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New directions of development of artificial intelligence and the importance of their legal regulation

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Abstract: Transportation, logistics, and supply chain management can benefit from digital solutions and artificial intelligence applications. However, the subject of human worker capabilities, motivation, and acceptability is critical to the actual success of such projects in businesses as well as in complete transportation systems and networks. This section provides context for an investigation of the framework conditions, current advancements, and regulatory requirements in the field of automation and robotics.

Key words: Artificial intelligence, European Commission, the US Federal Trade Commission ("FTC"), legal regulation, agency-based regulation, or industry-based regulation, AI judgments,

Introduction:

Artificial intelligence ("AI") and automated technologies dominated policy initiatives and legislation in 2021. Many domestic legal frameworks are taking shape, according to the OECD, which identified 700 AI policy projects in 60 countries. High-risk AI systems are anticipated to be clearly and completely controlled in the EU under the new Artificial Intelligence Act, which is slated to be finished in 2022. While several AI legislation measures have been filed in Congress, the US has not embraced the European Commission's complete approach to AI regulation, instead focusing on defense and infrastructure spending to harness AI's rise [1].

However, there are also preliminary signs of convergence in US and European policies, echoing recent trends in data privacy regulations, stressing a risk-based approach to regulation and a greater focus on ethics and "trustworthy" AI, as well as consumer enforcement routes. President Biden's administration in the United States announced the creation of "AI bill of rights." [2] Furthermore, the US Federal Trade Commission ("FTC") has indicated that it is particularly interested in regulating consumer products and services incorporating automated technology and massive data quantities, and it looks that regulation and enforcement activities will increase in the next year. Furthermore, by 2023, the new California Privacy Protection Agency will most likely be tasked with establishing AI-related legislation, which are expected to have far-reaching consequences [3].

Materials And Methods:

Furthermore, the fact that just 26% of respondents agree or strongly agree that AI is a danger to fundamental human rights argues in favor of AI use. Overall, these sentiments reflect people' mixed feelings about automation (robots) and digitalization (AI) tendencies [4], implying a view about the importance of governmental governance in these domains. In terms of regulatory sectors, the

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research listed the following six major areas of regulatory action in the European Union for robots and AI applications.

To further examine regulatory action, it is necessary to distinguish between regulatory techniques, justifications for regulation, and regulatory regions. For developing safeguards towards successful yet risk-mitigating settings, techniques can be separated into legal regulation, agency-based regulation, or industry-based regulation [5]. Due to reports of citizen attitudes and worries, relevant outcomes from the public consultation show considerable popular support for political regulatory action in this sector.

It is clear that, from a broad viewpoint, AI is considered as a more important future development trend than the usage of robots, which are often seen as a source of support and assistance to humans. In more detail, this is linked to a majority of 83 percent of all respondents agreeing or strongly agreeing that robots are beneficial for society because they aid people – compared to just 34% agreeing or strongly agreeing that robots steal people's jobs [6]. Despite this, a large majority of 92 percent agrees or strongly believes that robots are a technology that needs cautious control, such as legislation and monitoring.

Before a complete human collaboration mode can be attained in many business application situations, three primary resistance obstacles may be recognized. To begin, workers must accept individual automation steps as AI competence, such as an automated steering system's ability to handle truck cruise control orders. Second, accepting autonomous AI judgments [7], such as suggestions from a navigation system in driving trucks, is significantly more difficult and frequently confronted with a higher amount or hurdle of human resistance [8]. For example, there might be larger rates of neglect, implying that navigating is more difficult in practice. Third, human actors must embrace AI autonomy, such as an autonomous truck steering system. In this instance, opposition may be greatest, as automated systems' independent behavior causes the most dread and uncertainty among human employees [9]. As a result, regulation in this sector may be the most necessary and beneficial: For an efficient human-computer connection, regulation may assist to limit the volume and impact of these human resistance obstacles (HCI). This can be accomplished because human employees may be able and motivated to begin HCI environments with less resistance if they are aware that rules are in place to guarantee their physical safety, personal data privacy, and job rights [10].

The following findings may be drawn from applying the six identified major areas of regulation mentioned in the EU research to the transportation, logistics, and supply chain sector:

(1) Ethical guidelines: Particularly in transportation – particularly in public traffic – ethical standards of engagement are critical, for example, if accidents occur and automated systems must make split-second judgments such as which diversion route to follow with specific casualty implications [11]. The main issue in this field is that such judgments must be made ahead of time inside automated and AI transportation systems, because in many circumstances, human reaction times will be too short for any human driver to consider and interfere with autonomous steering, such as that of trucks and vehicles.

(2) Liability regulations: Once again, transportation, particularly public transportation, will be a significant development arena for liability rules, as well as the insurance markets and goods that will follow in their wake for automation and digitalization [12]. However, numerous key liability problems may arise in the production logistics environment, such as who is responsible for wrong

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order volumes (order volume too high with subsequent warehousing costs or order volume too high with resulting production interruptions and market costs from customer contracts).

(3) Access, intellectual property, and data flow: The transportation, logistics, and supply chain management industry as a whole is concerned about connectivity [13]. As a result, a growing number of research projects are looking into the usage of standardized industrial data spaces in transportation. This will become more significant as new applications (such as those for smartphones) for logistics and transport emerge, necessitating a consistent communication and online programs.

(4) Interoperability, security, and control: Because transportation usually has a physical component, safety and security concerns are paramount, affecting numerous public hubs (ports, stations, and airports) as well as primary lines across the country and around the world. Security concerns may easily jam passenger and freight flow, resulting in significant financial losses as well as personal costs in terms of missed time and worry [14]. As a result, automation and technology improvements are encouraged to improve overall transportation safety and security while also lowering economic and societal expenses.

(5) Schooling and occupation: Because the logistics business is a people-intensive service industry, work and qualification concerns are particularly important. Digitization is seen as an ambivalent trend in this regard, as it has both positive and negative effects, such as reduced work burden and facilitated training and education through electronic means, as well as increased work burden and stress through increased transparency and oversight, or even job losses in specific areas – though it should be noted that the total number of jobs in the transportation sector is not expected to be reduced for a long time [15].

(6) Organizational management and regulation: The interaction of multiple institutions in supply chains and global transportation will alter, as digitalization and AI will make many procedures and services easier to access along the transportation routes. In the near future, document translation, for example, may be automated, reducing the cost and time required in customs, shipping, and logistics [16]. On the other hand, because they must agree on standards and cost-sharing regimes for automated services, this will need cooperation across supply chain participants.

Conclusion

In the implementation of such regulatory domains, an interdisciplinary approach from many science fields is beneficial. This comprises the viewpoints of industrial and logistics, experts in the fields of economics, computer science, law, and sociology, as well as other important political spheres and organizations [17]. This might be an opportunity to have an open conversation about what kinds of regulations are needed to ensure human confidence and motivation in robots and AI breakthroughs while not impeding the logistics, distribution, and inventory control sector's economic development.

Generally, the problem aims to start a conversation about future regulatory questions surrounding the application of robots and AI in the transportation, logistics, and supply chain sectors, in order to enable for a seamless and effective transition to digitalization trends. As this issue demonstrates, there are several unfilled gaps and research topics to be addressed in this context in the next years.

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