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Artificial Intelligence and Generation Z: Balancing Innovation, Rights, and Legal Accountability

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Abstract

Artificial Intelligence (AI) has emerged as one of the most influential technological developments of the twenty-first century, transforming education, employment, healthcare, governance, entertainment, and social interaction. Generation Z, broadly defined as individuals born between 1997 and 2012, represents the first generation to mature in an environment where AI is integrated into everyday life. AI-powered applications, including generative AI, virtual assistants, recommendation algorithms, and automated decision-making systems, have significantly enhanced opportunities for learning, innovation, and entrepreneurship. However, these developments have also generated socio-legal concerns relating to privacy, data protection, misinformation, algorithmic bias, cybercrime, employment displacement, and intellectual property rights.

This paper critically examines the interaction between AI and Generation Z from a socio-legal perspective. It evaluates the adequacy of India's constitutional and statutory framework in addressing AI-related challenges, analyses emerging international regulatory models, and proposes reforms to ensure that technological innovation is balanced with the protection of human rights, democratic values, and legal accountability.

Keywords: Artificial Intelligence, Generation Z, Socio-Legal Research, Digital Rights, Privacy, Data Protection, AI Governance, Legal Accountability.

Introduction

Artificial Intelligence (AI) has become one of the most significant technological advancements of the twenty-first century, transforming sectors such as education, healthcare, finance, governance, and communication. AI technologies, including machine learning and generative AI, have enhanced efficiency, innovation, and decision-making while reshaping everyday life. As a result, AI has become a key driver of economic growth and digital transformation.

Generation Z, generally defined as individuals born between 1997 and 2012, is the first generation to grow up in an AI-enabled digital environment. AI-powered applications such as virtual assistants, recommendation algorithms, and generative AI tools have improved learning, creativity, communication, and employment opportunities. However, their increasing dependence on AI has also raised concerns regarding privacy, data protection, algorithmic bias, misinformation, cybercrime, academic integrity, and employment displacement.

Although India has introduced initiatives to promote AI innovation, its legal framework remains fragmented. Existing laws, including the Digital Personal Data Protection Act, 2023, the Information Technology Act, 2000, and constitutional protections under Articles 14, 19, and 21, address certain AI-related issues but do not comprehensively regulate AI governance, accountability, or ethical concerns. In contrast, international frameworks such as the European Union AI Act and the OECD AI Principles provide valuable guidance for responsible AI regulation.

Against this backdrop, this paper adopts a socio-legal approach to examine the relationship between Artificial Intelligence and Generation Z. It analyses the opportunities and legal challenges arising from AI, evaluates the adequacy of the existing legal framework in India, compares international regulatory approaches, and suggests reforms to ensure that technological innovation is balanced with the protection of fundamental rights, transparency, and legal accountability.

Research Objectives

The present study aims to achieve the following objectives:

1. To examine the impact of Artificial Intelligence on the social, educational, and professional lives of Generation Z.
2. To analyse the legal and ethical challenges arising from the increasing use of AI, particularly concerning privacy, data protection, algorithmic bias, academic integrity, and employment.
3. To evaluate the adequacy of the existing Indian legal framework governing AI, including constitutional provisions and relevant statutes.
4. To compare India's AI regulatory framework with international legal approaches, including the European Union AI Act, GDPR, OECD AI Principles, and UNESCO's Recommendation on the Ethics of Artificial Intelligence.
5. To propose legal and policy reforms that ensure responsible AI governance while protecting the rights and interests of Generation Z.

Research Questions

The study seeks to answer the following research questions:

1. How has Artificial Intelligence influenced the educational, social, and professional experiences of Generation Z?
2. What are the major legal and ethical challenges associated with AI from the perspective of Generation Z?
3. Does the existing Indian legal framework adequately regulate AI-related issues concerning privacy, accountability, and fundamental rights?
4. What lessons can India learn from international AI regulatory frameworks?
5. What legal and policy measures are necessary to balance AI innovation with human rights and legal accountability?

Research Methodology

The present research adopts a doctrinal as well as socio-legal research methodology.

The doctrinal approach involves an analytical study of primary legal sources, including the Constitution of India, the Information Technology Act, 2000, the Digital Personal Data Protection Act, 2023, the Copyright Act, 1957, the Consumer Protection Act, 2019, judicial decisions, government reports, and policy documents relating to Artificial Intelligence. International legal instruments such as the European Union AI Act, General Data Protection Regulation (GDPR), OECD AI Principles, and UNESCO Recommendation on the Ethics of Artificial Intelligence have also been examined.

