

PHILANTHROPISTS: GENERAL PHILANTHROPY

## MacArthur Foundation Launches New \$100 Million Competition

03.07.19 | Linda J. Rosenthal, JD



In 2016, the world-renowned MacArthur Foundation took a huge leap of faith when it announced its bold 100&Change contest. The challenge for applicants: present a proposal to "solve one of the world's most critical social challenges." Who was eligible: any organization or collaboration "working in any field, anywhere in the world." The prize: a \$100-million grant.

The project was more successful than even MacArthur officials had dared hope. Applicants submitted over 1900 proposals. As the competition proceeded, the field was narrowed but, during this process, the philanthropy community was permitted to take a glimpse into many thoughtful, creative, and innovative proposals.

We enjoyed watching as competitors vied for the top prize; see our coverage, beginning with <u>The MacArthur \$100-Million Grant Contest</u> (July 7, 2016) and continuing through the stages of the selection process to the <u>announcement of the winner</u> in late December 2017 from among four semifinalists. The ground-breaking grant went to <u>Sesame Workshop and International Rescue Committee (IRC)</u> which had designed a compelling project to "educate young children displaced by conflict and persecution in the Middle East. It would be "the largest early childhood intervention program ever created in a humanitarian setting."

In a nod to the high level of proposals submitted, the MacArthur Foundation awarded additional grants – \$15 million – to each of the other three finalists and promised assistance in helping them win additional financing. Other enthusiastic funders pledged \$254 million more to support the competition applicants' exciting proposals.

Now, MacArthur has launched a second phase of the 100&Change project.



## New MacArthur Foundation Contest

Through the success of the inaugural round of the competition, foundation officials learned "there is no shortage of compelling ideas with the potential for tremendous social impact." This realization led to extending and expanding the project.

In a <u>February 27, 2019 press release</u>, MacArthur introduced a "new round of its 100&Change competition for a single \$100 million grant to help solve one of the world's most critical social challenges. Again, it will be open to the same broad range of potential applicants as the original contest. Applicants may submit proposals – online only – from April 30 to August 6, 2019, that "identify a problem and offer a solution that promises significant and durable change."

There is an additional exciting dimension to this second phase. MacArthur is <u>creating a new nonprofit</u> <u>organization</u> called <u>Lever for Change</u>. The goal is to unleash capital from philanthropists and help them apply their wealth to "accelerate social change."

Cecilia Conrad, MacArthur's Managing Director – who heads up 100&Change – explains that "at its essence, Lever for Change is a new type of philanthropic infrastructure, facilitating more and better giving." It "complements and expands the emerging field of collaborative philanthropy." Ms. Conrad, who is now also the CEO of Lever for Change, adds that this project is a way for more donors "to engage in 'big bet' approaches" to charitable giving. (We'll have much more to say about the "big bet" concept in a follow-up post.)

The new organization will "connect donors with high-impact philanthropic opportunities by administering custom competitions or by matching donors with vetted proposals from such competitions." The goal is to develop a "pipeline" of innovative projects and organizations to tackle important social challenges on a broad scale.

There will be an initial grant of \$10 million supplemented by \$25 million more from (co-funding by MacArthur's \$20 million and an additional \$5 million from LinkedIn founder Reid Hoffman for technical support, as needed.)

Lever for Change was designed in collaboration with the <u>Bridgespan Group</u>, "whose research identified barriers, such as perceived risk and lack of staff capacity, that impede wealthy donors from fully realizing their aspirations to contribute significantly to social change." Lever for Change expects to continue to work with Bridgespan.

MacArthur officials proudly mentioned that "Lever for Change has hit the ground running." The new organization will manage the \$100&Change competition just launched. In partnership with Pritzker Traubert Foundation, the first Lever for Change competition will be launched. Three additional contests are in the planning stages. Two of them are supported by families requesting anonymity; one will aim to increase economic opportunity in the United States and the second will focus on global climate change.

## Conclusion

On February 20, 2019, the first-round 100&Change winners <u>issued a press release</u> heralding the newly chosen name – "Ahlan Simsim," meaning "Welcome Sesame" in Arabic – of this humanitarian



program in the Syrian response region. That announcement also includes <u>details of the project to date</u>. Check it out: It's an exciting and important venture that provides a glimpse into the extraordinary quality of the MacArthur Foundation's 100&Change vision.

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