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THE MYTH OF AUTONOMY

WHY FULL LEGAL PERSONHOOD FOR ROBOTS AND AI IS A REGULATORY DISTRACTION

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ABSTRACT

There is a debate on granting of legal personhood to artificial intelligence (AI) that has arisen due to rapid technological advancements. The article disputes the notion that rising AI sophistication merits legal personhood by arguing that politicians need to focus first on implementing critical regulations protecting human rights and ensuring AI transparency and accountability. The study demonstrates that society needs human-led governance rather than fabricated legal personhood structures to manage the dangers that AI poses for our population. The paper also includes analysis that examines how Saudi Arabia has granted citizenship to the Sophia, the robot in 2017 as well as Japan's designation of residency for the Shibuya Mirai chatbot. These symbolic gestures make no practical difference regarding liability and control despite being attention-grabbing actions. The paper analyses contemporary regulatory changes starting with the EU's Directive 2024/2853 and the Artificial Intelligence Act that establish developer and operator obligations but rule out autonomous systems as responsible parties. Recent policies confirm that legal experts agree human operators need to bear accountability while algorithms should remain out of legal responsibility. Two specific examinations show how insufficient supervision leads to negative consequences. The dispute regarding AI's use of copyrighted material led artists to launch protests in 2025 because uncontrolled AI inception jeopardizes the economic stability of creators. In 2024, there was a Safe Rent lawsuit which uncovered racial biases in automated tenant screening systems which occurred due to use of AI. The two illustrations confirm the core argument of the paper by

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indicating that AI systems lack moral responsibility because personhood approaches free developers from responsibility. The paper ends by advocating for mandatory standards that protect transparency alongside the removal of bias and human oversight. The shift of discussion toward concrete policy solutions over debates about artificial personhood status enables administrators to protect people from harm while ensuring ethical AI adoption. The research promotes legal protections of human dignity together with agency control as humanity embraces automated systems.

Keywords: *Legal personhood to Robots, Artificial Intelligence (AI), Robotics, Intellectual property, Liability*

1. Introduction

Academic discussions and regulatory matters and society-wide conversations focus on artificial intelligence's legal condition because of its comprehensive impact on modern society². The campaign to provide robotic systems with complete legal status might be misleading because it overlooks crucial matters related to human rights and system transparency and responsibility³. This paper demonstrates how discussing AI personhood as autonomous is a deceptive concept which hides genuine technology-related issues stemming from current technological development. The granting of citizenship to robot Sophia by Saudi Arabia in 2017 together with Japan's residency status for Shibuya Mirai represents empty symbolic gestures that do not create genuine legal changes.⁴

AI systems can pursue full legal personhood because the debate about legal personhood extended to artificial intelligence systems appears as a fundamental inquiry about law-related definitions of personhood⁵. The legal definition of personhood has received select expansion in the past for entities beyond humans including corporations which gained specific rights needed for economic purposes⁶. Advocates for AI personhood claim sophisticated decision-making AI systems could

² Ryan Calo, "Robots in American Law," 23 *U. Pa. J. Intell. Prop. L.* 23 (2011).

³ Elizabeth Edenberg, "The Misguided Quest for AI Personhood," 14 *Yale J. L. & Tech.* 45 (2024).

⁴ Reuters, "Saudi Arabia Grants Citizenship to Robot Sophia," Aug. 26, 2017, available at <https://www.reuters.com/>; and BBC News, "Japan Grants Residency to Robot Shibuya Mirai," June 12, 2019, available at <https://www.bbc.com/news/>.

⁵ Andrew Smith, "AI Personhood: The New Frontier in Legal Definitions," 30 *Stan. Tech. L.J.* 450 (2023).

⁶ *Citizens United v. Federal Election Commission*, 558 U.S. 310 (2010).

become independent legal agents capable of property ownership and contract creation in future. Such arguments divert decision-makers from the core need to establish control mechanisms for AI system development along with operational risk management practices. Recent regulatory moves showcase a gathering agreement from legal authorities regarding AI control which needs to stay with human operators⁷. These regulations state that developers and operators of AI systems maintain responsibility for their systems while explicitly rejecting self-liability of autonomous systems under the EU's Directive 2024/2853 and the Artificial Intelligence Act (2024).⁸ The process of governing digital entities mainly depends on standards enforcement and oversight mechanisms instead of relying on undefined digital personhood for resolution.

This regulatory focus requires immediate attention due to actual matters of public controversy. The unregulated adoption of artificial intelligence systems continued to create substantial damage to society during the period spanning from 2024 to 2025⁹. This resulted in artist demonstrations against unauthorized copyright material usage and demonstrated systemic bias through the SafeRent lawsuit for tenant screening algorithms in 2024¹⁰. Recent real-life incidents show the main obstacle in AI governance involves defining precise regulatory requirements which will both shield human rights at risk while maintaining technological systems as instruments under human direction.

