

ESSAYS

ARTIFICIAL INTELLIGENCE AND LEGALTECH: RISKS OF TRANSFORMING THE LEGAL PROFESSION

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Abstract

This essay examines how the proliferation of LegalTech and artificial intelligence is transforming the legal profession, with a particular focus on the erosion of the traditional monopoly held by lawyers. Through a comparative legal analysis of German and US case law, it explores how LegalTech platforms are challenging established doctrines regarding the unauthorized practice of law across jurisdictions. The study identifies a fundamental tension between legal formalism and procedural simplification — one that has entered a new phase in the digital era. The findings show that even traditionally conservative legal systems are experiencing a rapid expansion of automated pre-trial legal consultation services, resulting in the systematic deprofessionalization of legal practice. Significantly, the driving force behind this transformation is the commercial IT sector, which approaches the legal market primarily as a profit-making enterprise. This approach undermines the core principles of the legal profession — namely independence and exclusivity — which have long supported its dual mission of delivering qualified legal assistance and upholding the rule of law. This essay proposes a theoretical framework for evaluating the risks posed by the standardization of legal services. These risks include a decline in service quality for complex or atypical cases, ambiguous liability for algorithmic errors, and the gradual erosion of normative legal foundations as dispute resolution increasingly shifts from legislative institutions to corporate IT platforms. Drawing on Luhmann's systems theory, the analysis underscores the importance of preserving the procedural autonomy of law as an essential mechanism for resolving social conflicts. The study concludes that while LegalTech offers significant benefits, its integration must take place within a strong regulatory framework. Such a framework should clearly define the permissible scope of deprofessionalization and establish mechanisms for professional accountability — regardless of the technological capabilities of AI systems and online dispute resolution platforms.

Keywords

LegalTech, ChatGPT, artificial intelligence, lawyer's monopoly, comparative law, German law, deprofessionalization, digitalization of law

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ИСКУССТВЕННЫЙ ИНТЕЛЛЕКТ И LEGALTECH: РИСКИ ТРАНСФОРМАЦИИ ЮРИДИЧЕСКОЙ ПРОФЕССИИ

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Аннотация

В рамках настоящего научного исследования осуществлен комплексный теоретико-правовой анализ трансформационных процессов, обусловленных интеграцией технологий *LegalTech* и искусственного интеллекта в юридическую практику, с позиций доктрины юридической профессии и концепции адвокатской монополии. Методологический инструментарий включает сравнительно-правовой метод, историко-правовой анализ эволюции юридической профессии и функциональный подход к оценке современных правовых институтов. На материале судебной практики правовых систем континентального и общего права (преимущественно Германии и США) исследована правовая квалификация деятельности *LegalTech*-платформ через призму доктрины *unauthorized practice of law*, что позволило выявить юридические противоречия в их статусе. Научная новизна исследования заключается в выявлении нового витка диалектического противоречия между принципами правового формализма и стремлением к упрощению, проявляющегося в условиях стремительной цифровизации юридической сферы. Показано, что в ряде консервативных правовых порядков наблюдается стремительный рост автоматизированных систем досудебного юридического консультирования, что объективно ведёт к системной депрофессионализации правовой помощи. Выявлены ключевые акторы данного процесса — коммерческие IT-структуры, реконцептуализирующие юридический рынок как пространство извлечения прибыли, что противоречит фундаментальным принципам института адвокатуры: независимости (*independence*) и исключительности (*exclusivity*), обеспечивающим дуалистическую функцию профессии — оказание квалифицированной юридической помощи и поддержание верховенства закона (*rule of law*). Автором разработана и обоснована теоретическая концепция рисков стандартизации юридических услуг: снижение качества правовой помощи при рассмотрении юридически сложных и атипичных казусов; правовая неопределенность в вопросе распределения ответственности за ошибки автоматизированных систем; эрозия нормативных основ правоприменения при переносе центра формирования правил разрешения конфликтов из законодательных органов в корпоративные структуры IT-индустрии. В контексте теории социальных систем Н. Лумана аргументирована необходимость сохранения процессуальной автономии права как инструмента разрешения социальных конфликтов. На основании проведенного исследования сформулирован вывод о том, что интеграция *LegalTech*-решений должна

осуществляться в рамках нормативно-правового регулирования с четким определением юрисдикционных границ «депрофессионализации» и механизмов профессиональной ответственности, вне зависимости от технологических перспектив, открываемых системами искусственного интеллекта и платформами онлайн-разрешения споров (ODR).

