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# **Corporate Digital Responsibility in the Age of Artificial Intelligence**

(https://theacademic.com/artificial-intelligence-corporate-digital-responsibility/)

How effectively are tech companies acknowledging their CDR? The principle of CDR encompasses certain aspects, yet matters such as governance, environmental responsibility and the imbalance of power continue to be neglected. May 19, 2023.

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The Future of Life Institute recently called for a six-month precautionary pause on artificial-intelligence (AI) development, noting that the signatories, who included Elon Musk and other senior business leaders - "worry that AI labs are 'locked in an out-of-control race' to develop and deploy increasingly powerful systems that no one - including their creators - can understand, predict or control". This was reinforced this month when the CEO of OpenAI (the developers of AI product ChatGPT) called for greater regulation to guard against AI risks. What are the implications for companies using AI and other digital technologies? And what is the attitude of the large tech companies who are developing, marketing and selling these products?

## What is Corporate Digital Responsibility?

<u>Corporate digital responsibility</u> (CDR) can be defined as "a set of practices and behaviours that help an organisation use data and digital technologies in ways that are perceived as socially, economically, and environmentally responsible", and is increasingly seen as a subset of <u>corporate social responsibility</u> (CSR). It has come to the fore in recent years as companies have expanded their deployment of digital technologies, and with this has come a new set of responsibilities. These are encapsulated within the concept and operation of CDR (Figure 1), which is of relevance to the deployment of all digital technologies, but perhaps above all to artificial intelligence, "<u>the most disruptive</u> <u>technology innovation of our lifetime</u>".



Figure 1. The main dimensions of Corporate Digital Responsibility (Wynn and Jones, 2023).

#### **Industry examples**

Recent research has examined how major technology organisations are approaching CDR. Deutsch Telekom, for example, argued that its approach to digital responsibility was focused on "human-centred technology" and built on a series of foundations, namely, laws and regulations, human rights, and culture and values, and two principles: data privacy and security and transparency and dialogue. More specifically as regards AI, Google acknowledged that the future development of AI "is dynamic and evolving, and we will approach our work with humility, a commitment to internal and external engagement, and a willingness to adapt our approach as we learn over time". The company added that it recognised that AI technologies "raise important challenges that we need to address clearly, thoughtfully, and affirmatively". Microsoft offered details of its "Responsible AI Standard" - the company's internal playbook for responsible AI - which "shapes the way in which we create AI systems, by guiding how we design, build and test them", and of its "Responsible AI Impact Assessment Template". Accenture claimed "AI is moving at a blistering pace and, as with any powerful technology, organisations need to build trust with the public and be accountable to their customers and employees". More generally as regards digital technology deployment, IBM argued that

"customers, employees, and even shareholders are more frequently demanding that organizations not only take a principled stance on current concerns, but also follow through with meaningful actions that lead to clear outcomes".

All the companies studied claimed to be publicly addressing their responsibilities for digital technologies. The companies emphasised their commitment to a number of principles that they claimed guided their approach, especially towards AI. These include data privacy and security; fairness and inclusion; interpretability; accountability; safety; the avoidance of unfair bias; explainability; reliability; trust; and high standards of scientific excellence and control. However, although companies adopted a positive approach to digital technology deployment, focussing on its benefits at a corporate and individual level, they could be seen to be effectively playing down its potentially negative impacts. This may be seen as part of a major corporate marketing/public relations exercise, or even as "ethics washing", namely feigning ethical consideration, designed to improve how companies are perceived by stakeholders.

#### Social and environmental impacts

The main focus of these companies' approaches to their digital responsibilities is largely centred on social and technology issues. In outlining their social responsibilities – fairness, for example – little attention is paid to environmental issues, and more particularly, to climate change. Climate change has been described by the <u>United Nations</u> as "the defining issue of our time", and it may have fundamental social impacts, including the wholesale destruction of homes and communities, the loss of livelihoods, population migration and forced displacement, and the loss of cultural identity. Paradoxically, digital technologies can be seen to offer both a major opportunity to mitigate climate change, and to be a cause of such change.

The <u>United Nations Environment Programme</u>, for example, stated that "more climate data is available than ever before", that "how that data is accessed, interpreted and acted on is crucial to managing these crises", and that "one technology that is central to this is AI". AI is seen to have a vital role to play in helping to measure and reduce greenhouse gas emissions, and to improve hazard forecasting for both long term events, such as rises in sea levels, and for short term extreme events, such as hurricanes. But the United Nations Environment Programme also warned that "there is an environmental cost to processing this data", not least that "the ICT sector generates about 3-4 percent of emissions, and data centres use large volumes of water for cooling".

Another aspect here is what the <u>Council of Europe</u> have termed the "power asymmetry between those who develop and employ AI technologies, and those who interact with and are subject to them". While digital service providers, for example, can acquire very detailed data about the users of their services, which they can mine to generate predictions about user traits, tastes and preferences with considerable accuracy, the users themselves typically do not

understand the complexities of the digital technologies that they use. This asymmetry increases the likelihood of potential exploitation, and may also lead to new challenges for society, as evidenced by <u>Professor Raja Chatila</u> - a member of the working group of the French national digital ethics pilot committee - who, observed "everything that is currently happening in AI is taking place with no real ethical or legal controls. Companies are deploying tools on the web that have harmful effects".

#### Emerging responsibilities for tech companies

While digital technologies bring a wide range of new business benefits and opportunities, so the companies which develop, sell and deploy these technologies are now facing, and will have to address, several new sets of responsibilities. These responsibilities are increasingly being captured in the concept of CDR. Some of the leading tech companies now acknowledge their social and technological responsibilities associated with CDR, but environmental responsibilities and the asymmetry of power between developers and users receive scant attention. No detailed attention is paid to the role of the state in governance procedures, which is of particular relevance as the UK Government unveils its white paper "to guide the use of artificial intelligence in the UK" and "maintain public trust in this revolutionary technology". The call for such regulation is likely to get louder as digital technologies continue to impact the way we run our businesses and manage the wider economies and societies in which we live.

### Reference

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