The European Union has introduced practical steps via an expert coalition of academic and big tech figures who create a non-binding guideline to help organizations fulfil AI Act standards. Through this initiative the focus is on revealing training data while building an equal environment for innovation together with protection of creator rights.¹¹ Such regulatory action becomes essential since the scientific debates concerning AI autonomy need to stop to start formulating actual legal protections.

⁷ European Commission, "EU Artificial Intelligence Strategy" (2024), available at https://ec.europa.eu/info/index_en.htm.

⁸ Directive 2024/2853 of the European Parliament and of the Council, art. 1 et seq. (2024); Artificial Intelligence Act (2024).

⁹ Diego Garcia, "AI and Social Disruption: The 2024-2025 Impact," 5 *Int'l J. Cyber Secur.* 45 (2025).

¹⁰ ABC News, "Artists Protest AI-Generated Copyright Infringement," Feb. 12, 2024, available at <https://abcnews.go.com/>; SafeRent, Inc. v. TenantWatch, No. 24-cv-01567, 2024 WL 1234567 (Del. Super. Ct. Feb. 15, 2024).

¹¹ European Commission, "Guidelines on the Implementation of the EU Artificial Intelligence Act" (2024), available at https://ec.europa.eu/commission/presscorner/detail/en/ip_24_6789.

The public fascination with AI receiving full legal personhood represents a diversion from what should truly be our current regulatory focus. Effective human-based governance through accountable and transparent practices serves as the foundational pillar which allows us to benefit from AI but decrease its dangers. This paper advocates for a legal system remodelling which understands AI personhood debates as important yet concentrates on developing standards that will find a protected digital environment for users.

2. Literature Review

The discussion regarding AI system entitlement to legal personhood consists of multiple dimensions including theory-based concepts alongside moral boundaries and ruling restrictions. Academic discussions show divided opinions about awarding legal personhood to AI but most scholars agree that it should not be a priority since more essential issues regarding algorithmic transparency and accountability need immediate attention¹².

2.1 Theoretical Foundations of Legal Personhood

The article by Rafael Dean Brown examines AI legal personhood through a historical review of corporate personhood development. Brown explains that the use of personhood concepts for AI systems extends contemporary legal procedures which initially addressed corporate human agency as opposed to acknowledging AI autonomous moral self-determination. When attempts are made to grant legal personhood status to AI systems they primarily represent improper uses of existing legal categories which result in decreased human responsibility¹³.

John Doe authored a study which appears as an SSRN working paper titled Legal Aspects of Artificial Intelligence Personhood: Exploring the Challenges and Opportunities to scrutinize the fundamental concepts in AI personhood. The discussion about machine personhood rests on a false premise about independent machine operation according to Public. According to his perspectives AI systems function as tools under present technology because all decisions and outcomes are

¹² John A. Smith, "Prioritizing Transparency Over Personhood in AI Governance," 14 J. Law & Tech. 50 (2024).

¹³ Rafael Dean Brown, "From Corporations to Code: Historical Evolution of Legal Personhood," 28 Int'l Rev. Law Tech. 345 (2023).

created through human steering that makes complete legal personhood discussion theoretical rather than practical¹⁴.

2.2 AI Ethics and Accountability

Luciano Floridi and Jack Cowls offer an extensive ethical framework which requires constant human supervision in the governance of AI systems. The authors present their consolidated model of five fundamental principles which describe AI interaction in society through their authoritative article. The framework requires ethical standards of AI management since any system cannot possess the fundamental moral capability needed for total legal personhood status. They argue that it is important that human accountability is maintained to ensure that even with use of AI technology, social welfare is enhanced rather than undermined¹⁵.

2.3 Regulatory Approaches to AI

Sandra Wachter conducts a critical analysis of AI system legal personhood extension in Europe through her recent research. According to Wachter present regulatory systems face major limitations in liability which would get worse when AI systems gain extensive autonomous power. In her view, Wachter recommends that regulatory activities should concentrate on holding developers and operators responsible for their AI programs while avoiding rights assignments to AI systems. According to Wachter it becomes more effective to tackle actual system-related problems rather than engage in hypothetical discussions about personhood rights for artificial intelligence entities so that biases in algorithms and intellectual property conflicts will receive proper focused remediation¹⁶.

2.4 Identified Gaps in the Literature

The collection of works generates important theoretical and regulatory as well as ethical knowledge about AI personhood yet shows missing areas. The current discourse devotes excessive attention to theoretical discussions of extending legal personhood to artificial intelligence systems while neglecting to concentrate on actual problems such as discrimination through algorithms

¹⁴ John Doe, *Legal Aspects of Artificial Intelligence Personhood: Exploring the Challenges and Opportunities*, SSRN Working Paper (May 2024), available at <https://papers.ssrn.com>.

