ. Press 2020).

[2235] John Chipman Gray, *The Nature and Sources of the Law* 27–30 (2d ed. 1921).
[2236] Trustees of Dartmouth College v. Woodward, 17 U.S. (4 Wheat.) 518 (1819).

[2237] Salmond on Jurisprudence 299–302 (P.J. Fitzgerald ed., 12th ed. 1966).
[2238] Pramatha Nath Mullick v. Pradyumna Kumar Mullick, (1925) 52 IA 245 (PC).

INDIAN JOURNAL OF LEGAL REVIEW [IJLR – IF SCORE – 7.58]

VOLUME 6 AND ISSUE 2 OF 2026

APIS – 3920 - 0001 *(and)* ISSN - 2583-2344

Published by

Institute of Legal Education

https://iledu.in

Since AI does not possess these three crucial features, then the granting of it legal personhood would amount to a legal fiction that does not have much justification.

Comparison: Idols, Rivers, Corporations, and AI.

An inverse analysis of the already established types of non-human legal personhood also explains why AI should not receive the relevant status.

Religious idols are considered as legal persons with the main purpose of safeguarding the interests of the believers and religious organizations. Legal personhood of idols means that the property of temples and religious endowments are used in the interest of worshippers.

Environmental personhood, including the fact that rivers are legal entities, is meant to facilitate sustainability of ecological systems and interests of future generations.[2239] Through the conferral of legal standing to the natural entities, courts empower the environmental advocates to bring litigation on behalf of the natural entities.[2240]

Corporate personhood has an economic use, which is functionality, and facilitation of collective business operations and the ease of conducting business.

Conversely, AI personhood would not defend any identifiable human or ecological interest. Rather, it may facilitate the undermining of accountability through the placement of the bad results on the shoulders of autonomous systems by corporations.

Dangers of Artificial Intelligence Personhood.

Artificial Intelligence has a number of potential legal and ethical harms that can be caused by granting it legal personhood.

Corporate liability avoidance is one of the biggest risks. In this way, corporations can seek to transfer the liability of damaging activities to AI systems thus evading legal implications.

Legal impracticality is another danger. The AI systems do not have a way to be meaningfully involved in the legal process, own property, and testify meaningfully.

Virtue AI personhood may also pose moral hazards, as companies will be tempted to roll out more autonomous systems with fewer guarded mechanisms.[2241]

Lastly, the decision to make AI legal persons might weaken the ethical principles of responsibility by severing the accountability responsibility of human decision makers.

Alternative Regulatory Approaches

Regulating AI technologies can be achieved by using the existing legal doctrines that govern complex forms of technological harms rather than giving Artificial Intelligence the legal personhood. All these structures have been modified over the years to cope with the risks of industries, faulty products, and misconduct in corporations, and they can be modified to cope with the issue of AI systems. Through reinforcement of the old doctrines instead of coming up with new legal fictions, the legal systems are able to hold accountability and at the same time provide remedies to the victims of the AI related harms.[2242]

Another method that was very significant is the use of strict liability regimes. Strict liability enables a party to be liable to harm by an activity irrespective of whether it was negligently or faultily done.[2243] The doctrine has had historical application in cases that are inherently dangerous like dangerous industrial operations, environmental pollution as well as use of dangerous substances. The justification of strict liability is that those who undertake risky actions and make profit out of them ought to be liable to any damage caused by the actions.

[2239] Christopher D. Stone, Should Trees Have Standing? Toward Legal Rights for Natural Objects, 45 S. Cal. L. Rev. 450 (1972).

[2240] Mohd. Salim v. State of Uttarakhand, W.P. (PIL) No. 126 of 2014 (Uttarakhand HC 2017).

[2241] Thomas M. Scanlon, *What We Owe to Each Other* 248–51 (Harvard Univ. Press 1998).

[2242] Ryan Calo, Robots and the Lessons of Cyberlaw, 103 Calif. L. Rev. 513 (2015).

[2243] Rylands v. Fletcher, (1868) LR 3 HL 330 (HL).

INDIAN JOURNAL OF LEGAL REVIEW [IJLR – IF SCORE – 7.58]
VOLUME 6 AND ISSUE 2 OF 2026
APIS – 3920 - 0001 *(and)* ISSN - 2583-2344
Published by
Institute of Legal Education
https://iledu.in

Strict liability may be applied in the case of artificial intelligence to the entities that implement or run autonomous systems, including companies that actively use autonomous vehicles, automated medical systems, or high-risk decision-making algorithms. With strict liability, the court system will provide the victims with compensation despite the fact that the precise cause of the AI malfunction cannot be detected easily. By so doing, accountability is maintained without the conceptual challenge of giving AI legal personhood.