The socio-legal approach explores the practical implications of AI on Generation Z by analysing interdisciplinary literature from law, technology, sociology, education, and public policy. The study relies on secondary sources, including books, peer-reviewed journal articles, reports published by international organisations, government publications, and research databases. A comparative analytical method has been adopted to identify legal gaps and suggest reforms for responsible AI governance. The research is descriptive, analytical, and comparative in nature.

Review of Literature

The existing literature demonstrates that Artificial Intelligence presents significant opportunities while simultaneously creating complex legal, ethical, and social challenges, particularly for Generation Z.

Stuart Rusdell and Peter Norvig (2021), in *Artificial Intelligence: A Modern Approach*, explain the evolution of AI and emphasise the importance of aligning intelligent systems with human values. Their work forms the theoretical foundation for understanding AI governance.

Luciano Floridi and Josh Cowls (2019) identify key ethical principles governing AI, including transparency, accountability, justice, beneficence, and respect for human autonomy. Their framework has significantly influenced global AI ethics policies.

OECD (2019) introduced the OECD AI Principles, emphasising trustworthy AI, transparency, fairness, accountability, and sustainable innovation. These principles have guided AI policy development across several countries.

The UNESCO (2021) Recommendation on the Ethics of Artificial Intelligence advocates a human-centred approach that safeguards human rights, diversity, equality, and environmental sustainability in AI development.

Shoshana Zuboff (2019), in *The Age of Surveillance Capitalism*, argues that extensive data collection by technology companies threatens privacy, autonomy, and democratic values. Her work highlights concerns particularly relevant to Generation Z, whose digital activities generate vast amounts of personal data.

Cathy O'Neil (2016) demonstrates how algorithmic decision-making can perpetuate discrimination and social inequality through biased data and opaque computational models.

Virginia Dignum (2019) stresses that responsible AI requires ethical governance, transparency, accountability, and meaningful human oversight throughout the AI lifecycle.

Nick Bostrom (2014) discusses the long-term societal implications of advanced AI and highlights the need for proactive legal and regulatory safeguards.

Kate Crawford (2021) examines the environmental, political, and social consequences of AI systems and argues that AI reflects existing inequalities embedded within society.

Neil Selwyn (2019) analyses the impact of AI on education and concludes that while AI enhances personalised learning, it also raises concerns regarding surveillance, academic integrity, and unequal access to technology.

Divij Joshi (2024) analysed India's evolving AI governance model and argued that current AI policy largely relies on sector-specific regulation and self-regulation rather than comprehensive legislation. The study recommends a rights-based AI governance framework that balances innovation with accountability.

Usha Tandon & Neeraj Kumar Gupta (2025) critically examined the Digital Personal Data Protection Act, 2023 in the context of AI and informational privacy. They concluded that while the Act strengthens data protection, concerns remain regarding consent, enforcement, and protection against AI-driven privacy violations.

Om Prakash Rai (2026) examined AI, digital governance, and data protection in India. The study found that India's legal framework has progressed through the DPDP Act and digital governance reforms but still lacks comprehensive AI-specific legislation dealing with accountability and algorithmic governance.

P. R. Bijuo and O. Gayathri (2025) argued that algorithmic bias in India reflects structural inequalities such as caste, class, gender, and religion. Their work emphasises that AI regulation in India must address these social realities rather than focusing only on technical solutions.

Anju Khanna (2026) examined AI through the lens of India's constitutional framework and argued that AI governance must be grounded in constitutional principles such as equality, privacy, freedom of expression, and the rule of law to ensure responsible technological development

Studies focusing specifically on Generation Z indicate that AI significantly influences digital behaviour, learning patterns, employment expectations, and mental well-being. However, these studies also report increasing concerns regarding misinformation, excessive dependence on AI tools, and digital privacy.

Indian scholarship has primarily examined AI from the perspectives of data protection, cybersecurity, digital governance, and constitutional rights. Existing studies discuss the relevance of the Digital Personal Data Protection Act, 2023, the Information Technology Act, 2000, and the constitutional right to privacy recognised in Justice K. S. Puttaswamy (Retd.) v. Union of India. Nevertheless, comprehensive socio-legal studies specifically examining the relationship between AI and Generation Z remain limited.

The review further indicates that although international research has extensively explored AI ethics and regulation, relatively few studies integrate technological innovation, legal accountability, and the lived experiences of Generation Z within the Indian context.

This research seeks to bridge that gap by adopting an interdisciplinary socio-legal perspective.