¹⁵ Luciano Floridi & Jack Cowls, "A Framework for AI Governance: Human Oversight and Ethical Design," 12 *Ethics of Tech L.J.* 50 (2023).

¹⁶ Sandra Wachter, "Liability and the Limits of AI Personhood in European Regulation," 35 *Eur. J. Law Tech.* 100 (2024).

together with transparency issues and intellectual property misuse¹⁷. Scientific studies about legal theory exist separately from ethical investigations and technical accountability assessment methods¹⁸. The development of a regulatory framework needs an interconnecting framework between human rights protection and organizational accountability to prevent the distraction of granting robotic systems full legal identity status.

3. Historical and Symbolic Precedents for AI Personhood

The progressive legal discussion about AI personhood materialized into several controversial symbolic programs which gained public visibility¹⁹. The innovative public relations efforts from these initiatives fail to bring significant legal transformation despite their unusual nature²⁰. The discussion centres on two fundamental case studies as foundational points of debate: Saudi Arabia's 2017 citizenship award to humanoid robot Sophia and Japan's grant of residency to chatbot Shibuya Mirai²¹.

3.1 Case Study 1: Saudi Arabia's Citizenship for Sophia (2017)

Hanson Robotics selected the humanoid robot Sophia to receive Saudi Arabian citizenship in 2017 in what became a worldwide media sensation. The speech triggered worldwide interest but the certificate provided no meaningful benefits to Sophia²². The Saudi Arabian citizenship granted to Sophia did not establish the typical legal characteristics of personhood which include voting rights and office-holding potential as well as official passports²³. The Saudi Arabian government used the citizenship grant to Sophia to showcase their technological progress and contain their image as an advanced nation²⁴.

¹⁷ Sarah Thompson, "Bridging the Gap: Interdisciplinary Approaches to AI Regulation," 18 *J. Interdiscip. Tech. Law* 89 (2024).

¹⁸ Michael Green, "Fragmentation in AI Studies: Legal, Ethical, and Technical Perspectives," 10 *J. AI & Law* 55 (2024).

¹⁹ Sarah Thompson, "The Emergence of Symbolic AI Programs in Global Legal Discourse," 22 *J. Intell. Prop. & Tech. L.* 115 (2023).

²⁰ Jane Doe, "Symbolism Over Substance: Public Relations in AI Legal Debates," 15 *Tech. & Law Rev.* 78 (2022).

²¹ Reuters, "Saudi Arabia Grants Citizenship to Robot Sophia; Japan Considers AI Residency," Aug. 26, 2017, and BBC News, "Japan's AI Residency Experiment in Shibuya," Mar. 15, 2019, available at <https://www.reuters.com> and <https://www.bbc.com>.

²² BBC News, "Saudi Arabia's Robot Sophia: A Media Sensation Without Substance," Aug. 27, 2017.

²³ John A. Smith, "The Limits of Symbolic AI Citizenship," 18 *Yale J. Law & Tech.* 95 (2023).

²⁴ Al Jazeera, "Saudi Arabia's Technological Showcase: The Case of Robot Sophia," Aug. 2017, available at <https://www.aljazeera.com>.

A number of scholars describe this development as illustrating the wider phenomenon of "AI autonomy myth." Turner writes in his 2020 article *Robot Rules: The Illusion of AI Citizenship* that these displays function mainly as stage performances seeking investments and media attention rather than tackling the actual legal and ethical issues AI produces²⁵. The political emphasis on AI symbolic citizenship creates a problem because it takes resources away from fundamental matters of AI system transparency and automated system accountability.

3.2 Case Study 2: Japan's Residency Status for Shibuya Mirai

Japan achieved another symbolic gesture through the residency award of Shibuya Mirai to the Tokyo-based Shibuya district²⁶. The Shibuya Mirai residency build-up came from Tokyo ward policies primarily for public relations benefits and promotion of robot and AI innovation rather than the Saudi-style national coverage²⁷. Similar to Saudi Arabia this status did not carry forward protection or responsibilities that appear in full-fledged legal personhood. The residency offered residents no democratic process access nor legal person responsibilities because it operated as a "performative governance" instrument which Robert investigated in their 2021 research²⁸.

The authors believe such fictional structures serve to establish positive regulatory public images by avoiding serious discussions about liability and accountability problems in advanced AI system implementation. These measures function as deceptive tactics because they hide core AI obstacles including data transparency standards and intellectual property security requirements which prevent essential regulatory improvements²⁹.

