



The Indian Journal for Research in Law and Management

Open Access Law Journal – Copyright © 2026

Editor-in-Chief – Dr. Muktai Deb Chavan; Publisher – Alden Vas; ISSN: 2583-9896

This is an Open Access article distributed under the terms of the Creative Commons Attribution-Non-Commercial-Share Alike 4.0 International (CC-BY-NC-SA 4.0) License, which permits unrestricted non-commercial use, distribution, and reproduction in any medium provided the original work is properly cited.

AI as arbitrator: can an algorithm decide legal disputes?

~ *Pari Shreya Maligonda*

My favorite childhood memory has been watching cartoons and after watching plethora of them, “Doraemon” always stands out for me. While I appreciated how it thought me physics concepts easily, I could not grasp and understand why Nobitha couldn't solve his problems rather always relied on Doraemon to do it for him. Cut to 2026, at the smallest inconvenience we open ChatGpt, Gemini, Claude AI, Perplexity etc among many others to solve our problems and get answers.

Artificial Intelligence is a term that we hear so often these days, while people are making new laws like the Europe AI Act 2024, bringing in newer technology to solve our problems with the help of artificial intelligence, and arguing how Artificial intelligence is going to take our jobs away. My thoughts came to a halt when I read about the International Chamber of Commerce, 2023 convened with the objective to answer a single question “Can an Algorithm be allowed to arbitrate legal issues”? This was not an experiment but finding a solution to reality that was creeping into the area of International Arbitration - will AI replace us(1).

The AI-powered tools can review millions of pages in a few hours, find legal cases without breaking into sweat, it can predict arbitral outcomes, draft procedures, organise evidence etc. I feel the question is not about if AI can creep into arbitration cause it already has, but can it go any further as to sign an award(2).

I argue that it cannot, not yet at least. Coming from a diverse background of Data Science and AI and pursuing law now, I believe AI cannot be an arbitrator at least not without changing the legal system that currently allows, recognises and enforces arbitral awards in nearly 170 [nations](#). If an algorithm becomes a decision maker, the law ceases to be a genuine adjudication and it becomes unreliable and unpredictable like a lottery.

To review further without arguing badly against AI as an arbitrator. Let's dissect by understanding its diverse usage with confusion would make the worst policy or decisions. Firstly can AI be an administrative tool-like organising evidence, scheduling hearings and translating multilingual documents is already in common practice. The second AI as a decision making system - which include technologies like Lex Machina, Relativity that help human arbitrators by forecasting results, identifying errors in witness testimony, or analyzing trends in case law(3).

The third can AI be the principal arbitrator, which is the question of this blog. This is the algorithm that reviews the submissions, considers the evidence, and renders the legally binding decision. Cybersettle and other online dispute resolution services are currently using automated procedures to address low-value customer claims(4). The UNCITRAL Working Group III on online dispute resolution has been creating international rules specifically for this situation, and the institutional arbitration community is closely monitoring its growth(5).

An agreement between the parties and the legal system gives arbitration its legitimacy: the parties forfeit their right to file a lawsuit in exchange for a quicker, more economical, and just dispute resolution procedure. The entire basis of arbitration collapses if those fundamental protections of justice are eliminated if the natural justice principles are not adhered to.

The two cornerstones of natural justice are *nemo iudex in causa sua* (no one shall be a judge in their own cause) and *audi alteram partem* (hear the other side). UNCITRAL Model Law Article 18 incorporates both into international arbitration law and are prerequisites for a legitimate and enforceable award. The fundamental principles in legal terms say one should not judge his own case and each party must be given a reasonable opportunity to be heard and understood(6).

The AI does not differentiate or understand the term “ Party” or “side”. It handles the inputs based on training data, it gives variables weights. However, a hearing means carefully listening to and fairly considering the arguments made by both sides. It is impossible to cross-examine an algorithm to find out why it rejected a certain proposal. It cannot provide a legally significant explanation for why it gave one expert's testimony greater weight than another. It generates results rather than explanations.

This brings us to another question : the duty to give reasoned award. According to ICC Rules of Arbitration the most important task of arbitrators is to give reasoned explanations behind their decisions(7). The Singapore International Arbitration Centre also has similar requirements. A reasoned award is not just a technical formality - it allows the losing party to understand the decision, challenge it if necessary, and helps courts verify that the process was fair (8).

Finally, can AI as an arbitrator decide legal disputes? If helping with gathering and organising evidence, scheduling hearing, reviewing documents then AI is already playing an active role simplifying the process and increasing the efficiency and effectiveness of the entire process.

However if it's deciding whether a bonding arbitral award courts in countries like Mumbai, Singapore, Paris, New York are to legally enforce, then AI cannot replace human arbitrators. The issue is not that AI lacks technical ability, but the current legal systems are built on the foundations of human insights and decisions.

For now AI can assist Arbitration as a tool, but cannot replace the role of a human arbitrator.

No.	Citation (BlueBook 20th Ed.)	Used in Blog
1	Int'l Chamber of Commerce, Report of the ICC Commission on Arbitration and ADR: Artificial Intelligence and Arbitration (2023), https://iccwbo.org/publication/artificial-intelligence-and-arbitration .	Section I — Introduction context
2	Gary Born, International Commercial Arbitration 2887–2890 (3d ed. 2021) (discussing technology-assisted arbitration processes).	Section I — Scope of AI in proceedings
3	Maxi Scherer, Artificial Intelligence and Legal Decision-Making: The Wide Open?, 36 J. Int'l Arb. 539, 541–544 (2019).	Section II — Decision-support systems
4	Ethan Katsh & Orna Rabinovich-Einy, Digital Justice: Technology and the Internet of Disputes 78–82 (2017).	Section II — ODR and Cybersettle
5	U.N. Comm'n on Int'l Trade Law, Working Group III: Online Dispute Resolution, Note by the Secretariat, U.N.	Section II — UNCITRAL ODR framework

No.	Citation (BlueBook 20th Ed.)	Used in Blog
	Doc. A/CN.9/1101 (Feb. 2, 2022).	
6	UNCITRAL Model Law on International Commercial Arbitration art. 18, G.A. Res. 40/72, U.N. Doc. A/40/17 annex I (Dec. 11, 1985), as amended, G.A. Res. 61/33 (Dec. 4, 2006).	Section III — Equal treatment obligation
7	ICC Rules of Arbitration art. 32(2) (2021), https://iccwbo.org/dispute-resolution/dispute-resolution-services/arbitration/rules-procedure/2021-arbitration-rules .	Section III — Reasoned award requirement
8	SIAC Arbitration Rules r. 32.4 (2016), https://www.siac.org.sg/our-rules/rules/siac-rules-2016 .	Section III — SIAC reasoned award