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PUTTING "DIRTY MONEY" TO GOOD USE

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Among the ethical issues faced by many fundraising practitioners of non-government organizations worldwide is whether or not to raise monies from people or organizations whose practices of business or sources of income are morally questionable.

Donor lists or potential funders of many a development organization usually include politicians, wealthy businessmen, and members of prominent families, if not the corporations owned by them. Often, these are the "prime targets" for fundraising campaigns because of their willingness to share and further the developmental mission of these NGOs, and because of their ability to provide substantial support. While many such benefactors are praiseworthy in their generosity and in their sense of social responsibility, there are, of course, some whose methods and sources of income are morally questionable. The possibility of illicit activity in the means by which these donors make a profit and obtain their income cannot be denied. Such can range from unjust labor practices to graft and corruption, illegal drug trade, gambling operations, and the like. The question then arises of the acceptability of using such "bad money" or money raised illicitly by others, and putting it to "good use" or towards a charitable organization's noble ends.

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Naturally, the Church as a charitable and fundraising institution has not been immune to such an ethical dilemma. As time and again featured by the media, prominent Church-related individuals who are involved in work for the poor have supporters and benefactors who may include those in question. Some, like the Blessed Mother Teresa of Calcutta,[1] the late Cardinal Sin,[2] and the much awarded Tony Meloto of the Gawad Kalinga movement,[3] are of the view that even monies from donors of ill repute can and should be received and put to good use. Others take the more conservative stance and try to avoid dependence on benefactors of questionable means and sources of income, while others conveniently turn a blind eye and will receive donations without wanting or bothering to know where these monies probably came from.

This article will attempt to weigh the issue at hand using three frames of moral consideration, namely 1) cooperation with evil, 2) the appropriation of evil, and 3) the consideration of scandal. The first and third are among traditional principles in Catholic moral thought while the second is a more recently developed theory from the turn of the second millennium. All three will hopefully allow us to understand the pertinent considerations in addressing the question "Is it ethical for the Church to solicit and receive funds—to be used for unquestionably worthwhile purposes—from benefactors whose businesses or sources of income involve illicit activity?"

In order to concretize the above question and make ethical discernment possible, the following case shall be considered:

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[1]Susan Adams, "Leadership Lessons from Mother Teresa," *Forbes Magazine*, http://www.forbes.com/sites/susanadamas/2011/09/01/leadership-lessons-from-the-mob-and-mother-theresa/ (accessed January 7, 2012).

[2]Genalyn Kabiling, "Nothing Wrong with Receiving Cash Donation—Bunye," *Manila Bulletin* (October 15, 2007), http://mb.com.ph/node/39060 (accessed January 7, 2012).

[3]Floyd Whaley, "Engagement Not Judgment," *Development Asia* (Asian Development Bank, October 2009), http://development.asia/issue05/field.asp (accessed January 7, 2012).

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Bishop W is the apostolic vicar of an under-resourced Vicariate in Southern Mindanao. Among the pastoral programs that he manages are poverty alleviation projects of the social action committee. These provide microcredit livelihood support for indigent communities and basic relief services (food, shelter, and education) for the poorest of the poor. Funding for these projects comes from various sources—foreign agencies, local charities, families, and individuals. Recently, he was contacted by a member of a very prominent political family from that province. The family was interested in making a substantial donation for the social action programs of the Vicariate in the name of the corporate social responsibility arm of the family-owned company, XYZ, Inc. Upon doing a background check, Bishop W discovers that the XYZ corporation is notorious for unjust labor practices, and is involved in several land disputes with indigenous peoples in other parts of Northern Mindanao after they managed to arrange the purchase of several parcels of land that were under the ancestral domain claims of said indigenous groups. The Bishop is aware that the donation amount being offered will greatly augment the social action committee's budget (for which fundraising has been difficult) for the coming year, but he is hesitant given XYZ, Inc.'s reputation. Should the Bishop accept the donation?

The First Principle: Cooperation

Developed by Alphonsus Liguori in the 18th century, the first principle to help us better understand the choice that Bishop W needs to make is the principle of cooperating with evil. More particularly, this principle or theory helps moral analyses shed light on instances when the action asked or expected of an agent *facilitates* another's illicit action.[4] Classical cases used to illustrate such a situation of cooperation would be a servant's act of delivering his master's letter to his illicit lover, or a bank employee who, at gunpoint, assists robbers in filling bags with money. More contemporary cases involve nurses who assist in abortion or Catholic health workers who are left with little choice but to prescribe condom use to sexually active patients with HIV.