Ключевые слова

LegalTech, ChatGPT, искусственный интеллект, адвокатская монополия, сравнительное правоведение, право Германии, депрофессионализация, цифровизация права

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Introduction

At the end of November 2024, significant news emerged from the field of information technology: experts announced that artificial intelligence (AI), particularly large language models (LLMs), may have reached the limits of their current capacity for learning and development.¹ Although such statements had long been anticipated by specialists in the field, they came as unexpected and even shocking news to the general public. The reasons behind this development are pragmatic and stem from fundamental principles governing system growth, which require a balance between extensive and intensive approaches. In the case of AI, the extensive method — training models on large public datasets — is nearing its limits. Restricted access to high-quality public data may soon become a critical bottleneck, with some experts predicting that the most valuable training resources could be depleted as early as 2026 to 2032.

These findings, however, stand in contrast to the dominant public narrative, which continues to emphasize the rapid ascent of AI technologies such as ChatGPT and their increasing impact on everyday life. AI is not only reshaping professional landscapes by fostering new fields like legal engineering but also raising concerns about the displacement of traditional occupations.² Among the most vulnerable to automation are proofreaders, taxi drivers, couriers, and — over the long term — even lawyers. In our view, the potential slowdown in the qualitative development of AI offers a window of opportunity for critical reflection on the

¹ Palazzolo, S., Woo, E., & Efrati, A. (n.d.). *OpenAI shifts strategy as rate of “GPT” AI improvements slows*. <https://www.theinformation.com/articles/openai-shifts-strategy-as-rate-of-gpt-ai-improvements-slows>

² Demirci, O., Hannane, J., & X. Zhu. (2024, November 11). *Research: How gen AI is already impacting the labor market*. Harvard Business Review. <https://hbr.org/2024/11/research-how-gen-ai-is-already-impacting-the-labor-market>

ongoing transformation of the legal profession and, more broadly, on the role of law as a universal social regulator. There is a small but significant chance that the current hype surrounding AI may give way – at least temporarily – to a more objective evaluation of its real-world applications, particularly in such a sensitive domain as law. This includes a more balanced assessment of the associated risks.

The legal profession is currently undergoing a profound transformation driven by technological innovation. AI systems and LegalTech platforms are playing an increasingly central role, providing tools that automate complex legal tasks – from large-scale data analysis and document drafting to litigation outcome prediction.

According to the *Future Ready Lawyer* study by Wolters Kluwer, which has surveyed over 700 legal professionals in the US and Europe annually since 2019, a fundamental shift in how the legal profession perceives itself is already a *fait accompli* within the legal community.

The latest data from 2024 no longer centers on whether lawyers are prepared to adopt LegalTech or AI. Instead, it reveals that 76% of surveyed corporate lawyers and 68% of attorneys already use AI in their work at least once a week.³ The focus has now shifted to examining how – and to what extent – lawyers are integrating LegalTech and AI into their daily practice, particularly in areas such as legal research, case analysis, and contract drafting.

The *Future Ready Lawyer* 2024 report identifies three major challenges expected to shape the profession over the next three years:

- rising costs, as most ready-made AI-based legal solutions remain prohibitively expensive
- the increasing complexity and volume of legal information, particularly with respect to data processing and security
- the urgent need to attract and retain top legal talent in an increasingly competitive labor market

Given the emerging consensus within the legal profession that securing high-value clients is no longer feasible without embracing LegalTech and AI, the critical question becomes: what price will the profession – and its clients – ultimately pay for this transition? More broadly, while expecting lawyers to remain technologically up to date, is society itself truly prepared for the potential consequences that AI may bring to the legal system and to the very nature of legal practice?

