A Philosophical Argument Against MIT's Acceptance of Anonymous Donations

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1 Introduction

In August 2019, a number of prominent politicians, scientists, and celebrities were condoned for relations with Jeffery Epstein, a convicted sex offender arrested for federal charges of sex trafficking. MIT President Rafael Reif sent a notice to the MIT student body that both the MIT Media Lab and MIT Professor of Mechanical Engineering Seth Lloyd received funds from Epstein. Just as things seemed to settle down, a *New Yorker* article exposed lies about the amounts of money received by the MIT Media Lab and its close ties with Epstein [1]. Joi Ito, the director of the Media Lab, stepped down almost immediately and MIT was brought under scrutiny for its practices in accepting private donations, commencing an institution-wide investigation. Students led protests, calling attention to other ethically questionable donors, including the Koch brothers and the Saudi state. As part of the demand for institutional change by the MIT administration, I present an argument rooted in the philosophy of ethics for the elimination of anonymous donations to MIT.

2 Classifying Donors

Following Joi Ito's resignation, Harvard Law Professor Lawrence Lessig made a controversial Medium post describing his views on the matter and, in part, defending Joi [2]. While I disagree with several of the claims made in this post, particularly his view on anonymous donations, Lessig does a good job classifying the types of donors for an institution like MIT, as summarized below.

2.1 Type I

This donor's wealth comes from "nothing but doing good." I believe that Lessig's choice of Tom Hanks and Taylor Swift are interesting examples for this, especially given Taylor Swift's rocky reputation. However, while they might not be perfect, the public would not in any way criticize acceptance of these donations.

2.2 Type II

This second class of donors is a bit more morally ambiguous. Lessig uses the apt examples of Google and Facebook, which have done a lot of good for society, but have also done harm (i.e. fake news and privacy breaches). Some people believe these entities are very good, while others believe they are evil.

2.3 Type III

The third class of donors are criminals whose wealth does not fall directly from their crimes. This means that while they may have done bad, any money received by the institution will not be the direct product of crime.

2.4 Type IV

The final class of donors are criminals whose wealth directly derives from their crimes. This means that the institute will receive so-called "blood money."

2.5 Disregard of Type I and II Donors

In the case of Type I and Type II donations, there is no need for private donations from the institute's perspective. If everyone were a Type I donor, there could be anonymous donations and it would not matter, since all the donations would arguably be good. For Type II entities, although some members of the public may believe that they are bad, many believe the opposite. Hence, these donations are, at most, a morally ambiguous case and, if the entity's overall mission aligns with MIT's mission, a strong defense can be made for accepting the donation.

That being said, there still may be concerns that the institute would lose revenue because of donors who truly are philanthropic and for some reason do not want the contribution to be known publicly. I would argue that if MIT had a very strong reason for not accepting private donations, as on the moral grounds presented in this work, a donor who truly is invested in improving MIT will donate regardless. Even if this is not the case, taking the moral high-ground will arguably benefit MIT in future donor's eyes. If anything, it will prevent media scandals, which defame the university and require pricey investigations. Hence, the argument that MIT would lose revenue is debatable. In any case, this is not an argument based on ethics, but simply on the bottom line.

Thus, in order to focus on the more interesting aspects of the question of anonymous donations, I argue that we no longer need to consider Type I and II donations. Instead, I will focus on Type III and IV donors, which present the challenges in a system of anonymous donations.

3 The Problem with the Anonymous Shield

Anonymous donations are used to shield academic institutions from scrutiny, but, as indicated by the recent Epstein controversy, are a morally flawed practice. There are two primary justifications for accepting anonymous donations from Type III and IV donors: (1) the prevention of whitewashing donor reputation and (2) the argument that more good can be done by accepting the money than not. I argue, however, that these are both fundamentally flawed.

3.1 Debunking Whitewashing

A main concern in accepting public donations from Type III and IV donors is that they will use the good press to clear their reputation of previous misdeeds, which we refer to as "whitewashing." Thus, MIT should not accept public donations of Type III or IV.

One argument against this position is the well-known challenge in the philosophy of ethics of distinguishing good from bad [3]. As we saw in the case of Type II donors, an action can have very different interpretations depending under which ethical code it is assessed. The single agreed upon and enforced ethical code in society is the legal code. If an individual performs a bad act, they should be penalized by this code, whether that be serving prison time or paying a fine. The legal system was designed such that punishment serves as a repayment for the crime. Thus, after repaying their crimes, should criminals be barred from doing good things, such as donating to scientific research and academic institutions? Just because someone did bad once in their life, should they be defined by it for the rest of their life? Can they never truly do good again? While this is a challenging question to answer, it can be argued that in most cases it is not the role of an academic institution, such as MIT, to decide this. If, after going through the legal punishment system, an individual is capable of and willing to donate to an institution, they should be able to. If the crime committed was so heinous that MIT should not ever accept a donation, the legal system should imprison them indefinitely or fine so much money that they are incapable of donating. Thus, there should be no issue in accepting a public donation from a former criminal.

