

Editor's Note

Corporate social responsibility, or “CSR,” in the United States has its roots in the sustainability movement that began in the early 1960s, when environmentalists first raised concerns about the use of chemical pesticides by the general public and large corporations. As time passed, CSR became more international in scope and public pressure on businesses began to build for them to address negative corporate externalities and operate in a humane, ethical, and transparent way. Today, astute business leaders have recognized CSR to be “[a] business strategy to make the ultimate goals of corporations more achievable as well as more transparent, demonstrate responsibility towards communities and the environment and take the interests of groups such as employees and consumers into account when making long-term business decisions.”¹

In 2019, the Business Law Section of the American Bar Association published *The Lawyer's Corporate Social Responsibility Deskbook: Practical Guidance for Corporate Counsel and Law Firms* with the goal of providing readers with a comprehensive introduction to the key topic relating to understanding and practicing CSR.² While the *Deskbook* was comprehensive, we also realized that there would be a need and demand for expanded coverage of the topics introduced in the *Deskbook*. The Section responded by commissioning an integrated series of practical CSR guides that will provide corporate counsel and law firm attorneys with the tools they need to effectively guide their clients on addressing and satisfying emerging legal and voluntary standards relating to CSR. This guide from Stan Smith, who was one of the co-authors of the chapter in the *Deskbook* about product and customer responsibility, addresses online privacy.

Decades ago, when the idea of CSR first emerged, companies began to be involved with a whole range of economic and social issues outside of their traditional financial-related focus: pollution, energy use, animal

1. M. Rahim, *Legal Regulation of Corporate Social Responsibility: A Meta-Regulation Approach of Law for Raising CSR in a Weak Economy* (Berlin: Springer, 2013), 13, 22 (citing A. Gill, “Corporate Governance as Social Responsibility: A Research Agenda” (2008)).

2. See A. Gutterman et al. (Editors), *The Lawyer's Corporate Social Responsibility Deskbook: Practical Guidance for Corporate Counsel and Law Firms* (Chicago IL: American Bar Association, 2019).

testing, human rights violations in the supply chain, diversity in the workplace, and child advertising. Maximization of shareholder value was replaced, or at least joined, by a duty to a wide range of stakeholders including workers, customers, and community members. Since then, advances in information technology and the creation and ascendancy of the Internet have added important new legal and social responsibilities relating to the collection, use and storage of personal information. While companies were initially slow to organize their efforts with respect to online privacy, eventually it became an emerging and continuously growing compliance issue as laws and regulations were adopted at all levels of government that impacted firms operating in the health care and financial services sectors. As time has gone by, privacy-related laws began to touch even more businesses of all sizes and even the smallest of firms should have privacy policies and regularly audit how they handle personal information. Also, performance with respect to privacy has gone “beyond the law,” which is the gateway for CSR, to become a valuable differentiator for companies competing for the attention of customers and attempting to strengthen their brands and reputations.

In this guide, Stan identifies and explains the relevant current issues based on both domestic and—importantly for the discussion of privacy—international experience. The book provides readers with references to the important laws, regulations and voluntary standards that need to be understood in counseling clients, developing internal processes, engaging with stakeholders, and preparing reports and disclosures. This book on privacy in the CSR context is intended to be a first, and possibly only, resource to which lawyers, accountants, consultants, directors, executives, and sustainability officers turn to when they need to get a head start on an issue and develop strategies, implementation plans and training programs. Stan’s work and contribution is important because privacy will soon be—if it is not already—a central and lasting element of corporate governance, compliance, and risk management practice.

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