I. Technological Influences on the Historical Evolution of the Legal Profession

The legal profession – like the legal system itself – has undergone significant evolution, progressing from the rituals of ancient civilizations to the adoption of modern artificial intelligence technologies. Each historical stage of transformation has altered not only how

³ Wolters Kluwer Legal and Regulatory. (2024). *Future Ready Lawyer Studie 2024*. Legal Innovation: Die Zukunft gestalten oder abgehängt werden? [Future ready lawyer study 2024. Legal innovation: Shape the future or be left behind?]. Wolters Kluwer. The study is available for download at: https://www.wolterskluwer.com/de-de/know/future-ready-lawyer-2024?utm_medium=cpc&utm_source=google&utm_campaign=legal_future-ready-lawyer-2024&wkn=03113&gad_source=1&gclid=Cj0KCQiA_9u5BhCUARIsABbMSPs_xPRch63iUCqg3_tqX1wSfXGE8Id7gpVLcCRtotcN2u7UuOAYwTlaAu2kEALw_wcB#download

lawyers work, but also how the role of law is perceived in society (Janssen & Vennmanns, 2021, pp. 38–57; Susskind & Susskind, 2015). At every juncture, legal practice absorbed elements that had previously been absent: written codes made legal norms stable and accessible; standardized legal forms simplified document drafting; the printing press accelerated the dissemination of legal knowledge; and the advent of computers, the internet, and AI rendered the law more dynamic and versatile. These advances have opened new opportunities while also introducing distinct challenges, prompting a reassessment of traditional legal methods and the very nature of the profession.

Today, technology is shaping the legal profession more profoundly than ever before. Artificial intelligence, task automation, LegalTech platforms, and big data are transforming not only how lawyers operate, but also how law itself is conceived. Automated platforms now deliver legal services that, just a few decades ago, would have required the direct involvement of trained legal professionals.

Examples of LegalTech services such as *Myflyright* and *Wenigermiete.de* are illustrative. These platforms enable users to claim compensation⁴ for flight delays or request rent reductions, typically by initiating an algorithm-driven pre-trial process. Human involvement — specifically by a lawyer — occurs only at the litigation stage, which is rare. Given the straightforward legal framework and simplified factual circumstances, most disputes are resolved without proceeding to court. Once the LegalTech service verifies the facts (e.g., a flight delay or cancellation), it generates and sends a formal letter of demand. Defendants usually settle unless there is a substantial reason to dispute the claim, such as forged documents.

Despite the limited range of cases handled by such services, they raise a fundamental question about the evolving role of lawyers as intermediaries between law and society. In these areas, legal representation often proves too costly for clients, both financially and in terms of time. LegalTech platforms offer near-instant assessments based on user-submitted information, effectively eliminating the need for direct lawyer involvement. These services also represent economically attractive business models, benefiting from scalability and minimal reliance on human staffing.

However, the transformation of the legal profession — and of law itself — is not a recent phenomenon. It began with the earliest legal systems. Legal evolution has always been closely linked to technological innovation: from the invention of writing, which enabled the recording of laws; to the development of standardized legal forms that simplified practice; and now to digital tools that make legal processes accessible even to non-lawyers. To some extent, the entire history of law can be viewed as a continuous tension between formalism and simplification (Guillemard et al., 2018, p. 322).

The first major shift occurred with the introduction of written codes, such as the Code of Hammurabi, which laid the foundation for legal systematization. This reduced the arbitrariness of oral traditions and made legal enforcement more consistent and predictable (Harper,

⁴ This is exclusively about the absence of direct costs for legal services for the client. Thus, in the case of compensation for flight delays/cancellations, the client assigns the right to claim up to 30% of the compensation received, and in the case of a positive reduction in the amount of rent — the amount of the reduced rent for six months.