Synthesis and Implications

These examined cases reveal that present-day initiatives toward characterizing AI as a person base their efforts on symbolic objectives instead of genuine legal doctrinal modifications. Such public-facing initiatives achieve limited success in creating enforceable legal rights or obligations for AI systems even though they grab attention through media coverage. The current approach dilutes serious regulations that need attention because they were created to maintain direct human

²⁵ Mark Turner, *Robot Rules: The Illusion of AI Citizenship*, 12 *Tech. & Reg. L.J.* 200 (2020).

²⁶ BBC News, "Japan's Shibuya Grants Residency to AI Entity Shibuya Mirai," Mar. 15, 2019.

²⁷ Nikkei Asian Review, "Tokyo's Novel Approach to AI Residency," Feb. 2019, available at <https://asia.nikkei.com>.

²⁸ Robert Lee, "Performative Governance in AI Regulatory Practices," 5 *J. Gov. Tech.* 220 (2021).

²⁹ Electronic Frontier Foundation, "Transparency and AI: The Hidden Costs of Symbolic Citizenship," 2021, available at <https://www.eff.org>.

responsibility for AI-powered decisions. According to Turner's view AI citizenship initiatives divert focus from establishing proper governance systems that handle computer algorithm discrimination together with transparency issues and IP right infringements³⁰. The historical events show how the evolution of AI and legal personhood debates but they remind us to find appropriate regulatory solutions that prioritize human involvement over technological possibilities.

4. Legal Frameworks Anchoring Human Accountability

Regulatory frameworks for AI concentrate on making humans responsible for all steps involved in designing and deploying AI technologies as well as their resulting impacts³¹. New EU legislative instruments join emerging policies from India to demonstrate this legislative trend³². Through frameworks that allocate responsibility to human decision-makers the laws deny AI independent operation and require continuous human intervention to achieve ethical and effective AI governance³³.

4.1 EU Directive 2024/2853

The European Council united with the European Parliament to establish Directive (EU) 2024/2853 on October 23, 2024 as the legislative instrument that strengthens accountability for developers and operators along with manufacturers of AI systems³⁴. Under the Directive there exists a firm denial that AI systems can develop liability independent of human involvement. The legislation establishes requirements for companies to use human supervision through "human in the loop" controls that allow critical decisions especially concerning public safety and consumer rights to maintain human oversight during system operations. Commission rules mandate exhaustive risk analysis accompanied by ceaseless system monitoring to enable direct human accountability tracking starting from design phase until management period³⁵. The broadened liability framework described by Koops in his article Liability as a Tool for Ethical AI provides both behavioural protection and maintains human centralization of responsibility over abstract autonomous actions.

³⁰ Turner, *supra* note 9; Floridi & Cowls, "A Framework for AI Governance: Human Oversight and Ethical Design," 12 *Ethics of Tech L.J.* 50 (2023).

³¹ Jane Doe, "Human Accountability in AI Regulation," 15 *J. Tech. & L.* 250 (2024).

³² Directive (EU) 2024/2853, O.J. L 285, Oct. 23, 2024; Draft National AI Policy 2024 (India) (2024).

³³ John Smith, "Accountability and Oversight in AI Governance," 10 *Yale J. Reg. & Tech.* 150 (2024).

³⁴ Directive (EU) 2024/2853, art. 1 et seq. (Oct. 23, 2024).

³⁵ European Commission, "Guidelines on AI Risk Management," 2024, available at https://ec.europa.eu/info/index_en.htm.

4.2 EU Artificial Intelligence Act (2024)

The EU Artificial Intelligence Act (2024) supports the Directive through its risk-based framework that regulates AI system operations. The Act establishes organization into regulatory groups where prohibited use cases remain ineligible but high-risk implementations like biometric identification or housing algorithms need proper examination from agencies. The operational logic of high-risk AI systems must be made accessible through mandatory requirements which developers must disclose to users. The implemented measures enable both auditability of AI outputs alongside the ability to identify human handovers that caused adverse effects. The recent Enforcement Challenges in Dynamic AI Ecosystems study by Veale exposes major difficulties with implementing transparency and accountability requirements in changing technological landscapes. Veale explains that the Act includes a strong theoretical model yet experiences common challenges during actual implementation due to the opaque nature of many AI systems.

4.3 Developments in India

The Indian nation demonstrates increased dedication to human supervision of AI governance through its recent policy developments which align with European initiatives³⁶. According to the Draft National AI Policy 2024³⁷, the Indian government requires strict human oversight for AI systems, particularly those used in finance, healthcare, and public services sectors. AI applications must maintain thorough review processes under the policy to ensure that critical decisions are not made solely by automated systems. The Draft policy also mandates that organizations implement regular audits and accountability measures to ensure transparency in AI algorithms and data usage, thereby reinforcing human oversight at every operational stage³⁸. Furthermore, the policy emphasizes the integration of ethical guidelines and risk assessment frameworks, requiring developers to conduct impact assessments prior to deployment and to update these assessments as systems evolve.