This all assumes, however, that the legal code is up-to-date, correct, and properly punishing criminals. An argument in favor of anonymous donations is that, given the ever-changing dynamics of society, this is not always true in practice. For example, the Koch brothers are among the greatest contributors to the destruction of our planet and, currently, their actions are completely legal. Given increasing environmental protests and reform, however, this may not be the case in the near future. As the legal code transforms to match the changing ethical needs of society, the university could be exposed to bad press without having technically done anything wrong. To counter this argument, I claim that a better solution to this problem is for universities to always take the moral high-ground. If a university believes, out of fear of the media and public, that it can only accept the donation anonymously, does that not already

show that the decision is ethically deplorable? If the university feels that there are compelling enough reasons to accept the donation, it should be willing to present and defend them publicly. If nothing else, this will allow people who might otherwise unknowingly be affected by the donation to decide whether or not they would like to remain associated with it. It provides researchers and members of the institution an opportunity to follow their own ethical code.

A final argument for accepting private donations, is that the criminal could not actually be trying to whitewash their name or gain power/prestige. What if they were simply trying to donate to the institute for the purely altruistic reason of solving an important scientific problem? In a system with no anonymous donations, there is a much higher likelihood that MIT will reject such a donation. This means MIT will arguably be preventing someone from doing good and stagnating scientific research funds, which in turn makes MIT bad. Or does it? If the true intent of the bad donor was to solve a scientific problem, one could argue that they should not be donating to MIT at all. If the money were instead given to an institution like the National Science Foundation (NSF), a public research grant could be created and researchers from around the country would apply. Alternatively, the donor could set up a foundation to attribute grants using a similar review process. In principle, having this review process would ensure that the institutions best suited for the research would receive the funding to do so. If MIT received the grant, the funding would be directed towards the research problem itself, with no control from or connection to the donor. One could thus conclude that the main motive for donating to MIT specifically is to acquire the MIT brand name for the research, i.e. whitewashing or an attempt to gain power. Hence, the argument that a criminal would make a private donation for purely altruistic motives is not believable.

3.2 Debunking "Do More Good than Harm"

Another common justification for accepting donations from Type III and IV donors is the belief that the good which will come from taking the money will surpass any bad. For example, while accepting a $20M donation may boost a criminal's reputation, it can fund the education of thousands of undergraduates, who in the long-term can make the world better through research and innovation. This kind of logic fails because it is impossible to determine whether the ultimate good will exceed the bad. For example, students funded by a grant from a fossil fuel tycoon could feel indebted to the tycoon and associated causes. If a single student were to become president and delay the switch to clean technologies, this in itself could outweigh the combined good done by the remaining students. However, such indebtedness to a nefarious cause is not possible if the university only takes Type I or II donations.

In the case of anonymous donations this argument becomes even less convincing. In theory, anonymous donations "do no harm" because they prevent the donor from benefiting from the contribution. However, is this truly the case? While the donation may not be public, it is known among the high-ups of the institution. This gives the donor power and access to university leaders. Addi-

tionally, as described by Lemming, an anonymous donation is simply a "ticking time bomb." There is a non-zero chance that an anonymous donation can be exposed and, as demonstrated in the Media Lab controversy, this brings even more attention to the donor than in the case of an originally public, justified donation. Hence, it is hard to believe that anonymous donations truly "do no harm" from an ethical standpoint.

Finally, in the words of philosopher David Thoreau, "it is not a man's duty, as a matter of course, to devote himself to the eradication of any, even the most enormous, wrong; he may still properly have other concerns to engage him; but it is his duty, at least, to wash his hands of it, and, if he gives it no thought longer, not to give it practically his support." [4] In his essay on civil disobedience, Thoreau argues that it is the responsibility of the individual not to do "evil." However, he also claims the individual is not required to do good. Thus, the notion that doing more good than bad is irrelevant. If any "evil" is required in order to realize the good, it is better to do no good at all.

4 A Call for Collective Action

Who is to say that if MIT takes the moral high-ground and bans anonymous donations, a Type III or IV donor will not just take their money down the street and donate anonymously to Harvard? There is no guarantee this is preventable and, in fact, it is likely to happen. However, as is the case in any collective action problem, this is no reason to justify MIT's wrongdoing [5].

At the end of the day, MIT is an institution for fundamental science and engineering research. Whereas these disciplines are governed by precise equations, researchers and staff are governed by emotion. There is no exact solution to the ethical dilemma MIT currently faces, but that does not mean we cannot continue optimizing. I have presented a philosophical argument for the elimination of anonymous donations, urging MIT to become an ethically funded institution and setting a precedent for all other academic institutions.

References

[1] Ronan Farrow. How an Élite University Research Center Concealed Its Relationship with Jeffrey Epstein, Dec 2019.

[2] Lawrence Lessig. On Joi and MIT, Sep 2019.

[3] Stuart Rachels and James Rachels. *The Challenge of Cultural Relativism.* McGraw-Hill Education, 7 edition, 2018.

[4] Henry David Thoreau and Archibald MacLeish. *Civil Disobedience.* Virginia Tech, 2001.

[5] Shelly Kagan. Do I make a difference? *Philosophy & Public Affairs*, 39(2):105–141, 2011.