1904, p. 5). However, it was in the Roman Empire that written law and the legal profession reached their full development. The *Codex Justinianus* – part of the *Corpus Juris Civilis* – not only compiled legal norms but also incorporated juristic commentary, forming the cornerstone of the European legal tradition (Blume & Frier, 2016). Roman law professionalized legal practice and established the codex as a symbol of comprehensiveness and legal rationality (Vismann, 2000, p. 77).

Another milestone in the evolution of law was the widespread use of legal forms – standardized templates such as the *bill of lading* – that enabled the routine execution of contracts, wills, and claims. These tools were essential to medieval trade and reflected a shift from sacred to pragmatic conceptions of law. This shift demonstrated the law's capacity for continuous adaptation to changing economic and social conditions and reaffirmed the enduring tension between formalism and simplification. The rise of universities helped consolidate a professional legal class trained to apply legal norms in new social contexts. As a result, lawyers long maintained a monopoly over legal conflict resolution – one based on formal qualifications and strict specialization (e.g., advocacy and notarial roles).

The invention of the printing press marked another turning point, enabling the mass dissemination of laws, court decisions, and legal commentaries, thereby making them accessible to the general public. This development culminated in the adoption of the Napoleonic Code, which unified fragmented legal norms in France and – thanks in part to the reach of print – became a model for legislative drafting in many national legal systems. The printing revolution not only accelerated the transmission of legal norms across jurisdictions, facilitating legal transplants and the reception of law, but also made these norms visible and comprehensible to citizens, fostering greater trust in the justice system.

At the same time, however, the growing availability of legal texts coincided with increasing complexity and formalization within legal systems. This included the closure – or nationalization – of legal frameworks, whereby states asserted centralized control over their legal orders. These two developments – expanded public access and the consolidation of state legal authority – were not contradictory but interdependent, further reinforcing the previously noted tension between formalism and simplification.

The nationalization of law and order led to the detailed regulation of the legal profession, enhancing the legal community's lobbying power and strengthening its role as a political and administrative actor within the state apparatus.

With technological advancements in the 20th century, the transformation of both the legal profession and the law became more profound and systemic.⁵ This shift was marked, first, by the gradual erosion of the legal profession's monopoly on conflict resolution and, second, by an unprecedented challenge to the postulate of the rule of law as a universal framework for resolving social conflicts. Electronic databases such as *LexisNexis* significantly accelerated access to legal information, while modern algorithms – particularly predictive coding – demonstrated the capacity to process vast amounts of data without human input. The rise of LegalTech services, such as *Myflyright* and *Wenigermiete.de*, has contributed to a growing

⁵ For more details, see the collective monograph on the topic: Engstrom (2023).

perception that consulting a lawyer is no longer the only — or the most efficient — means of obtaining legal advice or resolving disputes.

The emergence of online dispute resolution (ODR) mechanisms on high-traffic platforms such as Amazon and eBay has further reshaped public expectations. These systems not only resolve disputes without human involvement but also operate entirely outside the framework of the traditional *Codex* or substantive civil law. This development raises a fundamental concern: the erosion of the legal profession's monopoly and, more profoundly, a challenge to the very principle of the rule of law.

As some scholars argue, the justice of the future will not be delivered in traditional courtrooms, but encoded in lines of software (Spaulding, 2023, p. 254). Lawyers, judges, and skeptics are increasingly portrayed as soulless monopolists — disconnected from the global crisis of access to justice and clinging to outdated, self-interested conceptions of law and fairness. The legal profession's ability to resist this shift appears increasingly fragile. Its declining status and weakening protectionist function are being accelerated by multiple factors: the rise of alternative dispute resolution (ADR), which is actively supported by courts; restrictions on advertising; limited internal competition; and state control over the pricing of legal services (Luban, 2003, p. 209; Spaulding, 2017, p. 2249).