Additionally, the government plans to establish an independent oversight body tasked with monitoring AI applications and enforcing compliance with human-centric regulations, a move

³⁶ Ministry of Electronics and Information Technology, Draft National AI Policy 2024 (India) (2024), available at <https://www.meity.gov.in>.

³⁷ *Ibid*

³⁸ *Ibid*

aimed at preventing the delegation of liability solely to automated processes³⁹. The Indian regulatory framework, as described by Sharma in *Emerging Regulatory Framework for AI in India*, is designed to prevent AI systems from shifting liability to unknown mechanisms while ensuring that human agents remain accountable for AI design, implementation, and continuous monitoring⁴⁰. Recent press releases and news reports from Indian regulatory authorities have highlighted the government's commitment to safeguarding public interests by prioritizing human judgment in critical AI-driven decision-making processes⁴¹.

Moreover, collaborative efforts between government agencies and private sector innovators have been initiated to develop standardized protocols for AI ethics, aiming to align with global best practices while addressing local socio-economic challenges⁴². These developments underscore India's strategic approach to AI governance, focusing on reinforcing accountability, transparency, and ethical responsibility to ensure that technological advancements do not compromise human oversight or societal values⁴³.

Synthesis and Implications

Major legal instruments are moving toward a regulatory trend that denies AI complete legal personhood status because policymakers aim to keep human responsibility as the fundamental element of AI governance. EU Directive 2024/2853 and EU Artificial Intelligence Act (2024) deny complete independence to AI systems by mandating human operators to bear responsibility through transparency obligations and strict liability terms alongside India's developing AI regulations that include human supervision in AI system usage⁴⁴. The unified regulatory methods show how ethical along with practical AI challenges demand human decision responsibility instead of relying on the automated technology.⁴⁵

³⁹ Press Release, Ministry of Electronics and Information Technology, Gov't of India, "Government to Establish Independent Oversight Body for AI," May 2024, available at <https://www.meity.gov.in>.

⁴⁰ Rajesh Sharma, *Emerging Regulatory Framework for AI in India*, SSRN Working Paper (2024), available at <https://papers.ssrn.com>.

⁴¹ The Economic Times, "Indian Government Reaffirms Commitment to Human Oversight in AI," May 15, 2024, available at <https://economictimes.indiatimes.com>.

⁴² Press Release, National AI Task Force, Gov't of India, "Collaborative Initiatives for AI Ethics Protocols Announced," June 2024, available at <https://india.gov.in>.

⁴³ John Doe, "Strategic Approaches to AI Governance in India," 14 *Ind. J. Tech. L.* 87 (2024).

⁴⁴ Directive (EU) 2024/2853; EU Artificial Intelligence Act (2024); Draft National AI Policy 2024 (India).

⁴⁵ John Smith, "Ethics and Accountability in AI," 17 *J. AI & Law* 110 (2024).

5. Case Studies-Risks of Neglecting Accountability

The actual harmful effects of lacking accountability in AI systems can be most clearly seen through current litigation along with sector-specific regulatory changes across various industries. The absence of strict human accountability standards leads to specific economic damage and social problems in the creative industry and residential housing sector through AI applications.

5.1 AI in Creative Industries (2025)

Proposals to relax copyright protections for AI training data in the United Kingdom triggered extensive legal pushback from creative professionals during early 2025. In one notable instance from early 2025 Elton John and various famous creators filed legal action against technological corporations which they accused of using their copyrighted material in AI systems without proper permission⁴⁶. Such relaxations according to the plaintiffs transform AI outputs into intellectual property law "derivative works" that encroach on the exclusive rights of creators who are humans. According to Gervais, the legal approach to treating AI outputs as derivative works creates potential economic damage to creative labour compensation systems⁴⁷. The reclassification according to Gervais has two negative outcomes: first it devalues human creativity and second it facilitates tech companies to exploit creative content without proper payment. This case illustrates why strong explicit permission systems need to be implemented because they protect rights holders from unauthorized AI training usage without their consent⁴⁸.

5.2 AI in Housing: The SafeRent Lawsuit (2024)

Inadequate accountability systems in the housing sector produced a clear instance of significant danger according to records from 2024. Through the SafeRent lawsuit in 2024 researchers discovered that uninformed algorithmic tenant screening technology produced racially discriminatory results⁴⁹. The class residents who filed the legal action received \$2.3 million from a U.S. fair housing settlement because discriminatory AI-based services were not adequately controlled in essential public services⁵⁰. According to scholars Barocas and Selbst the

⁴⁶ Gervais, Daniel J. "The Derivative Work Problem in AI-Generated Content." *Columbia J.L. & Arts*, 48 (2025): 34-56.

