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# The Future of ADR and Potential Innovation that Transform that Field such as the Use of Artificial Intelligence or Blockchain Technology

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DIPANSHA AGRAWAL<sup>1</sup>

## ABSTRACT

*Following the COVID 19 phase, technological advancement is becoming more. Now that it is a part of our daily lives, it makes things simpler. There are numerous things to do and it not only helps with studying but also with learning anything creative and playing games. Technology today includes robots that are made to assist us in addition to laptops, PCs, and any OTT platform. These robots assist us in a variety of ways in our daily lives as well as in our professional lives as a doctor, attorney, police officer, and other professions. Due to an increase in crimes, there are also a rising number of cases. These cases are waiting in courts, and if the people aren't given justice on time, what other options are there? Therefore, the government established the Alternative Dispute Resolution (ADR) system to lessen the workload on the courts. The term "alternative dispute resolution" (ADR) refers to a process for resolving conflicts between the parties outside of court. This method of approach has gained increasing traction in recent years as a result of its many advantages, which include quicker resolution times, more effectiveness, lower costs, and a host of other advantages. There are various methods, including negotiation, mediation, arbitration, and others. Everyone uses technology in modern life, and thanks to the quick development of machines and technology, we are already employing AI for our own purposes. In this article, we discussed alternative dispute resolution, its various processes, what artificial intelligence and blockchain technology are, and the current online dispute resolution session that takes place following the Covid-19 phase. We also investigate whether blockchain technology and AI may be applied to ADR processes. And how well does the ADR session work with this technology (AI and Blockchain Technology)?*

**Keywords:** AI, ADR, Block chain Technology.

## I. INTRODUCTION

By the rapid growth of technology in following days of the pandemic. We all find ourselves

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<sup>1</sup> Author is a student at Lloyd Law College, Greater Noida, India.

reliant upon technology in some form, whether it is for our financial well-being or our educational needs. A platform called ODR, emerged during COVID 19 crises. This online platform was developed during the COVID era as a result on a significant rise of cases in India. This platform is the sole place where people may resolve their disputes digitally. Yet, many of you might've heard of the "DoNotPay" robot lawyer. This robot was designed in 2015 as a customer dispute resolver app and is used to aid customers with many legal services without employing a lawyer. This robot doesn't hold a law degree. So, the question arise here, Whether these artificial intelligence systems will corporate with judges and lawyers? The parties to these alternative dispute resolution cases are so deeply acquainted with each other, the issue is Whether AI has the ability to understand the emotional behavior's of the parties? Whether artificial intelligence will continue to permeate alternative dispute resolution is now raised? In the following article, we discuss these issues as well as the connections between ADR and AI.

## **II. WHAT DO AI AND BLOCKCHAIN TECHNOLOGY MEAN?**

AI: A group of researchers first introduced the term "artificial intelligence" in the 1960 Dartmouth Conference. A machine with artificial intelligence can carry out tasks that require human intelligence. Artificial intelligence was once employed to carry out calculations, play online chess, and other minor jobs between 1950 and 1960. but as technology advanced and time passed, this intelligence was put to use for driving cars, using force, and other tasks that made life easier for humans. Among the most prominent applications of AI include robots, self-driving cars, ChatGPT, computers, and so on. Several recent AI systems used in India include: The robot, known as KP-Bot, is used for police duties for the first time in Kerala, India. It will be used to carry out operations at the police headquarters' front desk.

ADR process known as arbitration is a type of dispute resolution in which an impartial third party, known as an arbitrator, reviews the relevant evidence. This approach is distinct from the mediation process in that neither side is required to use it. Only when both parties have mutually agreed to have their problems arbitrated may the arbitration procedure be made mandatory. There are various sorts of arbitration, including: Ad-hoc arbitration, mandatory arbitration

MEDIATION: Mediation is a different type of ADR process that is simple and optional. A mediator is a third party who is neutral and who assists the parties in using communication and negotiation strategies to settle their conflicts out of court. The mediator's role in this process is crucial for helping the parties come to an agreement and settle their disagreement. The parties can reach their own agreement and both parties have a neutral mediator present during the session, therefore the mediator's decision is not obligatory. The mediation session is initiated

by outlining the problem from both sides, and it is held in a private space. ion, and voluntary arbitration.<sup>2</sup>