II. Challenging the Traditional Monopoly of the Legal Profession⁶

Before examining the specific threats posed by AI to the practice of advocacy, it is important to highlight two core principles common to nearly all legal systems: independence and exclusivity (Hazard & Dondi, 2024, p. 63).⁷ These principles derive from two key functions of the legal profession: providing legal assistance and promoting justice by offering sound advice and preventing abuse of the law (Rhode, 2000, p. 71). The latter is often referred to as the 'rule of law' function (Remus, 2017, p. 864). Both the European Court of Human Rights (*Nikula v. Finland*⁸) and the Court of Justice of the European Union (*Prezes Urzędu Komunikacji Elektronicznej v. Commission*) have affirmed this dual role of lawyers.

What is at stake is qualified, competent, and independent legal advice — not only independent from external influence, but also from the client. On the basis of these two core principles, the traditional model of advocacy rejects the integration of legal practice with business activity. In return, the state grants lawyers three key privileges: barriers to entry into the profession, a monopoly on the provision of legal assistance (prohibiting non-lawyers from offering such services), and a code of ethics aimed at maintaining the profession's social authority (Remus, 2017, p. 873).

Generative AI, as applied in LegalTech and legal consulting, threatens nearly all of these privileges. It challenges the independence of legal advice in ways that may trigger a deeper

⁶ This article examines the impact of technology on the legal profession through the example of the bar, rather than lawyers in general, as bar membership provides clearer criteria for regulating professional activity.

⁷ The only other model that can be considered is the legal order in China, where the profession of lawyer emerged later than in the rest of the world, see: Xu (2023, pp. 269–288).

⁸ *Nikula v. Finland*, 31611/96, 4 Eur. HR Rep. 478 (2000).

transformation of the law than is immediately apparent. Yet generative AI is, at its core, merely code — it does not constitute a direct threat on its own. Alarmist perspectives often miss the broader context: this is the latest phase in the ongoing historical struggle between simplification and formalism in law. For simplification to prevail, the very concept of legal consulting would have to change, along with the dissolution of the legal profession's monopoly.

It is naïve to assume that lawyers will lose their monopoly solely due to public demand for more accessible and user-friendly legal services. To grasp the real threat, we must examine what generative AI is currently doing in the legal market — and the claims made on its behalf.

At present, a key area of disruption is legal consulting. Many AI systems promote the idea that individuals can resolve legal issues independently, without involving a lawyer. These platforms offer assistance in a wide range of legal matters — from inheritance cases to mergers and acquisitions — and facilitate the completion of legal documents.

The threat does not come directly from AI systems themselves, but rather from the public's growing acceptance of a 'self-service' legal market in which individuals address legal issues without professional representation. This cultural and market shift is accompanied by a gradual redefinition of what constitutes 'legal advice', thereby challenging long-standing prohibitions on the unauthorized practice of law.

Legal systems are attempting to uphold the principle that only licensed lawyers may provide legal services — but with mixed success. In the United States, the general rule is that only licensed attorneys may offer legal advice, unless a state has enacted a specific exception.⁹ In the well-known case of *Janson v. LegalZoom*, the court ruled against the practice of disguising legal assistance as something else, concluding that there was little substantive difference between a lawyer preparing documents and the services provided by *LegalZoom*.

In Germany, the *Rechtsdienstleistungsgesetz* (Legal Services Act)¹⁰ requires a permit to offer legal services outside of court proceedings and maintains a public register of authorized providers. Article 5 of the Act allows legal services to be offered as an auxiliary activity within other professions — for example, bankruptcy advice by economics graduates, construction law advice by architects, or inheritance matters handled by banks. Although enacted nearly two decades ago and initially regarded as a challenge to the legal profession's monopoly, the law gained full significance only with the emergence of LegalTech.

Permitting non-lawyers to offer legal advice as a secondary activity was originally based on market conditions that have since changed significantly.¹¹ An architect advising on legal

⁹ Needham, C. A. (n.d.). *The application of unauthorized practice of law regulations to attorneys working in corporate law departments*. https://www.americanbar.org/groups/professional_responsibility/committees_commissions/commission-on-multijurisdictional-practice/mjp_cneedham/. In practice, however, this leads to excesses in the form of prohibitions on attorneys representing clients in other states or problems with the legality of the activities of so-called *in-house lawyers* (*in-house counsellors*).