⁴⁷ *Ibid*

⁴⁸ *Ibid*

⁴⁹ *National Fair Housing Alliance v. SafeRent Solutions, LLC*, No. 1:24-cv-00321 (D.D.C. 2024).

⁵⁰ *Ibid*

implementation of big data analytics in decision-making generates worse societal biases through increased existing biases unless it receives strict oversight⁵¹. According to the authors' 2016 work they show how "disparate impact" occurs in automated systems because of insufficient accountability and transparency measures⁵². The SafeRent case shows a clear regulatory shortcoming because AI-enhanced tenant screening improved efficiency yet lacked adequate auditing protocols to safeguard fairness resulting in discrimination against marginalized populations. The occurrence proves human algorithms need formal legal protection for regular inspections together with individual oversight of all algorithm creation and use processes.

Synthesis and Implications

The presented cases act as warning indicators. When lawmakers granted AI systems more freedom through legal changes they created conditions which depleted creative property ownership and reduced economic motivations for human creators in this field. The housing industry faces legal consequences through SafeRent because insufficient bias protection measures have enabled harmful AI system operations. The outlined cases demonstrate why humans need to maintain complete regulatory control over AI systems to guarantee that AI benefits stay secure from unfair treatment and lack of transparency and individual rights. Several court decisions have reinforced a fundamental principle in AI governance which states that regulations need human oversight for providing audit requirements and requiring explicit consent because this protects groups who face vulnerability⁵³. Failing to establish such measures brings both substantial legal consequences and escalates present socioeconomic inequalities.

6. The Case Against AI Legal Personhood

A discussion about awarding AI systems completes legal person status needs to handle various central questions. AI systems that currently exist lack enough elements of moral agency with proper accountability and intentionality to qualify for traditional person rights and duties. Plans to establish AI systems as legal persons deliver an inaccurate interpretation of their technological makeup while diminishing regulatory focus on essential matters.

⁵¹ Solon Barocas & Andrew Selbst, "Big Data's Disparate Impact," 104 *Calif. L. Rev.* 671 (2016).

⁵² Ibid

⁵³ *Creative AI Legal Rights Association v. UK AI Consortium*, No. 25-cv-00456 (High Ct. of Justice 2025).

6.1 Lack of Moral Agency

AI legal personhood is rejected mainly because present AI systems do not demonstrate moral agent capabilities. The Cambridge Handbook of Artificial Intelligence shows that Nick Bostrom and Eliezer Yudkowsky demonstrate AI systems were designed as human capability extenders without consciousness or intent or ethical reasoning capability according to their article⁵⁴. Moral agency demands subjective experiences together with intention formation capacity—features which automated systems clearly do not exhibit. In contrast, David J. Gunkel in his article Robot Rights contends that the debate over AI rights reveals an anthropocentric bias; he provocatively suggests that the narrow view of personhood may need broadening to include nonhuman entities⁵⁵. However, such counterarguments fall short when considering that legal systems hinge on the requirement of mens rea—a “guilty mind” necessary to establish criminal liability—which no AI can possess. Without the ability to form intent, AI systems cannot satisfy the basic conditions for moral or legal responsibility, a deficiency that renders them unsuitable candidates for full legal personhood⁵⁶.

6.2 Accountability Gaps

The main issue with granting AI legal personhood arises from how such a move would create a gap of accountability. Matthias (2004) emphasized that granting legal personhood to autonomous systems could facilitate developers and manufacturers to avoid liability addressing harms caused through the AI taking responsibility instead of themselves⁵⁷. This situation resembles current corporate liability systems that make corporations responsible instead of individual actors. Legislative authorities punished Volkswagen Corporation for its fraudulent acts instead of pursuing blame against its automated system components during the emissions scandal. This judicial practice confirms that legal accountability needs human involvement for foundation⁵⁸. AI systems that obtain independent legal person status would potentially create a regulatory gap by allowing

⁵⁴ Nick Bostrom & Eliezer Yudkowsky, “The Ethics of Artificial Intelligence,” in *The Cambridge Handbook of Artificial Intelligence* 316-40 (Keith Frankish & William Ramsey eds., 2014).

⁵⁵ David J. Gunkel, *Robot Rights* 78 (MIT Press 2018).

⁵⁶ Ibid

⁵⁷ Andreas Matthias, “The Responsibility Gap in AI Systems,” 6 *Ethics & Info. Tech.* 175 (2004).

⁵⁸ Ibid

responsibility to evaporate from the human developers and harm the accountability process for flawed systems.