The traditional understanding of "cooperation" in these contexts and under the said principle is "concurrence with another in some

[4]Cathleen Kaveny, "Appropriation of Evil: Cooperation's Mirror Image," *Theological Studies* 61 (June 2000): 286.

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immoral action."[5] To be clear, as Fr. James Keenan, S.J., points out, the principle is a guiding principle and not a permitting principle (i.e., the question to be asked is not "May I cooperate?" but rather "Should I or should I not, and if so, how much?"). As such, cooperating with evil *per se* is regrettable and this principle must not be used at our convenience. It should, in fact, be avoided.[6]

Given the case of Bishop W, however, the immediate question that faces us is whether or not the Bishop's option of receiving the donation can even be considered as *concurrence*, or something that *facilitates* the illicit act of the unjustly earned profits of XYZ, Inc. After all, the donation, if it were received, 1) will be put to very good use (for poverty alleviation), 2) is being made after the fact of the illicit acts (as it is *derived* from profits unjustly earned), and 3) is *not* something on which the illicit act is contingent upon (precisely because the illicit act has already been committed!). Will this principle of cooperation, therefore, even be helpful for our discernment of Bishop W's dilemma?

Two wider frames of understanding will be enlightening here. The first will be as regards cooperation, and the second, sin or, more particularly, social sin. Moral theologians who have further reflected on the principle of cooperating with evil have associated this with "any and every physical or moral assistance in the commission of sinful action and in union with others."[7] More simply put, this means "helping,"[8] in

[5]Henry Davis, "Cooperation with Evil," in Bernhard Stoeckle & Jack Dominian, eds., *A Concise Dictionary of Christian Ethics* (London: Burns & Oats, 1979), 129.

[6]James Keenan, "Institutional Cooperation and the Ethical and Religious Directives," *Linacre Quarterly* 64:3 (August 1997): 55–56.

[7]Bernard Haring, *The Law of Christ 2: Special Moral Theology* (Cork: Mercier, 1963), 495, as quoted by Kaveny, "Appropriation of Evil: Cooperation's Mirror Image," 283.

[8]Germain Grisez & Joseph Boyle, *Life and Death with Liberty and Justice: A Contribution to the Euthanasia Debate* (Notre Dame: University of Notre Dame, 1979), 422, as quoted by Kaveny, "Appropriation of Evil: Cooperation's Mirror Image," 283.

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the sense of some type of assistance which facilitates the performance of an immoral procedure. More than a mere "concurrence with illicit acts," cooperating with evil acts involves this sense of taking part in the act by helping the principal agent (in this case, XYZ, Inc.), and so this allows us to ask, "Will Bishop W, by receiving the donation, be helping, assisting, or facilitating XYZ's illicit actions in any way?"

If we are to consider merely the act of how the monetary donation to be received was already derived from profits unjustly earned in the past, then the discussion again becomes moot. However, and quite importantly, given 1) that the nature of a business operation is not merely a singular act but an ongoing series of acts toward building an entity or enterprise, and 2) that there are social dimensions of sin and of oppressive structures which further the sinful situation of poverty, the case is seen in an entirely different light.

Structurally speaking, Bishop W's acceptance of such a donation may, however indirectly, contribute to legitimizing and propping up the business of XYZ. This is partly the function of many a corporate social responsibility department.[9] Accepting the donation, in effect, can be considered as helping XYZ fulfill its obligation. This thereby allows XYZ to continue to operate as an oppressive structure or as a corporation illicitly involved in the social sin of making unjust profits at the expense of its labor force and of marginalized groups which it exploits.

This clears the way for us to more seriously consider under what circumstances would such cooperation with XYZ be deemed morally permissible, if at all. These considerations include the intention of the cooperating agent, how the action to be undertaken by the cooperator is directly (or indirectly) connected to the illicit act of the principal agent,

[9]Under Philippine law, housing development corporations are required to allocate a portion of their development budget for charitable or socially oriented development projects. See Republic Act 7279, "An Act to Provide For A Comprehensive and Continuing Urban Development and Housing Program, Establish the Mechanism for its Implementation, and for Other Purposes" (Republic of the Philippines: approved March 24, 1992), http://www.chanrobles.com/republicactno7279.htm (accessed February 1, 2012).

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the proximity of the act of cooperation to the illicit act, and, finally, the proportionate reason for which cooperation is being considered.[10]

In considering the intention of Bishop W, we should be asking the following: "What does Bishop W intend by the act in question? How different is this from XYZ's intention in performing the illicit act?" Bishop W's intention is ultimately to help the poor. We note that it is clearly not in line with, and is even antithetically in contrast to, the intention of XYZ's abusive practices, which is to make a profit. The former's intention is constructive and developmental, and the latter's is exploitative. Technically speaking, in a moral analysis, this would allow us to say that Bishop W's cooperation would only be material (and therefore possibly permissible) and not formal.