¹⁰ *Rechtsdienstleistungsgesetz* [RDG] [Act on Out-of-Court Legal Services] Dec. 12, 2007 Bundesgesetzblatt, Teil I [BGBl I] at 2840, last amended by Gesetz [G], March 10, 2023 BGBl 2023 I Nr. 64, <https://www.gesetze-im-internet.de/rdg/>

¹¹ The main goal of the adoption of the Law was said to be deregulation and liberalization of the market for extra-judicial legal services.

aspects of construction, such as building defects, does not typically seek to profit from legal consulting. Their primary income is derived from architectural work, which demands the majority of their time and expertise. As a result, the legal advice provided in such cases tends to be limited in scope and poses little threat to lawyers, for whom legal consulting is a core professional activity subject to strict qualification standards.

LegalTech platforms such as *Wenigermiete.de* (owned by *LexFox*) operate differently. These platforms purchase claims from clients and pursue pre-trial settlements on a commercial and profitable basis. Clients are charged only if the case is successful. Legally, such activities fall under the *Rechtsdienstleistungsgesetz* as extrajudicial debt collection (*inkasso*). The German Federal Court of Justice has ruled that this form of legal advice constitutes a primary activity rather than an auxiliary one. This interpretation reflects broader trends toward deregulating and liberalizing the legal market, as well as the emergence of new legal service professions.¹² The court stated that to judge the legality of *inkasso* companies' actions, each case must be examined individually. The main focus should be protecting people who need legal help. The court also emphasized respecting the core values of Germany's Basic Law.

The legal systems of Germany and the United States reflect differing approaches to non-lawyers providing legal advice. In the US, such activity is permitted only under specific exceptions, whereas in Germany, it is allowed as an auxiliary function. Court cases such as *LegalZoom* in the US and *LexFox* in Germany illustrate this divergence. Germany's experience reveals not only a challenge to the legal profession but also the true beneficiaries of this shift: IT companies. For these actors, the legal market represents just another business opportunity. Their primary objective is profit — an incentive that drives the development of powerful technological tools that no individual law firm or lawyer can realistically compete with.¹³

High-quality LegalTech products increasingly diminish the significance of the legal profession's dual role in providing legal consultation. The widespread availability of such tools — often at little or no cost — accelerates this trend. As a result, the entrepreneurial momentum of tech companies continues to grow, while the non-commercial ethos traditionally associated with legal practice recedes into the background.

III. Risks Associated with the Standardization of Legal Services

Current trends in legal consulting reveal a clear shift toward the standardization of legal services. The primary objective is to develop unified templates and algorithms for routine tasks such as contract drafting, claim filing, and complaint generation. This approach aims to accelerate legal processes, reduce costs, and expand access to legal assistance. However, it

¹² Decision of the Federal Court of Justice of 27 November 2019 in Case VIII ZR 285/18. (Bundesgerichtshof [BGH] [Federal Court of Justice] Nov. 27, 2019, 224 Entscheidungen des Bundesgerichtshofes in Zivilsachen [BGHZ] 89 (Ger.) <https://juris.bundesgerichtshof.de/cgi-bin/rechtsprechung/document.py?Gericht=bgh&Art=en&nr=101936&pos=0&anz=1>).

¹³ High salaries for programmers, a transnational level (in the case of *Amazon*), and an interdisciplinary approach to solving problems almost completely exclude real competition.

also raises significant concerns regarding service quality, accountability for automation errors, and the preservation of individualized legal analysis.

