Gifts from Questionable Donors

Many organizations—including universities, non-profit groups, charities and political campaigns—depend heavily on donors for funding. Gifts often provide essential financial assistance for morally good organizations. Yet not all donors are untainted morally, some having acquired their resources through questionable practices and some engaging in projects or practices not approved of by the organizations in question. As a result, many organizations that rely on gifts for financial stability find themselves wondering whether it is morally permissible for them to accept contributions from such donors.

Consider George, an alumnus of State U, who has made a fortune in manufacturing by taking advantage of lax child labor laws overseas. Suppose he offers a multi-million dollar charitable gift to State U to provide financial aid to students in need. The University's President worries about whether accepting George's donation makes her and the University complicit in his business. And she wonders whether by refusing his donation she might be making an important moral statement, perhaps one that might lead either to other University's taking a similar stand or even to other donors stepping forward to support financial aid. Of course, without the gift, it is very likely that many fewer students will be able to afford State U. And whether the University accepts the money or not George will continue with his business, as will others so long as it is profitable. Moreover, if State U rejects the gift, George will be offended and will probably never offer the University other support for academic projects, whereas he is likely otherwise to continue as a generous donor. Indeed, the President might think, in accepting the funding, and using it to support students who could not afford a State U education without financial aid, she would be turning "bad" money into "good," not thereby redeeming George but at least working to make the world a better place.

Similarly, one can easily imagine a student who might be offered aid from a program established with George's support having concerns along the same lines. Does accepting the aid mean that she is in some way condoning George's behavior or absolving him of responsibility for what he has done? At the same time, though, such a student is not herself exploiting workers or in other ways supporting such an activity. Rather, she is pursuing an education she probably would not otherwise be able to secure. She might well be torn about whether it is morally permissible for her to accept the fellowship.

STUDY QUESTIONS

- (1) Under what circumstances, if any, is it morally wrong for an individual to accept a gift from a morally bad agent or group?
- (2) When, if ever, should nonprofits and universities turn down donations that could help them realize morally good ends?
- (3) What might the fact that a person is either too willing or too unwilling to accept gifts from morally dubious sources say about his or her character?
- (4) Is there a moral difference between the individual and organizational cases? If so, what is the difference and what explains it?