Next, we ask whether the cooperation of Bishop W presents an immediate or mediated form of assistance (i.e., "How much direct involvement in the illicit action will this entail?"). Whereas the first consideration involved intention, the second involves the action itself. Bishop W's action in this case is clearly *mediated*. This means it is not directly involved in the wrongful activity of exploitation. A series of actions that can be seen as a chain of events which are not necessarily illicit in themselves, but all contributing or leading to the unjust end, is involved here. The Bishop's act of receiving the donation assists in but one of the links of this chain and therefore can be considered as distantly mediated.

Furthermore, we consider proximity, which in this case may prove a very important factor. Despite the acceptability or justifiability of material and mediated cooperation, we are advised to be as distanced or remote from the illicit activity as possible. Consider in the case at hand that most of the exploitative activities of XYZ are in Northern Mindanao, while Bishop W's vicariate is several hundred kilometers away in Southern Mindanao. The picture would be very different if the same people whom XYZ was abusing, say the company's labor force, would become beholden to XYZ through the Vicariate's programs. This would

[10]Keenan, "Institutional Cooperation and the Ethical and Religious Directives," 58–59.

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not only add insult to the injury of the oppressed laborers, but would also highly compromise Bishop W's credibility among his constituents and would likely cause scandal (to be discussed later in the article.)

Last but not least, we consider the reasons for which Bishop W is considering to cooperate. The classical rule of "proportionate reason" is applied to such cases of cooperation to mean that "one only cooperates to the extent that something valuable is threatened … the degree of cooperation depends upon how urgently that value needs to be protected."[11] Hypothetically speaking, the constituents of the poverty alleviation programs of the Bishop are likely to be the poorest of the poor in the country. They would greatly benefit from the projects, and it would not be an exaggeration to say that some lives would actually depend on the program. The value of life itself and the quality of life are at stake here. But some nuancing is necessary, for we must ask whether or not the programs of the Bishop will truly be "threatened" should he not accept the donation. Are there no other donors? What will happen should they not accept the support from XYZ? The situation, therefore, would possibly call forth a different response if fundraising were never a problem for the Bishop. However, in this case where donor fatigue has set in and the Vicariate is desperate in the search for funding for the coming year's poverty alleviation work, the problem is serious.

In summary, the guiding principle is that "material cooperation could be justified only if the action was in itself not sinful and if there was a sufficient and proportionate reason for cooperating."[12] Thus far, the frame of cooperation, therefore, seems to make Bishop W's acceptance of the donation morally permissible since 1) his intended action will in itself be good (and, in fact, noble), and 2) sufficient reason is seen in the seriousness of their financial straits coupled with the

[11]James Keenan, "Prophylactics, Toleration and Cooperation: Contemporary Problems and Traditional Principles," *International Philosophical Quarterly* 114 (June 1989): 216.

[12]Davis, "Cooperation with Evil," 129.

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undeniably positive outcomes of their work for the poor. The matter, however, does not end here.

The Second Principle: Appropriation

In 2000, Cathleen Kaveny published an article entitled "Appropriation of Evil: Cooperation's Mirror Image" in *Theological Studies*. She expounded on a framework which she had developed from the matrix of cooperation because she found the principle of "appropriating evil" more apt to many modern-day cases. Through this new framework, Kaveny claims that we are able to "more accurately describe what is morally at stake" given situations described below.

> The category of cooperation covers cases in which agents worry about whether they may morally perform an action that in some way *facilitates* someone else's morally objectionable activity; it does not cover the "mirror image" situations in which agents wonder whether they can *take advantage of* the fruits or byproducts of someone else's wrongful acts in order to facilitate their own morally worthwhile activity.[13]

Cases that are better understood using this framework range from research that makes use of products or by-products of illicit activity (e.g., Nazi experimentation on people, or on electively aborted fetuses) to the purchase of goods from exploitative businesses (e.g., clothes manufactured in third-world sweatshops). Kaveny asserts that the framework for understanding the appropriation of evil is much in line with virtue ethics. It presupposes and highlights how evil acts not only cause harm to victims and those against whom the acts are performed, but also inflict serious damage on those who perform them.

> From a perspective that focuses on the external dimension of human acts, cooperation problems are obvious; we can see how the cooperator's action fuels the evil act of another agent. But such a perspective renders the moral dangers of appropriation virtually invisible. Appropriators make no causal contribution to the evil action whose fruits or by products they appropriate; generally speaking, at the time they confront the decision about whether to act, the evil has

[13]Kaveny, "Appropriation of Evil: Cooperation's Mirror Image," 286.

