

Contents

<i>List of Figures and Tables</i>	<i>page</i> xi
<i>Notes on Contributors</i>	xiii
<i>Preface</i>	xvii
<i>Acknowledgments</i>	xxi
1 Robotics and Artificial Intelligence: The Present and Future Visions	1
<i>Sami Haddadin and Dennis Knobbe</i>	
1.1 Machine Intelligence: History in a Nutshell	1
1.1.1 Back to the Roots	1
1.1.2 The Modern Era of Robotics and AI	9
1.1.3 A Big Step Forward	13
1.2 Key Technologies in Modern Robotics and Artificial Intelligence	16
1.2.1 Trustworthy Artificial Intelligence	16
1.2.2 Safety in Physical Human–Robot Interaction	17
1.2.3 Robot Mechatronics As AI Embodiment	17
1.2.4 Multimodal Perception and Cognition	18
1.2.5 Navigation and Cognition	19
1.2.6 Modern Control Approaches in Robotics	20
1.2.7 Machine-Learning Algorithms	21
1.2.8 Learning in Intelligent and Networked Machines	24
1.3 Man and Machine in the Age of Machine Intelligence	25
1.3.1 Flying Robots	26
1.3.2 Mobile Ground Robots	27
1.3.3 Tactile Robots	27
1.4 Applications and Challenges of Robotics and AI Technologies	29
1.4.1 From Cleaning Robots to Service Humanoids	29
1.4.2 Production and Logistics	32
1.4.3 Robotic Disaster Relief	33

1.4.4	Multimodal Communication for AI-Enabled Telemedicine	34
1.4.5	The Future of Medicine with Molecular Robots	35
1.5	Conclusion	36
2	Regulating AI and Robotics: Ethical and Legal Challenges	37
	<i>Martin Ebers</i>	
2.1	Scenario	37
2.1.1	The Use of Algorithms by Businesses and Governments	37
2.1.2	Concepts and Definitions	40
2.1.3	Overview	44
2.2	The Problematic Characteristics of AI Systems from a Legal Perspective	44
2.2.1	Complexity and Connectivity	44
2.2.2	From Causation to Correlation	45
2.2.3	Autonomy	46
2.2.4	Algorithms As Black Boxes	48
2.3	Fundamental Questions	50
2.3.1	Replacement of Humans by Machines: To What Extent?	50
2.3.2	Brain–Computer Interfaces and Human Enhancement	52
2.4	Safety and Security Issues	53
2.4.1	Superintelligence As a Safety Risk?	53
2.4.2	Current Safety Risks	54
2.4.3	Security Risks Due to Malicious Use of AI	55
2.5	Accountability, Liability, and Insurance for Autonomous Systems	56
2.5.1	Emerging Questions	56
2.5.2	Overview of Opinions	57
2.5.3	Revising (Product) Liability Law in the European Union	57
2.5.4	A Specific Legal Status for AI and Robots?	60
2.6	Privacy, Data Protection, Data Ownership, and Access to Data	61
2.6.1	The Interplay between Data and Algorithms	61
2.6.2	Privacy, Data Protection, and AI Systems	62
2.6.3	Data Ownership v Data Access Rights	66
2.7	Algorithmic Manipulation and Discrimination of Citizens, Consumers, and Markets	70
2.7.1	Profiling, Targeting, Nudging, and Manipulation of Citizens and Consumers	71
2.7.2	Discrimination of Citizens and Consumers	76
2.7.3	Market Manipulation: The Case of Algorithmic Collusion	81
2.8	(International) Initiatives to Regulate AI and Robotics	83
2.8.1	Overview	83
2.8.2	European Union	86
2.8.3	International Organizations	89

2.8.4	Industry Initiatives and Self-Regulation at International Level	91
2.9	Governance of Algorithms: Regulatory Options	92
2.9.1	Should AI Systems and Robotics be Regulated by Ethics or Law?	92
2.9.2	General Regulation versus Sector-specific Regulation	93
2.9.3	Guiding Questions For Assessing the Need to Regulate	93
2.9.4	Level of Regulation: Global, International, National, or Regional?	94
2.9.5	Instruments for Modernizing the Current Legal Framework	95
2.9.6	A Plea for an Innovation-friendly Regulation	97
2.10	Outlook	98
3	Regulating Algorithms: How to Demystify the Alchemy of Code?	100
	<i>Mario Martini</i>	
3.1	Algorithms As Key to a Digital Cognitive World: Tomorrow's Leviathan?	100
3.2	Out of Control? Risk Potentials of AI As Prediction Machines	102
3.2.1	Opacity	102
3.2.2	Unlawful Discrimination As Ethical and Legal Challenge	104
3.2.3	Monopolization of Market Power and Knowledge: Influencing the Formation of Political Opinion	107
3.3	Regulatory steps and proposals for further legislative measures	108
3.3.1	Collective Data Protection As Part of Consumer Protection in the Digital World	109
3.3.2	Preventive Regulatory Instruments	112
3.3.3	Accompanying Risk Management and Supervision by Public Authorities	125
3.3.4	Ex-post Protection	128
3.3.5	Self-Regulation: Algorithmic Responsibility Code with a Declaration of Conformity	132
3.4	Conclusion	134
4	Automated Decision-Making under Article 22 GDPR: Towards a More Substantial Regime for Solely Automated Decision-Making	136
	<i>Diana Sancho</i>	
4.1	Algorithms and Decision-Making	136
4.2	Automated Processing, Profiling, and Automated Decision-Making	138
4.2.1	A Dynamic Process	138
4.2.2	The Procedural Design of Article 22	140
4.3	Which Decisions?	141
4.3.1	Classification	141