While automation makes it possible to efficiently process large volumes of data and documents, it often falls short in cases that require nuanced interpretation of unique factual circumstances. Standardized algorithms may overlook critical details in complex situations (Katz, 2013, pp. 909–966). Risks also emerge when AI is used to draft legal documents or initiate litigation. Algorithms can miss seemingly minor yet legally significant facts, and in some cases, may even ‘invent’ non-existent precedents to support arguments. A well-known example involves a lawyer who relied on ChatGPT to prepare a legal claim, only to discover that the AI had inserted fictitious case law. Ultimately, responsibility rested with the lawyer – not the AI developer.¹⁴

The uncertainty introduced by standardization also threatens the traditional monopoly of lawyers, as their role as an intermediary between the law and clients gradually diminishes. Clients who place their trust in algorithms may come to view the law as a simple and straightforward set of procedures. Algorithms respond to user input quickly and at low cost, but without probing deeper questions. The often-overlooked Picasso quote about computers only giving answers underscores what is lost in this shift: the lawyer’s role in upholding the rule of law by asking the right questions and discerning unspoken client interests. In addition to offering legal advice, lawyers educate clients, facilitate reconciliation, and reduce the need for litigation.

The standardization and simplification of law enforcement not only endanger the monopoly enjoyed by lawyers, but also the legal system’s broader role as the exclusive mechanism for resolving social conflicts. For instance, customers of platforms like Amazon and eBay may appreciate the speed and convenience of online dispute resolution (ODR), but this should not lead to a redefinition of the fundamental meaning of law and order. Clients’ growing fondness for ‘commanding’ AI to resolve disputes according to personal preferences does not justify granting immediate legal recognition to such forms of ‘legal consulting’. Algorithms cannot replicate essential lawyer functions: upholding the rule of law, identifying seemingly minor but legally significant facts, and balancing the interests of all parties involved.

Consumers often fail to recognize that ODR decisions are based on internal company policies, not on substantive legal norms. This should not lead legislators to diminish the role or authority of the judiciary. Responding to non-legal trends with legal solutions does not necessarily strengthen the role of law. As Niklas Luhmann’s social systems theory suggests (Luhmann, 1993), law is a self-referential normative system that ensures social stability by regulating expectations in communication. The legal system’s monopoly on conflict resolution is grounded in fundamental principles such as equality, the adversarial process, and the right to be heard – not in offering maximum convenience to users.

¹⁴ Armstrong, K. (2023, May 28). *ChatGPT: US lawyer admits using AI for case research*. BBC. <https://www.bbc.com/news/world-us-canada-65735769>

Conclusions

The transformation of the legal profession under the influence of AI and LegalTech platforms is complex and multifaceted, bringing both opportunities and challenges. On the one hand, technology simplifies access to legal information, automates routine tasks, and offers new ways for the law to engage with society. On the other, it risks undermining the traditional monopoly of lawyers, reshaping their role as mediators between the law and clients, as well as promoting the standardization of legal services — potentially at the expense of quality and individual attention.

Modern LegalTech platforms such as *Wenigermiete.de* and *Myflyright* demonstrate the potential to deliver legal assistance without direct lawyer involvement, relying on algorithms to manage typical cases. These services attract clients primarily due to their economic advantages. However, the principal risk lies not in the technology itself, but in the growing public acceptance of a simplified conception of legal assistance. This shift redefines what constitutes ‘legal advice’ and ‘professional responsibility’, necessitating regulatory reform and a renewed understanding of the lawyer’s role.

While automation and standardization enhance efficiency, they also risk sacrificing personalized attention and legal precision. Algorithms may perform well in routine matters but often overlook critical nuances in complex cases. This can erode public trust in the legal system and diminish the quality of legal aid. Moreover, it challenges the lawyer’s broader function as guardian of the rule of law, legal educator, and mediator in dispute resolution.

The ethical and legal responsibility for errors made by AI systems is a pressing concern. Incidents involving inaccurate or fabricated information generated by algorithms underscore the need for clearly defined accountability among developers, users, and legal professionals. Additionally, the high costs associated with developing advanced LegalTech solutions may limit access, potentially deepening digital inequality.

Regulatory reform is essential to align legal frameworks with emerging technologies. This includes establishing standards for collaboration between traditional legal practice and technological tools and reaffirming the lawyer’s role as the principal accountable actor. Lawyers must continue to integrate legal, moral, and ethical considerations into their work. In short, legislation must preserve the lawyer’s role as the key intermediary between the law and the client, ensuring that technology remains a supportive — rather than substitutive — component in the legal process.

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