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> already been done. [But] the main effect of a decision to appropriate the evil action of another is internal; by choosing to tie their action to the evil act of another, appropriators shape their characters in a way that may not have immediate, tangible consequences in the external world. In short, the immediate impact of the decision to appropriate the illicit act of another is a deeply interior one; it alters the character of the appropriator.[14]

By now it should be clear that the case in question (of Bishop W) fits this model of analysis. The donation which the Bishop is contemplating to receive was raised through means that were exploitative, all of which he now has the power to *appropriate* for good use. The questions that Kaveny suggests should therefore be considered in evaluating Bishop W's situation.

The first concern which poses as a moral hazard for appropriators is "ratification." Ratification involves the appropriator eventually *taking on* and *adopting* the very intentions of the principal agents who performed the illicit act. Such forms of appropriation are easily seen as impermissible since this would be the equivalent of formal cooperation. In Bishop W's case, however, it is clear that he is by no means ratifying the illicit actions of XYZ. As previously stated, the poverty alleviation efforts and the not-for-profit nature of the Bishop's fundraising effort are antithetically opposed to the unjust means by which XYZ earned its monies.

The second concern that Kaveny raises, however, is of greater import for the discussion. This involves what she has termed "contamination." By this, she illustrates how the act of appropriating evil poses the danger of affecting or contaminating the very character of the appropriator by making him or her prone to *self-deception* (in terms of motivations and intentions).

Applying the above to the case at hand, we consider how "contamination" poses its dangers. Since XYZ's unjust acts will contribute greatly in a long-term manner to Bishop W's projects, it will be difficult for the Bishop, his workers, and the beneficiaries of his programs to view XYZ in a negative light. Eventually, if some

[14]Kaveny, "Appropriation of Evil: Cooperation's Mirror Image," 287.

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of these people become involved themselves in practices of social injustice, they may find it easier to do so. It will be easier for them to rationalize such illicit acts because the Church itself (which they may look up to or consider themselves a part of) has appropriated and benefited from such evil.

Furthermore, dependence on the support of XYZ may eventually lead the Bishop to refrain from taking action or steps that condemn or eliminate the wrongdoing of XYZ, even if the opportunity arose to do so. This may eventually entail self-deception on the part of the Bishop, who will likely justify the work for the poor as an indispensable value that is being threatened. Meanwhile, he and the Social Action Committee team may become blind to the fact that not taking steps to eliminate the wrongdoing of XYZ constitutes a great disservice to the poor. Not only would the Bishop and his Vicariate have fallen into self-deception and a clear degradation of character, but they would have also contradicted the very values and objectives which they claim to uphold through their social action initiatives.

Finally, Kaveny suggests that we ask, "Is the appropriation likely to make it easier for the wrongdoing auxiliary agent to rationalize his or her illicit action?" By the above exposition on the role of corporate social responsibility departments, it has been established that if the Bishop accepted the offered donation, XYZ would be fulfilling its corporate social responsibility obligations and would be able to go on with (illicit) business as usual, perhaps with its owners' consciences appeased. Supposing there is guilt or a sense of unease with its owners and managers, given the abusive practices they are known to further, the good which their donation to the Church will do might just help them sleep better, reassuring them that they have done good with their profits anyway. Furthermore, given such a partnership between XYZ and the Church for the latter's poverty alleviation programs, it is not unlikely that the company managers will think of and project themselves as pro-poor.

Kaveny's concept of appropriation, as such, sheds light on these very serious implications of the matter at hand. While the act of receiving and using the donation to help the poor may not in itself be

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morally impermissible, the consequences that may arise from it may seriously erode the values and character of the Bishop and of the many people with whom and for whom he works.

The Third Guiding Principle: Scandal

Finally, we look at the other possible effects on the faithful that may result from Bishop W's action of receiving donations from XYZ. By "the faithful," we must realistically consider not only the constituents of Bishop W's Vicariate, but the larger Philippine Church and greater Philippine society as well, given the stature and honor of the agent in question. Will Bishop W's acceptance of support from and partnership with an exploitative corporation not scandalize the members of the Church?

