

Course Syllabus-Artificial Intelligence, Digital Markets and Consumers

Language of Instruction: English

Professor: Mireia Artigot Golobardes, LL.M., JSD

Professor's Contact and Office Hours: 30

Course Contact Hours: 30 hours

Recommended Credit: 4 ECTS credits

Weeks: 2

Course Prerequisites: None but legal and economic background is advised

Language Requirements: Recommended level in the European Framework B2 (or equivalent: Cambridge Certificate if the teaching language is English, DELE or 3 semesters in the case of Spanish).

Course structure: In class lectures with active student's participation.

Course classification: Introductory

Course Description:

The Internet and web-based business networks have enabled new forms of economic interactions through multi-sided markets. Many markets and new market segments now exist within digital environments and are heavily influenced by network effects. The growing use of algorithms in private relationships raises many important legal questions. If we consider, for example, private transactions entered into on multi-sided market platforms such as Airbnb, Uber or Amazon, we are immediately confronted with questions about the variables that shape them, the mechanisms that drive outcomes, and the impact of these outcomes have for individuals' rights and. Moreover, we see that individuals' rights often depend on the transparency of the variables and mechanisms underlying algorithmic decisions, as it is only through this level of transparency that discriminatory treatment or outcomes can be detected and accountability can be achieved.

Digital transaction networks enable a transaction environment with low transaction costs and negligible entry costs. Digital transaction networks offer consumers contractual bundles, which combine data contracts, encapsulated in terms of service (ToS) and privacy agreements, with contracts governing the underlying consumer transaction. Leveraging machine learning and other forms of artificial intelligence, these networks use consumer data to personalize a range of consumer experiences, from market choices to contract terms.

The disruption originated by digital networks has generated particular attention of the legislator to protect consumers and minimize the disruptions arising from these digital market structures.

This has resulted in an increasing regulatory activity from legislators, regulators and courts in both sides of the Atlantic.

This course aims at providing a deep analysis on current aspects of the functioning of digital markets and the relationships entered in them between

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market participants - suppliers, consumers and digital platforms. Special focus will be on European law with emphasis in comparative aspects with US law.

Learning Objectives:

Upon completion of the course, students will be able to understand

- 1) The functioning of digital markets
- 2) The challenges raised by artificial intelligence in digital markets
- 3) Challenges presented by digital environments for consumer protection.

Methods of Instruction and Course Workload:

The course will be mostly based on legal and economic scholarship, some case studies and in some cases, hypotheticals and real case law to illustrate different issues.

Students will be required to read the week course materials in advance in order to be prepared when attending the class. All students are on call for all readings assigned for that day.

Students should be prepared to read around 50 pages per week.

Capacities and skills:

After successfully completing the course, students shall be:

- (a) equipped with an advanced knowledge and understanding of core aspects of the impact of the new technologies in the core areas of private law;
- (b) able to discuss public policy interests at stake and to develop their capacity to devise and sustain legal arguments and solve legal problems in the fields dealt with during the lectures; and
- (c) encouraged to think pragmatically about the law.

There may be a field trip to be confirmed.

Method of Assessment:

The final grade for the course will be based on several items:

- a) **Short multiple choice exam** - A final exam based on the assigned readings and the contents of the class lectures will be scheduled. The exam will test students' understanding and familiarity with the different concepts, institutions and approaches discussed during the lectures. The exam will be closed book. (45%)

- b) **Final project that students will present orally. Students will be subject to questions.** (45%)
- c) **Class participation:** 10%

Absence Policy:

Attending class is mandatory and will be monitored daily by professors. The impact of absences on the final grade is as follows:

Absences	Penalization
Up to two (2) absences	No penalization.
Three (3) absences	1 point subtracted from final grade (on a 10 point scale)
Four (4) absences	The student receives an INCOMPLETE for the course

The BISS attendance policy does not distinguish between justified or unjustified absences. The student is deemed responsible to manage his/her absences.

Emergency situations (hospitalization, family emergency, etc.) will be analyzed on a case by case basis by the Academic Director of the UPF Barcelona International Summer School.

Classroom Norms:

- Do not enter or leave while class sessions are on
- No food or drink is permitted in the classroom.
- There will be a ten-minute break during the class.
- Students should come to class prepared to be ready to discuss class reading and participate.

Course Contents:

1) Session 1

Introduction – Why do we protect consumers?

2) Session 2 and 3

Mapping Consumer law

3) Session 4

Behavioral problems in consumer law

4) Session 5 and 6

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European Data Protection - overview and current challenges

5) **Session 7**

E-market places: matching or contracting?

Technology and digital markets: Current challenges for consumer protection

6) **Session 8 and 9**

Contracts and data: legal and economic personalization of contracts in digital networks

7) **Session 10**

Student's project presentations

Court readings and references:

Class readings will be available on Moodle. Students are expected to prepare them before class.

- Alessandro Acquisti, *The Economics of Personal Data and the Economics of Privacy* (2010)
- Oren Bar-Gill, *SEDUCTION BY CONTRACT: LAW, ECONOMICS AND PSYCHOLOGY IN CONSUMER MARKETS* (Oxford University Press, 2012).
- Omri Ben-Shahar, *One Way Contracts: Consumer Protection Beyond Law*, 6 *Europ. Rev. Contract L.* 221 (2010).
- Fradkin - *Digital Marketplaces*, *The New Palgrave Dictionary of Economics*, pp.1-14
- Paola Iamiceli, *the Digital Revolution and the Challenges for European Private Law*, in *Online Platforms and the Digital Turn in EU Contract Law*, De Gruyter (2019)
- Lina M. Kahn, *Amazon's Antitrust Paradox*, 126 *The Yale Law Journal* 710 (2017).

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