Influence of AI -

Generation Z, born between 1997 and 2012, is the first truly “AI-native” generation. Their interaction with AI began in childhood and continues to shape every sphere of life. Educationally, AI has transformed learning from one-size-fits-all to personalized models. Tools like Chat GPT, Grammarly, and AI tutors provide instant doubt-clearing, summarize textbooks, and help in research. EdTech platforms use AI to adapt difficulty levels and track progress. However, this also creates challenges such as academic dishonesty, reduced critical thinking, and unequal access due to the digital divide. Socially, AI algorithms on Instagram, YouTube, Snapchat, and Discord determine what content Gen Z sees, who they interact with, and how they form opinions. While this enables community-building and self-expression, it also leads to filter bubbles, body-image issues from AI filters, cyberbullying, and mental health impacts due to addictive recommendation systems. Professionally, Gen Z uses AI for career preparation — resume builders, mock interviews, coding assistants like GitHub Copilot, and job matching. AI is also automating entry-level tasks in marketing, content, and customer service, creating both new opportunities in AI-related fields and anxiety about job displacement. In sum, AI has made Gen Z more efficient, globally connected, and tech-savvy. But it has also made them more dependent on opaque systems that influence their learning, identity, and livelihood, raising.

Legal and ethical challenges-

For Generation Z, AI is not an abstract technology but a daily reality. This makes them uniquely exposed to its legal and ethical risks. Privacy is the foremost concern. Gen Z generates massive data through social media, wearables, and learning apps. This data is used to train AI models, often without informed consent or clarity on purpose limitation, violating the right to privacy under Puttaswamy. Algorithmic Bias and Discrimination affect education and employment. AI used in admissions, scholarship screening, or hiring can replicate caste, gender, or regional biases present in

training data, directly impacting Gen Z's opportunities. Misinformation and Deepfakes pose ethical and reputational threats. AI-generated fake videos, voice cloning, and synthetic content can be used for bullying, fraud, or political manipulation, affecting Gen Z's mental health and trust in digital spaces. Lack of Transparency and Explainability is another issue. When AI decides grades, loan eligibility, or job rejections, Gen Z has no way to understand or challenge the decision, violating principles of natural justice. Accountability Gap: When AI causes harm, it is unclear whether liability lies with the developer, platform, or user. Existing laws do not clearly address this. Thus, from Gen Z's perspective, AI challenges are not just technical but deeply connected to fundamental rights, dignity, and equal opportunity.

Challenges of regulation of AI related issues-

At present, India does not have a dedicated law to regulate Artificial Intelligence. The regulation of AI-related issues is fragmented across several statutes and policies. The Digital Personal Data Protection Act, 2023 is a major step. It governs collection and processing of personal data used by AI systems. However, it does not specifically address algorithmic bias, automated decision-making, or explainability. The Information Technology Act, 2000 and IT Rules, 2021 deal with intermediary liability and unlawful content, including deepfakes. But they do not regulate the AI systems that create such content or mandate audits of AI tools. Constitutionally, Article 21 guarantees right to life with dignity and privacy, and Article 19(1)(a) protects freedom of speech. Courts can use these to address AI harms. However, judicial intervention is reactive and case-specific. The India AI Mission, 2024 and NITI Aayog's Responsible AI Strategy provide policy guidance but are non-binding. There is no independent AI regulator, no mandatory impact assessment, and no clear liability framework. Therefore, the existing framework is insufficient. It fails to provide proactive safeguards for privacy, transparency, and accountability in AI. A dedicated AI legislation is needed to balance innovation with protection of fundamental rights.

Several countries and blocs have taken early steps to regulate AI, and India can draw important lessons from them. The European Union AI Act follows a "risk-based approach." It classifies AI systems as unacceptable, high-risk, limited-risk, and minimal-risk. High-risk systems in education, employment, and policing face strict obligations: data governance, transparency, human oversight, and conformity assessments. India can adopt a similar tiered model instead of one-size-fits-all regulation. The US AI Bill of Rights emphasizes five principles: safe systems, freedom from discrimination, data privacy, notice and explanation, and human alternatives. It is non-binding but sets ethical standards. India can incorporate these rights into law to protect citizens, especially Gen Z users. China's Generative AI Regulations require labeling of AI-generated content and prior security assessment. While effective against misinformation, they also raise concerns of state surveillance. India must balance safety with democratic freedoms. The OECD AI Principles, adopted by 40+ countries, focus on inclusive growth, human-centric values, transparency, and accountability. India, as an OECD partner, can align its policy with these global norms to ensure interoperability. Key lessons for India: Adopt risk-based regulation. Mandate transparency and third-party audits for high-risk AI. Create an independent AI authority. Protect fundamental rights while promoting innovation through regulatory sandboxes. India's advantage is that it can learn from both EU's rights-based and US's innovation-based models to create a "India-specific" framework.