In a recent address to a Vatican audience, Luis Antonio Cardinal Tagle, expounding on the situation in the Philippines and Asia, said that the crises being faced by the Church are "immense in scope," with the faithful being scandalized not only by sexual misconduct but by "suspicions about the clergy's handling of money, accusations of misuse of authority, inappropriate lifestyle and a host of other things … [like] the rudeness of their pastors … [and] priests who do not preach well or do not preside at sacraments religiously."[15] Across the world, it is also more and more acknowledged that the "breadth and depth of the crisis" is all "becoming too much," and has resulted in undocumented but significant numbers leaving the Church or, worse, turning away from God.[16] The immensity and hypersensitivity of the current situation should, therefore, lend to taking most seriously the probability of scandal for Bishop W should he partner with XYZ.

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[15]Ma. Ceres P. Doyo, "Breaking the Culture of Silence, Deafness," *Philippine Daily Inquirer* (Feb. 15, 2012): Sec. A, 9.

[16]Cathleen Kaveny, "A Darkening—Why a Church Scandal Does More Harm than the New Atheism," *Commonweal* 137:9 (May 7, 2010): 6.

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According to the Catechism of the Catholic Church, "Scandal is an attitude or behavior which leads another to do evil …. Scandal is a grave offense if by deed or omission another is deliberately led into a grave offense."[17] The teaching also considers the stature or authority of the person causing the scandal to bear weight on the matter. The higher the authority, the graver the offense.

Bishop W's acceptance of such support can be interpreted by the faithful in various ways:

1. It can be understood as a sign of the Church failing in its prophetic role to denounce the oppressive practices of XYZ (for if it were truly prophetic, then the offer of support from XYZ would never have been accepted).

2. It may be taken to mean that the Church is taking the side of XYZ and its owners.

3. It will further the reputation of the Church as being aligned with, or beholden to, such powerful circles.

Any or all of the above are likely to weaken the faithful's resolve to remain with the Church, and may cause many to lose heart at a time when there is already much reason to do so.

By accepting donations to help the poor, the Bishop does not intend to lead others to turn away from the Church or from God. In fact, helping the poor may edify and strengthen the faith of others. The only real danger is what people may impute or take the act of receiving donations from XYZ to mean.

Would it be possible for Bishop W to accept the donation without relegating his prophetic responsibility? Can the Bishop make use of this opportunity to begin critical engagement with the donor without allowing the Church to be "tied down" by XYZ, Inc.? While ideal, this may be very difficult to achieve in the present day Philippine context.

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[17]"Respect for the Souls of Others: Scandal," *Catechism of the Catholic Church*, 2nd ed., http://www.scborromeo.org/ccc/p3s2c2a5.htm (accessed January 29, 2012), par. 2284–2287.

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Bishop W, in considering this alternative, will have to seriously ask if he is ready to take the backlash of biting the hand that feeds. At the very least, this will involve seeing the promised support withdrawn by XYZ, and at worst, XYZ can destroy the Bishop's good name and credibility in the donor community's circles, making it very difficult to raise funds for the continuity of his work for the poor.

Conclusion

In this author's humble opinion, while the considerations presented by the framework of appropriation and scandal are serious, they *do not* render Bishop W's acceptance and use of support from XYZ for the benefit of poverty alleviation projects immoral. Given the material and mediate nature of the cooperation, and given the dire needs of the Vicariate and of the poor who will be helped by the donation, this act remains permissible, as established using the principle of cooperating with evil. However, it cannot loosely be said that "there is nothing wrong" with such a practice. The unintentional yet highly possible consequences involved—many more of the faithful turning away from the Church, and the erosion of the character of the Bishop and of the faithful under him—make this action imprudent and ill-advised. Should the Bishop, out of great need and dedication to the work for the poor, still choose to receive and make use of the donation, he must take extra steps to guard against or counter these identified dangers.

While the action of the Bishop in receiving the donation may not be an illicit act under the given circumstances, the situation itself should be taken as a clear indicator of, or a pointer to, a possibly greater moral failure on the Bishop's part—that of not taking action against the unjust practices of companies like XYZ, Inc. It should lead the Bishop to review, discern, and question whether he has been remiss in fulfilling his prophetic role in denouncing unjust and oppressive business practices, critically engaging corporations that profit from such conditions, and siding with those on the losing end of such oppressive structures.

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As regards the principles of cooperation, appropriation, and scandal, we can also hereby appreciate the depth and range of contributions that continuously developing moral theories provide for our understanding of ethical issues. Kaveny's principle of appropriation is a clear case in point. In the above case, we saw that, without undermining the value of the principle of cooperation, the principle of appropriation was able to highlight several considerations that should significantly bear on the decision to be made by the Bishop. Interestingly enough, this case also demonstrates the fact that once an act has been judged to be morally permissible, it does not necessarily mean that one can and should proceed with the action. The dangers that the consequences of the action pose may not make an action illicit, but prudence and caution should still dictate and help determine the more responsible course of action.

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