Chapter XXIV
Privacy Issues in Public Web Sites

Eleutherios A. Papathanassiou
Athens University of Economics and Business, Greece

Xenia J. Mamakou
Athens University of Economics and Business, Greece

INTRODUCTION

The advent of the Internet has altered the way that individuals find information and has changed how they engage with many organizations, like government, health care, and commercial enterprises. The emergence of the World Wide Web has also resulted in a significant increase in the collection and process of individuals’ information electronically, which has lead to consumers concerns about privacy issues. Many researches have reported the customers’ worries for the possible misuse of their personal data during their transactions on the Internet (Earp & Baumer, 2003; Furnell & Karweni, 1999), while investigation has been made in measuring individuals’ concerns about organizational information privacy practices (Smith, Milberg & Burke, 1996). Information privacy, which “concerns an individual’s control over the processing, that is the acquisition, disclosure, and use, of personal information” (Kang, 1998) has been reported as one of the most important “ethical issues of the information age” (Mason, 1986).

BACKGROUND

Since 1973, a number of guidelines, regulations, acts, legislations and conventions have been introduced, both in the EU and the USA, in order to form a framework that should be followed by organizations that collect personal information, both off-line and online.

The “Hew report,” in 1973, advocated the existence of the “fair information practices” that discussed matters of data collection, usage and security, as well as the individual’s rights of data access and correction (HEW, 1973). The content of this report, created by the Secretary’s Advisory Committee on Automated Personal Data Systems within the Department of Health, Education, and Welfare, summarized that an individual’s personal privacy is directly affected by the kind of disclosure and use made of identifiable information about him in a record.

In 1980, the Organization for Economic Cooperation and Development (OECD) adopted the “Guidelines on the Protection of Privacy and
Transborder Flows of Personal Data.” The OECD Guidelines included eight privacy principles, concerning collection, processing, quality and security issues (OECD, 1980). More specifically, these guidelines that were in support of the three principles that bound the member states of the OECD: the pluralistic democracy, the respect on human rights and the open market economies, included the collection limitation principle, the data quality principle, the purpose specification principle, the use limitation principle, the security safeguard principle, the openness principle, the individual participation principle, and the accountability principle.

One year later, in 1981, The Council of Europe elaborated the Convention for the Protection of Individuals with Regard to Automatic Processing of Personal Data (Council of Europe, 1981) in order to reconcile the two fundamental rights, the private life and the information (Council of Europe, 1950), and to ensure the same level of protection of these rights beyond the national borders, by legally binding the member states that certify it. The convention designates a number of principles for the fair and legal collection and use of data. More specifically, it declares that personal data can only be legally collected and processed and can only be used for a specific and known reason. It states that the data must be accurate and secure and it must be safely kept only for the necessary time period. The convention also establishes the right of an individual to know whether his personal information is stored, as well as the identity and the natural address of the person or organization responsible for the data processing.

Nine years later, in 1990, The United Nations General Assembly adopted the Guidelines Concerning Computerized Personal Data Files (United Nations, 1990) and in June 1995, the U.S. Secretary of Commerce Ronald H. Brown, President of the White House Information Infrastructure Task Force (IITF), announced a report on the Privacy and the National Information Infrastructure. The report that was administered by the IITF Working Group on Privacy, explains the principles for providing and using personal information (IITF, 1995).

On 24 October 1995, the European Parliament and the Council announced the Directive 95/46/EC on the protection of individuals with regard to the processing of personal data and on the free movement of such data. The goal of this directive was the protection of the fundamental freedoms and rights of natural persons and in particular their right to privacy, with respect to the processing of personal data by laying down guidelines determining when this processing is lawful. These guidelines relate to the quality of the data, the legitimacy of the data processing, the information to be given to the data subject, the data subject’s right of access to data, the data subject’s right to object to the processing of data, the confidentiality and security of the data processing and the notification of the processing to a supervisory authority (Directive 95/46/EC, 1995).

In 1998, the Federal Trade Commission, which is an independent service, having as its goal to protect the consumers from unfair and misleading commercial acts, published a report entitled, “Privacy Online: A Report to Congress.” This report summarized the Fair Information Practice Principles, which were the five core principles of privacy protection and included notice/awareness, choice/consent, access/participation, integrity/security and enforcement/redress, and were common to all the previous documents (FTC, 1998).

On 12 July 2002, the European Parliament and the Council announced the Directive 2002/58/EC concerning the processing of personal data and the protection of privacy in the electronic communications sector, which is known as the Directive on privacy and electronic communications. This directive was adopted as a new legislative framework designed to regulate the sector of the electronic communications. It contains provisions on a number of topics, such as the sending of unsolicited e-mail, the use of cookies, the member states keeping connection data for police surveillance purposes and the inclusion of personal data in public directories (Directive 2002/58/EC, 2002).

Finally, the Online Privacy Protection Act of 2003, which was presented to the U.S. Congress on January 7, 2003, prohibits the collection, use or disclosure of personal information without