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Nonprofit Groups Draw a Line at Some Donors

By [STEPHANIE STROM](#)

In the wake of the 2004 tsunami that devastated shorelines around the Indian Ocean, the relief group [Doctors Without Borders](#) won plaudits for its decision to halt fund-raising for the disaster once it had collected enough donations to accomplish the mission it had set for itself.

Other relief organizations raised as much as they could and consequently faced criticism from French and British regulators and others for being unable to spend all of it expediently.

Doctors Without Borders, a French medical charity, has long practiced an unusual form of discipline that may cause other nonprofits to squirm. For more than a decade, it has politely declined financial support from corporations whose activities conflict with its mission and principles, recently adding some medical device makers and biotechnology companies.

It even declines money such companies make to match donations from their employees. “We’re not making moral judgments,” said Alyssa Herman, director of development at the organization’s New York affiliate. “The policy is really an effort to avoid potential conflicts or barriers to our mission.”

Nonprofit circles have been buzzing lately over a two-part series in The Los Angeles Times highlighting conflicts between the goals of the Gates Foundation and the activities of some companies in which it invests.

Foundations and charities have long confronted such questions. A few years ago, some museums and other organizations were fighting questions over their acceptance of donations made by corporate leaders tainted by scandals, like [L. Dennis Kozlowski](#), the Tyco International executive who gave millions to the [Whitney Museum of American Art](#), and [Kenneth L. Lay](#), the Enron founder, whose name adorned facilities and programs in Houston and Aspen, Colo.

Doctors Without Borders is not alone, though its policy may be the most stringent. Last year, the American Diabetes Association adopted a tougher policy to govern its relationship with food and drug companies, and many charities prohibit the acceptance of gifts from tobacco companies and their subsidiaries.

Critics note, though, that beyond tobacco, such policies are usually nuanced. The [American Heart Association](#), for instance, does not allow wine and alcohol companies to use its brand for marketing and image-building purposes, but it will accept money raised on its behalf through wine auctions and tastings.

Similarly, it does not allow the use of its name or logo by candy and chocolate makers but will accept money from them “as long as no strings are attached,” said David Livingston, the heart association’s corporate secretary and counsel.

About 18 percent of the association’s revenues in the year that ended June 30, 2006, came from companies, compared with about 7 percent of the \$122 million the American unit of Doctors Without Borders raised in 2005.

“Corporations are not per se bad,” Mr. Livingston said. “They have different interests than we do, but where our interests overlap and where doing so would not have an impact on our integrity and credibility, we think it’s appropriate to work with them on behalf of what we do.”

As the number of charities rises at a much faster pace than giving, it is difficult for any nonprofit group to look a gift horse in the mouth. “It’s a very thorny subject,” said Diana Aviv, president and chief executive of the Independent Sector, a trade association representing about 550 nonprofit organizations. “Where do you draw the line? Some of our largest foundations were created by individuals who have been described as robber barons. Should charities look askance at that money?”

Rushworth M. Kidder, president of the Institute for Global Ethics, said he did not think a blanket prohibition on gifts from corporations was necessary but that charities should be thinking more about the issue. “We’re a nonprofit, and we have drawn the line, for instance, with some foundations that are clearly aligned with a political position,” he said. “We’re here to help people understand how to think, not what to think, and to the extent that people see us as coming from a particular position because of the money we receive, it dilutes out mission.”

The Doctors Without Borders policy has existed informally since the early 1990s, Ms. Herman said, and was formally approved by the board later that decade. The organization does not solicit or accept funds from any companies or their foundations that derive income from tobacco, alcohol, weapons, pharmaceuticals, medical equipment, biotechnology, oil, mineral, gas and other extractive industries, like diamond mining.

“To take money from an economic entity whose influence goes beyond the economic to influence politics and government in the areas where we work could complicate the negotiations we have with governments, rebel groups and others,” said Nicolas de Torrenté, executive director of the Doctors Without Borders affiliate in the United States.

Mr. de Torrenté noted, for example, the far-reaching influence of diamond mining in Western Africa, and of the oil industry in Nigeria and Sudan. “You’ll often hear of oil

companies trying to set up clinics, but we are there just to do humanitarian work, not to promote or help anyone with their image,” Mr. de Torrenté said.

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