

### Case Analysis on CSR

The credit reporting organization responsible for handling credit information and Social Security known as Equifax was breached in 2017, where upwards of a million plus users had their sensitive data compromised during the breach. Equifax had been found out that they were selling consumer data and credit information, along with the timing of the information breach, left many users who trusted them with their information feeling as though Equifax had left them out to dry. In wake of its breach, Equifax left many users of their organization feeling helpless and in despair, because Equifax answered to no one above them and treated their users and their personal data as though they were just numbers for them to use to turn a profit. Equifax also showed little effort or care to resolve the problem at large. In this Case Analysis I will argue that the Consequentialism/ Utilitarianism tool shows us that Equifax breach harmed the common civilians who used their services by selling sensitive private client data which in turn was morally unacceptable.

One of Milton Friedman's more centralized concepts in his article "The Social Responsibility of Business is to increase Its Profits" was that businesses main objective should be to maximize profit and that they should not care about anything else, including social and ethical responsibilities toward society. Friedman believed that if businesses are able to compete on the free market, or capitalist market, and pursue profit it would in turn encourage others to follow the same path to pursue profit ultimately making the world a better place for all as individuals and corporations would be able to achieve wealth. This concept Milton Friedman came up with really only works in theory and how capitalism is supposed to work to give everyone a leveled playing field in the open economy. However, most of us know this is not how a capitalistic economy functions as the never-ending pursuit for wealth and profit does not stop, and sometimes greed seeps in. This inevitable pursuit of cash flow only grows the gap between the wealthy and poor, granting the wealthy economical power, while leaving the poor at the mercy of the wealthy.

In the case "Why the Equifax Breach Stings So Bad" by Ron Lieber, Equifax uses its position and financial wealth to gain more and more profits by selling consumer sensitive and private data along with credit reports and history to unidentified entities. Milton Friedman's has been followed by many businesses' organizations over the years and Equifax was no different when threw away their moral and societal duties when they began selling a multitude of user's information to increase their overall profits. Equifax threw caution for their users to the wind when they began selling consumers, many user's have carefully panned out their lives through 401K and Social Security plans that if their information were to be abused by those Equifax was selling to it could seriously hinder their lively hood. Knowing this, Equifax continued to mismanage user's data all the way up until a breach of millions of consumers had their data

compromised leaving many individuals vulnerable. This vulnerability coincides with Friedman's ideology as it is not Equifax's job to make consumers feel as though their company is ethically sound. Instead, Equifax continued down Friedman's path by not providing adequate updates and status reports about what was truly going on with the breach because that would have been of moral convince and would have yielded no immediate benefit for Equifax.

From a Utilitarian point of view one can see Milton Friedman's concept of the pursuit of wealth as selfish and an absolute failure of a concept in today's world. Utilitarianism revolves around doing acts of good that brings the greatest amount of good for the greatest amount of people, animals, or earth itself. Friedman's ideology in theory is supposed to bring a great amount of success and happiness for all those who follow it, however in reality it promotes self interest while forgetting about others concerns or morals. Friedman's concept ultimately creates a gap between people and yield the greatest amount of good for everyone, it yields its only for those who abandon the common good to self service their own pursuit of wealth. As with Equifax, the organization strayed from promoting the common good and making sure their user's data that they had been entrusted with was safe. Instead, they chose to use the consumer data to make a profit from and service themselves, and in wake of the breach kept quiet or provided little to no information on the security of their user's personal data. If Equifax truly cared for their users, they would have never sold their data to unidentified organizations, and when they were breached, they would have made public and personal statements to their users while aiding them in trying to resecure their data. Equifax could have chosen the Utilitarianism way of the common good, but instead chose Friedman's way of pursuit of profit.

One of Melvin Anshen's more centralized concepts in his article "Changing the Social Contract: A Role of Business" is that business is a social contract between civilians and the society that functions on businesses. Anshen states that the social contract has well surpassed the days of everyone farming or the industrial revolution where new innovations were being produce around ever corner of life so that people could survive. According to Anshen, the social contract in today's world should be focused on how we can improve our quality of life as a society, providing enough commodities to everyone, while striving for equity amongst all people. Anshen's concept of business is quite different from Friedman's concept for constant pursuit of cash flow, as Anshen view fuses both social and businesses responsibilities into one and relies on social awareness to adapt business tactics and models.

Through Anshen ideology of viewing business as a social contract, users entrusted Equifax with their credit data and history to make it easier for themselves to get credit scores and to borrow adequate credit swiftly so that they could pay off loans, mortgages, or apply for a job. However, Equifax broke the social contract when their objectives to longer put the betterment of the people first and instead put themselves at the forefront of the business. On a social point Equifax also failed to contact those whose data had been breached and had no way of informing them if it had been without the user handing over more personal information. These seems counterintuitive, considering that the company that housed their personal data

had been breached yet they wanted a user to hand over more data to confirm whether or not their data had been breached. Equifax attitude toward the situation earned distaste, as individuals are basically forced to hand over their private data to improve their quality of life, yet the organization they handed it over to was unapproachable about the breach.

Anshen view of seeing business as a social contract fits more of the Utilitarianism ideology than Friedman's did. Anshen's view promotes that business should almost be used as a tool to better the lives of the common people not to make great advances or to survive. Business, according to Anshen, has outgrown the model of stacking wealth and building monopolies to control people. It instead follows a more Utilitarian approach to give better lives for people who otherwise would not be able to make these better lives for themselves under a society who was constantly bent on pursuing wealth. Those who used Equifax to have readily available credit scores and reports thought they were entrusting their information with an organization that would have bettered their livelihood. Yet instead, Equifax broke the social contract and used the information for profit leaving many civilians scared and feared for what had become of their data and accounts. Equifax unethically conducted selfish business while not improving lives, but instead putting many livelihoods at risk.

All in all, Equifax was wrong for selling consumer private personal data and for not handling the overall situation of the breach. Users trusted this organization with their livelihoods and Equifax abused its power and position to make a profit. Equifax in no way tried to make the users feel at ease and instead of improving their live and promoting good in the world, they may have severely hindered many individual's day to day lives and future plans. Some may defend Equifax and say that they are not the only businesses that does this and a main goal of a business is to make money, but many would disagree with the approach to selling information and how the organization handled the breach as though the civilians who used Equifax were beneath them.