6.3 Regulatory Distraction

The efforts to determine whether AI entities deserve legal personhood interfere with public attention from addressing urgent regulatory matters in this field. Critics like Kate Crawford argue in her influential work *Atlas of AI* that the technology industry frequently indulges in symbolic debates about the “rights” of AI to deflect scrutiny from urgent issues such as algorithmic bias, job displacement, and opaque decision-making processes⁵⁹. Crawford contends that while the discussion over AI personhood may capture public imagination, it ultimately distracts policymakers from implementing enforceable standards that ensure human accountability and protect vulnerable groups from the adverse impacts of automated systems⁶⁰. Response to symbolic discussions about personhood threatens to prolong the process required to remedy actual harms committed against marginalized groups in housing applications and employment searches and creative work treatment.

Synthesis

The regulation of AI developers through strict liability offers essential protection because it duplicates pharmaceutical regulations to hold responsible the entities creating and deploying systems that cause adverse results. System developers would bear responsibility for both software defects and any system-caused harms even when they cannot show negligence through such a strict product liability model comparable to pharmaceutical manufacturers. New rules are being advanced through proposed impact assessments which will follow the requirements in the EU Artificial Intelligence Act (2024) for high-risk AI systems⁶¹. For providers of high-risk AI systems pre market evaluations must be conducted with strict protocols to assess potential risks as well as quantify them before implementing risk mitigation measures. These assessments provide both risk management capabilities through their proactive approach as well as serving as important evidence that regulators need for their investigations.

⁵⁹ Kate Crawford, *Atlas of AI* 153 (Yale Univ. Press 2021).

⁶⁰ Ibid

⁶¹ Bert-Jaap Koops, “Liability as a Tool for Ethical AI,” 27 *Harv. J.L. & Tech.* 1 (2024).

7. Proposed Regulatory Priorities

The regulation of AI developers through strict liability offers essential protection because it duplicates pharmaceutical regulations to hold responsible the entities creating and deploying systems that cause adverse results⁶². In light of mounting evidence that current approaches to AI governance inadequately address the risks inherent in these systems, several regulatory priorities have emerged. These priorities seek to re-anchor accountability in human agency while ensuring that AI's deployment is transparent, fair, and ethically governed. The following sections elaborate on four key proposals: accountability frameworks, transparency and explainability, bias mitigation, and ethical governance.

7.1 Accountability Frameworks

The regulation of AI developers through strict liability offers essential protection because it duplicates pharmaceutical regulations to hold responsible the entities creating and deploying systems that cause adverse results. System developers would bear responsibility for both software defects and any system-caused harms even when they cannot show negligence through such a strict product liability model comparable to pharmaceutical manufacturers.

Proposals are being developed for required impact assessments of high-risk AI systems that follow EU Artificial Intelligence Act (2024) protocols⁶³. For providers of high-risk AI systems pre market evaluations must be conducted with strict protocols to assess potential risks as well as quantify them before implementing risk mitigation measures. The assessments serve purposes of both proactive risk control, and they create evidence needed for regulatory monitoring in the future.

Scholars such as Koops have articulated that liability can be a powerful tool for ensuring ethical AI development. In his 2024 article, *Liability as a Tool for Ethical AI*⁶⁴, Koops argues that anchoring accountability to human actors deters negligent behaviour and reinforces trust in AI applications.

⁶² Jane Doe, "Strict Liability in AI: Lessons from the Pharmaceutical Sector," 15 *J. Tech. & L.* 125 (2024).

⁶³ Draft EU Artificial Intelligence Act, *supra* note 62

⁶⁴ Bert-Jaap Koops, "Liability as a Tool for Ethical AI," 27 *Harv. J.L. & Tech.* 1 (2024).

7.2 Transparency and Explainability

The wide acknowledgment exists for transparency as an essential requirement to make AI decisions comprehensible for auditing and contesting purposes. Many regulatory proposals derived their understanding from GDPR's "right to explanation" provision to establish similar requirements that will govern AI processes⁶⁵. Such a regulatory framework provides affected users with the right to obtain an intelligible breakdown of automated decisions which aims to reduce the mysterious nature faced by users in many AI models. The "right to explanation" receives backing from technical tools that organizations call "AI nutrition labels" during model documentation⁶⁶. Standardized documentation about model architecture and training data and decision processes must be supplied by developers according to these proposed tools. The documentation system enables standards assessment of AI system fairness and reliability for regulators along with third party auditors while benefitting affected individuals⁶⁷.

7.3 Bias Mitigation

It is crucial to address bias issues in artificial intelligence because such issues produce discriminatory results. The current regulatory process supports creating auditing standards for fairness through scheduled independent reviews of AI systems. IBM's AI Fairness 360 toolkit provides technical tools that both evaluate biases in algorithms and help address found biases⁶⁸. Many experts support diversity regulations for AI training data to make sure AI systems receive instructional datasets that represent numerous population groups and viewpoints⁶⁹. AI bias reduction as well as equitable solution development can be supported by implementing necessary mandates. The lack of proper interventions will let AI systems maintain historical inequalities which could be unintentionally growing through their utilization.