**LOK ADALAT:** In 1982, the first Lok Adalat was held in the Gujrat village of Una. The Lok Adalat's handling of the situation is in accordance with the 1987 Legal Services Authorities Act. These Lok Adalats were established by the government to resolve conflicts through conciliation. This agreement was reached through legitimate discussions. It is a particular organisation for resolving conflicts, promoting social justice, and serving as a judicial body.

There are numerous other types of techniques used to settle conflicts between the parties, similar to these.

Blockchain technology is a method of data storage that makes it difficult or impossible for the system to be changed, hacked, or used improperly. The "blockchain" or organisational architecture of blockchain technology is a network of peer-to-peer nodes that connects many databases, or the "chain," of publicly available transactional information, also known as the "block," in one network. Oftentimes, this kind of storage is referred to as a "digital ledger." The owner's digital signature serves as both a validation and fraud prevention mechanism for every transaction in this ledger. It also serves to authenticate the transaction. BurstIQ, the Internet of Things, and smart contracts are recent applications of blockchain technology.<sup>3</sup>

### III. WHAT IS ADR, AND HOW IS IT CURRENTLY?

ADR, or alternative dispute resolution, is a procedure where the dispute is settled among the parties through one or more of the following methods: negotiation, conciliation, arbitration, mediation, and so on. This form of approach has been more popular in recent years due to its numerous benefits, including shortened resolution times, more efficiency, cheaper costs, and plenty of other benefits. Despite all of these benefits, ADR still has some drawbacks. People lose trust in the ADR process as a result of the several types of processes that exist, each of which has its own set of rules and regulations. People don't trust the process, and they don't trust anyone other than the judge.<sup>4</sup> In the meantime, the ADR process is used to resolve 65% of cases. Through the provision of ODR services to the parties, technology plays a critical role in the ADR process.

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<sup>2</sup> Oishika Banerji (2021) *Models of Alternative Dispute resolution*, iPleaders. Available at: <https://blog.ipleaders.in/models-of-alternative-dispute-resolution/> (Accessed: 17 July 2023).

<sup>3</sup> S, R.A. (2023) *What is blockchain technology? how does blockchain work? [updated]*, Simplilearn.com. Available at: <https://www.simplilearn.com/tutorials/blockchain-tutorial/blockchain-technology> (Accessed: 17 July 2023).

<sup>4</sup> *Alternative dispute resolution* (no date) *Legal Information Institute*. Available at: [https://www.law.cornell.edu/wex/alternative\\_dispute\\_resolution](https://www.law.cornell.edu/wex/alternative_dispute_resolution) (Accessed: 17 July 2023).

Online Dispute Resolution is a platform where many sorts of conflict resolution techniques are applied in a digital setting. ODR is now available in India thanks to a 2008 change to the information technology act. Alternative dispute resolution (ADR) procedures are now available in India thanks to the addition of Section 89 to the Code of Civil Procedure, 1908. ODR may potentially be a part of this. ODR refers to the process of resolving conflicts outside of the court system, especially in situations with low to moderate financial stakes, by employing digital technology and ADR methods such negotiation, mediation, and arbitration. ODR is becoming more and more appreciated in India. The Alternative Dispute Resolution procedure in India has been recognized legally by Section 89 of the Code of Civil Procedure, 1908. The government of India's consumer affairs department has set up a web-based platform for consumer dispute settlement in order to settle the conflict. Tenant and landlord conflicts can be settled through this online platform. While online dispute resolution only takes one month to resolve issues, arbitration often takes at least a six-month period to complete. The parties benefit from greater transparency with this strategy. This platform is extremely helpful for companies.<sup>5</sup>

#### **IV. USING AI IN ADR MAY BE PRACTICAL**

Yes, the ODR process makes AI possible in the ADR process. But there are numerous additional factors, such as AI can evaluate data from past cases, that can be used in the ADR process in addition to this one. This can be highly helpful for settling complicated conflicts, and AI can also support the process of arbitration, mediation, and negotiation by providing a productive response. AI can also assist in the use of natural language by assisting the parties in the interpretation and analysis of their language. This helps the process go smoothly and permits the parties to settle their issues rapidly and affordably. The handling of ADR cases through administrative activities is assisted by AI as well. It can schedule the parties' meeting and arrange papers for the procedure and parties. AI can conduct virtual hearings by demonstrating to the parties that their computers have the necessary technological assets, such as operating audio and video.