4.3.2	Analysis	142
4.4	The Right to Human Intervention and Article 22	147
4.4.1	Prohibition	147
4.4.2	Right	148
4.4.3	Derogations	148
4.4.4	The WP29 Guidelines	149
4.5	The Right to an Explanation and Article 22	150
4.6	Conclusion	155
5	Robot Machines and Civil Liability	157
	<i>Susana Navas</i>	
5.1	Robot Machines and Virtual Robots	157
5.1.1	Broad Notion of a Robot	158
5.1.2	Strict Notion of a Robot	160
5.1.3	European Notion of a Robot	162
5.2	Robots from a Legal Perspective	162
5.2.1	Current Legal Framework	162
5.2.2	Regulation of the Design and Production of Robot Machines	163
5.3	The Liability of the Owner of a Robot: Some Reflections	165
5.4	The Producer's Liability for Damage Caused by a Robot Machine: Review	166
5.4.1	Robot Machines As Products	167
5.4.2	Types of Defects	168
5.4.3	Notion of Producer: The 'Market Share Liability' Rule	169
5.4.4	The Consumer Expectations Test	171
5.4.5	Inclusion of Non-pecuniary Damages	172
5.5	Conclusions	173
6	Extra-Contractual Liability for Wrongs Committed by Autonomous Systems	174
	<i>Ruth Janal</i>	
6.1	Damage Wrought by Autonomous Systems	174
6.1.1	Robots As Legal Persons	175
6.1.2	The Players Involved in Autonomous Systems	176
6.1.3	Existing Liability Regimes	177
6.2	Traditional Concepts of Liability	178
6.2.1	Fault-Based Liability	178
6.2.2	Liability for Things	180
6.2.3	Liability for Employees and Other Assistants	185
6.2.4	Liability for Minors	188

6.3	Perspective: Liability for Autonomous Systems	190
6.3.1	How to Define ‘Wrong’ in the Context of Autonomous Systems	190
6.3.2	User of the Autonomous System	193
6.3.3	Keeper of the Autonomous System	194
6.3.4	The Operator’s Liability	202
6.4	No-Fault Compensation Schemes	205
6.5	Conclusion	205
7	Control of Algorithms in Financial Markets: The Example of High-Frequency Trading	207
	<i>Gerald Spindler</i>	
7.1	Algorithms and Financial Markets	207
7.2	Control of Algorithms: High-Frequency Trading As a Blueprint for Regulation?	209
7.3	Risks and Impact of High-Frequency Trading on Markets	209
7.4	The German High-Frequency Trading Act	210
7.5	Regulation on the European Level	213
7.5.1	MiFID II	213
7.5.2	Delegated Act: The Regulation of the European Union	216
7.6	Outlook: High-Frequency Trading As a Blueprint?	219
8	Creativity of Algorithms and Copyright Law	221
	<i>Susana Navas</i>	
8.1	Creativity	221
8.1.1	Definition: Types of Creativity	221
8.1.2	The Relationship between Creativity and Algorithms	223
8.1.3	Categories of Computational Art	225
8.2	Creation by Algorithms and Copyright	226
8.2.1	A Work Produced by an Algorithm as an Original ‘Work’	227
8.2.2	Authorship: Ownership and Exercise of Rights	230
8.3	Conclusion: Challenges for Copyright	232
9	“Wake Neutrality” of Artificial Intelligence Devices	235
	<i>Brian Subirana, Renwick Bivings, and Sanjay Sarma</i>	
9.1	Wake Neutrality and Artificial Intelligence	235
9.1.1	Product and Name Wake Neutrality of Smart Speakers	236
9.1.2	Intelligence Wake Neutrality of Smart Speakers	237
9.1.3	Wake Neutrality Legal Compliance: Open versus Closed Approaches	238
9.1.4	A Voice Name System for Wake Neutrality	242

9.2	Six Requirements for Wake Neutrality of AI Devices in OCC	242
9.2.1	Requirements to Achieve Wake Neutrality	243
9.2.2	Requirements to Enforce Wake Neutrality	246
9.3	Net Neutrality and Wake Neutrality	247
9.4	Legal Programming Enablers of Wake Neutrality	252
9.5	Balancing Wake Neutrality with Automated Contracting	255
9.6	Implications of Wake Neutrality for the AI Architecture Stack	259
9.6.1	Wake Neutrality and the Sensor Stream	259
9.6.2	Wake Neutrality and the Cognitive Core	260
9.6.3	Wake Neutrality and the Brain Operating System	263
9.6.4	Wake Neutrality and the Expression Layer	266
9.7	Conclusion and Future Research	267
10	The (Envisaged) Legal Framework for Commercialisation of Digital Data within the EU: Data Protection Law and Data Economic Law As a Conflicted Basis for Algorithm-Based Products and Services	269
	<i>Björn Steinrötter</i>	
10.1	The Link between Data and Algorithms	269
10.2	Definition of Digital Data	271
10.3	Data Economic Law	272
10.3.1	Brief Description and Rationale	272
10.3.2	The Free Flow of Data Initiative of the European Commission	274
10.3.3	Non-personal Data Contract Law	287
10.4	Data Protection Law	289
10.4.1	Brief Description and Rationale	289
10.4.2	Personal Data Movement and Trading	289
10.4.3	Personal Data Ownership/Property in Personal Data?	292
10.4.4	Personal Data Contract Law	293
10.5	Conflicts	294
10.6	Alternatives	295
10.7	Conclusions	296