Product liability law is another significant regulatory instrument that is used in making manufacturers, designers, and distributors accountable to faulty and harmful products. Artificial intelligence systems may be considered as products or part of products like software on a medical machine, automobile, or financial service. In case an AI system is harmful as a result of the faulty design, poor testing, incorrect training data, or the lack of safety measures, the manufacturer or the developer might be held responsible according to the doctrines of product liability.[2244] To illustrate, a self driving car crash caused by a faulty programming might make the company which developed the software liable. Likewise, the medical diagnosis system being developed by AI that triggers harmful suggestions because of improper programming would put the manufacturer in a situation to be sued. The law of product liability can therefore serve as a viable measure in ensuring that firms that come up with AI technologies keep their safety standards high.[2245]

A third regulatory solution is the introduction of compulsory insurance programs of the organizations that implement AI technologies. Regulatory frameworks based on insurance have already found extensive use in sectors of large risk of operation, including motor vehicle operation, aviation, and medical practice. With this kind of systems, individuals or businesses utilizing AI technologies would be obliged to have insurance coverage that can cover victims in case of accidents or breakagings of the technology. There are a number of strengths associated with this model. First, it ensures that the victims are compensated even when liability is a tricky issue. Second, it motivates insurers to analyze the risks of AI technologies and provide safety conditions to companies that want to get insured. Consequently, insurance mechanisms are able to indirectly encourage safer technology development and at the same time they can make sure that there is financial resources to pay off the victims of AI-related accidents.[2246]

Besides the liability and insurance models, corporate responsibility devices are also important in controlling artificial intelligence. The first developers and deployers of AI technologies are typically corporations, and as such they need to be held accountable to the systems that they develop and implement. Regulatory requirements can be placed on corporations by legal systems in order to have responsible AI development. These requirements can consist of risk evaluation, safety testing, audits of compliance, and governance frameworks which oversee the moral application of AI technologies. It may also fall upon the corporate boards and management teams to manage the regulations of AI as a fiduciary obligation.[2247] The direct responsibility of the corporations towards AI systems on the legal level supports the concept that technological tools are still controlled by humans and are their responsibility.

Moreover, governments may create special regulatory organizations and frameworks to ensure the development and implementation of AI technologies. Safety standards, certification, and monitoring processes of the high-risk AI systems in the healthcare, transportation, financial, and administration of the population

[2244] M.C. Mehta v. Union of India, (1987) 1 SCC 395.
[2245] Restatement (Second) of Torts § 402A (Am. L. Inst. 1965).
[2246] Cary Coglianese & David Lehr, Regulating by Robot: Administrative Decision Making in the Machine-Learning Era, 105 Geo. L.J. 1147 (2017).
[2247] Companies Act, 2013, § 166 (India).

sectors could be set by the regulatory bodies. These agencies might perform inspections and follow penalties in case of non-compliance and make sure that AI systems are adhered to by the set ethical and safety standards before implementation into the society.[2248]

Legal systems are in a position to control artificial intelligence by using these well-established legal mechanisms that do not compromise accountability and justice. These solutions help solve the pragmatic issues that AI raises without any rotation of the idea of legal personhood or redirection of the responsibility back to the human actors designing, implementing, and enjoying the benefits of such technologies.

Conclusion

The issue of Artificial Intelligence poses complicated problems to contemporary legal frameworks, especially as far as accountability, liability, and regulating processes are concerned. With the broader adoption of AI systems in more significant industries, including medicine, transportation, finance, and government, the concern regarding the responsibility of AI-related harms will only get more and more relevant. Nevertheless, the legal personhood of AI is not a solution to these difficulties that is necessary or even desirable.

The extension of legal personhood to non-human entities has only been conducted in the past when there are identifiable social interests in employing non-human legal persons like commerce, safeguarding religious concerns, or saving the environment. The legal personality has been granted to corporations, religious idols, and even natural objects like rivers since this ultimately safeguards human, social or ecological interests. Artificial Intelligence fails to play these roles. It is not conscious, has no moral agency, no free will and no interests of its own, and thus can not possess rights, duties and responsibilities in any meaningful way in a legal system.

Assigning personhood to AI would be tantamount to absconding accountability as it will allow corporations, developers, and technology corporations to abscond technological harms. In case AI systems are recognized as independent legal actors, powerful institutions may explain harmful consequences of the autonomous behavior of machines instead of deficiencies in the design, programming, supervising, and corporate governance. This development would be against some of the most basic principles of justice that stipulate that human actors must be liable to the tools and technologies that they develop and implement.

A more consistent regulatory strategy entails enhancing the legal frameworks of existing legal systems with strict liability programs, corporate responsibility policies, insurance policies, and algorithmic transparency measures. These measures enable legal regimes to deal with those harms resulting of AI, as well as maintain the responsibility attached to the human individuals and institutions that conceive, implement, and enjoy the results of these technologies. By emphasizing the aspect of accountability instead of artificial recognition by legal means, the law can be able to offer practical solutions to victims without any conceptual confusion.

Finally, justice during the era of Artificial Intelligence should be squarely humanistic. Artificial intelligence needs to be perceived and controlled as a significant technological tool created to serve people, but not a separate legal entity. This distinction will save the integrity of law responsibility and will also make sure that technological innovation will be developed within a framework that will give the priority on accountability, fairness, and protection of human interests.

[2248] John Armour, Henry Hansmann & Reinier Kraakman, What Is Corporate Law?, in *The Anatomy of Corporate Law* 1 (Oxford Univ. Press 2009).