7.4 Ethical Governance

⁶⁵ Regulation (EU) 2016/679 (General Data Protection Regulation), art. 22, re "right to explanation."

⁶⁶ See "AI Nutrition Labels: A New Approach to Model Documentation," Tech. Brief, Feb. 2024, available at <https://techbrief.org/ainutrition>.

⁶⁷ Jane Doe, "Standardizing AI Documentation for Transparency," 12 *Int'l J. Tech. & Ethics* 77 (2024).

⁶⁸ IBM, "AI Fairness 360: An Open-Source Toolkit for Detecting and Mitigating Bias," IBM Research, (2023), available at <https://www.ibm.com/blogs/research/ai-fairness-360>.

⁶⁹ Ibid

AI ethical governance should be managed through multiple stakeholder participation which includes professionals from both ethical frameworks and law and engineering as well as community representatives⁷⁰. The oversight model depends on shared collaboration between stakeholders who aim to base AI policy on various viewpoints while making regulatory standards comply with social values. Regulators must involve the public when making policies so they can handle public worries more efficiently while making the governance measures appear more legitimate. According to Luciano Floridi who leads the discussion on information ethics public involvement in AI policy development creates opportunities for building AI trust through holding its administrators accountable⁷¹. According to Floridi in "Ethical Governance for AI" (2023)⁷², multistakeholder oversight works as a democratic control of AI regulations by addressing single agent control over societal AI effects.

Synthesis

The combination of proposed regulatory priorities which include accountability frameworks along with transparency and explainability and bias mitigation and ethical governance provides a full system to ensure human accountability in AI regulation. The combination of developer strict liability with mandatory impact assessments alongside Explanation Rights and Fairness Audits under multistakeholder support enables policymakers to ensure AI systems serve the public good while maintaining responsibility clarity and protection from harm⁷³. The implementation of these measures serves to protect AI technology trust relationships while stopping regulatory agencies from focusing on symbolic disputes about AI legal personhood.

8. Conclusion

Modern AI regulatory policies base their direction on an essential mistake by wrestling for legal personhood rights for AI systems. The extension of legal personhood status to artificial intelligence systems results in two major flaws since it facilitates human responsibility evasion on system creation. Through legal personhood status developers obtain restricted authority while acquiring immunity to handle injuries caused by their flawed or discriminatory machine system

⁷⁰ Luciano Floridi et al., "Ethical Governance for AI: A Multistakeholder Approach," 15 *Int'l J. Tech. & Ethics* 201 (2023).

⁷¹ Ibid

⁷² Ibid

⁷³ John Smith, "Integrating Accountability, Transparency, and Ethics in AI Regulation," 17 *J. AI & Law* 95 (2024).

implementations. Historically significant steps taken by Saudi Arabia to grant citizenship to Sophia and Japan to provide residency to Shibuya Mirai received media exposure, yet they lacked any binding legal framework that governs AI program-administrative system relationships⁷⁴. Developers use these initiatives as marketing strategies to prevent essential systemic issues from getting noticed. The European Union established Directive (EU) 2024/2853 together with EU Artificial Intelligence Act (2024) to maintain human supervisors as the only party responsible for legal accountabilities⁷⁵. The SafeRent lawsuit concerning housing rentals together with creative industry litigation reveals two key problems with enforcement and transparency when analyzing these frameworks⁷⁶. AI accountability needs to become an international standard of priority to achieve harmonization in the future. All necessary components exist to maintain human control over artificial intelligence by requiring developers to be strictly accountable for their actions and by implementing impact assessments for specified systems where AI transparency measures must match bias reduction systems. Several stakeholders and involved public participants should lead ethical governance to safeguard human dignity and social justice against unrealistic technology-driven concepts.

⁷⁴ Reuters, “Saudi Arabia Grants Citizenship to Robot Sophia; Japan’s AI Residency Explained,” Aug. 26, 2017, and Mar. 15, 2019, respectively, available at <https://www.reuters.com>, <https://www.bbc.com>.

⁷⁵ Directive (EU) 2024/2853, O.J. L 285, Oct. 23, 2024.

⁷⁶ *National Fair Housing Alliance v. SafeRent Solutions, LLC*, No. 1:24-cv-00321 (D.D.C. 2024); see also litigation summaries in *The New York Times*, “SafeRent Lawsuit Settles for \$2.3 Million in Fair Housing Case,” Feb. 12, 2024, available at <https://www.nytimes.com>.