To ensure AI benefits society without compromising rights, India needs a balanced legal and policy framework. First, enact a comprehensive AI law. The law should follow a risk-based approach. High-risk AI in education, hiring, health, and policing must face mandatory impact assessments, bias testing, and human oversight. Low-risk AI can be promoted with minimal regulation. Second, ensure algorithmic transparency and accountability. Developers and deployers of high-risk AI should disclose how systems work and maintain audit trails. An independent AI Regulatory Authority should handle complaints, conduct audits, and impose penalties. Third, strengthen data governance. The

DPDP Act must be effectively implemented with specific rules for AI training data clear consent, purpose limitation, and right to erasure. Special protection should be given to children's data. Fourth, create a clear liability regime. The law should define who is responsible when AI causes harm — developer, deployer, or user. This will deter negligence and provide remedy to victims. Fifth, promote AI literacy and grievance redressal. Gen Z and the public must be educated about AI risks and given easy mechanisms to challenge unfair AI decisions. Legal aid and digital ombudsmen can help. Sixth, encourage innovation through sandboxes. Government should create “AI sandboxes” where startups can test new AI products under regulatory supervision. Ultimately, the goal should be “Trustworthy AI” — AI that is innovative, inclusive, and respects constitutional values. Only then can India lead in AI while protecting human dignity.

Findings of the Study

The present study reveals that Artificial Intelligence has become an integral part of the lives of Generation Z, significantly influencing education, employment, communication, entrepreneurship, and access to information. AI-powered technologies have improved efficiency, creativity, and digital learning, thereby creating new opportunities for innovation and economic participation. However, the rapid adoption of AI has simultaneously introduced complex legal, ethical, and social challenges that existing legal frameworks are not fully equipped to address.

The study finds that India's present legal regime—including the Digital Personal Data Protection Act, 2023, the Information Technology Act, 2000, and constitutional protections under Articles 14, 19, and 21—offers only partial safeguards against AI-related risks. India still lacks a dedicated AI legislation that comprehensively addresses issues such as algorithmic accountability, transparency, explainability, liability for autonomous systems, and independent oversight. Recent scholarship similarly concludes that India's AI governance remains fragmented and largely dependent on sector-specific regulation rather than a unified legal framework.

The research further finds that Generation Z faces increasing risks relating to data privacy, algorithmic discrimination, misinformation, deepfakes, cyber fraud, academic misconduct through generative AI, and employment uncertainty caused by automation. Although AI promotes innovation and digital inclusion, the absence of clear legal standards may adversely affect constitutional rights, particularly the rights to equality, privacy, dignity, and freedom of expression.

A comparative analysis indicates that international frameworks such as the European Union AI Act, GDPR, OECD AI Principles, and UNESCO Recommendation on the Ethics of Artificial Intelligence adopt a more comprehensive, rights-based approach by emphasising risk assessment, transparency, human oversight, accountability, and regulatory supervision. India can draw valuable lessons from these models while developing a regulatory framework suited to its constitutional values and socio-economic realities.

Finally, the study concludes that effective AI governance requires collaboration among the government, technology companies, educational institutions, civil society organisations, and users. A balanced regulatory approach is necessary to encourage innovation while ensuring accountability, transparency, fairness, and protection of fundamental rights.

Conclusion

Artificial Intelligence has emerged as one of the defining technologies of the digital age, profoundly influencing the lives of Generation Z. Its applications in education, healthcare, governance, commerce, communication, and employment have created unprecedented opportunities for innovation, productivity, and socio-economic development. Nevertheless, the increasing dependence on AI has also generated significant legal and ethical concerns relating to privacy, algorithmic bias, misinformation, intellectual property, cybersecurity, and accountability.

The study demonstrates that although India has taken important steps towards digital governance through initiatives such as the IndiaAI Mission and the Digital Personal Data Protection Act, 2023, the existing legal framework remains inadequate to regulate the multidimensional challenges posed by AI. The absence of

comprehensive AI-specific legislation creates uncertainty regarding liability, transparency, algorithmic fairness, and protection of constitutional rights.

From a socio-legal perspective, Generation Z represents both the greatest beneficiary and the most vulnerable stakeholder in the AI ecosystem. Therefore, future AI governance must adopt a human-centric and rights-based approach that balances technological innovation with constitutional principles, democratic values, and the rule of law.

India should move towards a comprehensive AI regulatory framework incorporating mandatory risk assessment, transparency obligations, independent algorithmic audits, human oversight, grievance redressal mechanisms, and effective remedies for AI-related harm. At the same time, digital literacy and AI ethics education should be integrated into educational institutions to enable responsible use of emerging technologies.

In conclusion, Artificial Intelligence should not merely be viewed as a technological advancement but as a legal and societal challenge requiring adaptive governance. A balanced framework that promotes innovation while safeguarding human rights, accountability, and public trust will ensure that AI serves as a tool for inclusive and sustainable development rather than a source of inequality or injustice..

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