

4 Economics, Law and Ethics (js573)

As AI continues to attract widespread attention, it has become a key legal and policy concern. Drawing on concepts and principles outlined in this course, and using examples where appropriate, respond to the following:

- (a) There is ongoing debate about the role of law and regulation for digital technologies. Briefly explain different perspectives on this issue and discuss the relationship between the law and technology's development and use. [6 marks]
- (b) Automated decision-making (ADM) is a purported feature of some AI applications.
  - (i) Discuss two risks that ADM presents. [3 marks]
  - (ii) Explain a regulatory challenge for governing ADM systems. [2 marks]
- (c) Data used to train models can raise data protection concerns.
  - (i) Explain when the General Data Protection Regulation (GDPR) applies to training data. [1 mark]
  - (ii) Describe two rights given to individuals by the GDPR, discussing how an organisation might implement them in relation to training datasets. [4 marks]
- (d) The EU AI Act classifies AI systems based on risk, imposing stricter rules on higher-risk uses of AI. Briefly describe two advantages and two concerns of an application-specific, risk-based approach to AI regulation. [4 marks]