AI can also serve as a third party in the mediation process, as well as save time for the parties and cut down on mistakes. This increases the parties' trust in the ADR process and makes it more substantial and forward-thinking. AI may additionally assist the parties on the best course of action for settling their issues, such as recommending them to choose mediation over arbitration or vice versa. It may provide parties some peace of mind to know that an artificial

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<sup>5</sup> *Online dispute resolution in India* (no date) *Legal Service India*. Available at: <https://www.legalserviceindia.com/legal/article-6080-online-dispute-resolution-in-india.html> (Accessed: 17 July 2023).

adjudicator would be less susceptible to human error, bias, or preoccupation. Some authorities are employing AI to make legally binding judgements in addition to recommending outcomes to parties. AI judges who receive evidence, pose questions, establish time frames, and render verdicts are used in China's virtual courts. Algorithm-based ODR has been adopted by courts in Michigan, Ohio, California, Wisconsin, and Utah, primarily for low-conflict family court matters, small claims, traffic tickets, and outstanding warrant cases.

## **V. ADR AND BLOCKCHAIN TECHNOLOGY: POTENTIAL APPLICATIONS**

Blockchain technology facilitates system for secure information, documents, and personal data in this digital environment where individuals trade digital currency. The two technologies that people are currently passionate about in are artificial intelligence and blockchain technology. They are the most reliable, secure, and practical technologies available today, and blockchain technology has the potential of improving confidence among people in ADR by ensuring effective transparency, security, and efficiency. Blockchain technology is used to quickly and cheaply resolve disputes by readily verifying each party's proof. Due to the fact that the evidence is technologically confirmed and cannot be fabricated by a machine, the parties will benefit of having more confidence that the evidence has not been altered. AI required human intervention, whereas blockchain doesn't and can be used to create smart contracts. Smart contracts are a type of software set up that perform some tasks autonomously. It functions as an artificial intermediary between the parties. As a result, there will be more transparency in the work and between the parties, which will improve communication and hasten up as well as reduce the cost of resolving conflicts. Decentralised dispute resolution mechanisms can be implemented due to blockchain technology. Instead of unified authority, the network of hubs can resolve this issue. By using smart contracts, decision-making has become considerably easier because the terms of the decision may be automatically enforced without the need for a central authority to monitor the procedure. Blockchain is employed as an electronic platform for the distribution of arbitrary awards.<sup>6</sup>

## **VI. CONCLUSION**

The application of AI and Blockchain technology, it could be concluded, has the potential to make the process more effective, transparent, efficient, and affordable. By examining the data and offering feasible alternatives, it will assist the populace to resolving their issues and fostering a sense of accountability and trust between the parties. ODR is not the only tool that

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<sup>6</sup> Hayes, A. (2023) *Blockchain facts: What is it, how it works, and how it can be used*, Investopedia. Available at: <https://www.investopedia.com/terms/b/blockchain.asp> (Accessed: 17 July 2023).

assists individuals in resolving their conflicts; there are numerous other methods as well, such as the use of AI and blockchain technology. The application of AI and blockchain technology will grow in the future, not merely in ADR but also in litigation, the judicial system, not just in the legal sector but in every sector. There are further examples, like the "do not pay" robot lawyer and the "KP-Bot" police robot that Kerala State is using for the first time. We all are utilising gadgets in every aspect of our lives. In the modern world, a cellphone and a laptop are necessities that several individuals can't survive without it. Every single one of us rely on technology.

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