

PHILANTHROPISTS: GENERAL PHILANTHROPY

The MacArthur \$100-Million Grant Contest

07.07.16 | Linda J. Rosenthal, JD



"Big problems require bold solutions."

That's how Chicago's MacArthur Foundation has announced its spectacular new "100&Change" competition. There will be a single \$100-million grant for a "single proposal that will make measurable progress toward solving a significant problem."

Details of the Competition

This contest opened on June 2, 2016. Registration closes on September 2, 2016, and applications will be accepted through through mid-Monday, October 3, 2016.

The announcement of semi-finalists will be in December 2016, and then finalists in Summer 2017. During a live event in the fall of 2017, a group of finalists will present their proposals and solutions.

The MacArthur Board of Directors will select the single winner.

The Rationale for a Single, \$100-Million Grant

The MacArthur Foundation is <u>well-known</u> for its innovative, six-figure, "genius grants" along with the many billions it has awarded to nonprofits for a wide range of purposes.

The hope behind this massive, laser-focused grant of the 100&Change contest is that "the challenge will <u>inspire more creative thinking</u> around problem-solving and shine a light on ideas deserving of resources."

"Solving society's biggest problems isn't easy, <u>but it can be done.</u>" The goal is to make "measurable progress toward solving a significant problem."



100&Change will select a bold proposal that promises real progress toward solving a critical problem of our time. And it will award a \$100 million grant to help make that solution a reality.

The competition is deliberately structured to be open to "proposals from any sector." There is no preferred "single field or problem"; there are apparently no parameters at all, other than the proposal must "have a charitable purpose" and be focused on a current "critical issue" and the applicant must provide a proposed, detailed solution that is "meaningful, verifiable, durable, and feasible."

The winning group will have presented "the most measurable and attainable plan to tackle any critical problem facing people, places or the environment."

The applicants must show "there's strong evidence that" that the selected problem is, indeed, "
solvable" either through a "one-time infusion of cash" or the use of the money as a "launching point to entice other investors."

Under the competition rules, only organizations may apply – not individuals or government entities. The reasoning is that the applicants have to show the capacity to manage and deliver on the proposed solution. Otherwise, there are no restrictions. The organization may be of any type, forprofit or nonprofit, from the United States or international.

"We believe there are solutions to problems out there that \$100 million might be able to <u>make</u> <u>significant headway or unlock resources</u>, and we want to hear what those are," according to Cecilia Conrad, MacArthur's managing director leading the <u>100&Change competition</u>. "By focusing on solutions, we can inspire people to focus on problems that can be solved, and we just have to roll up our sleeves and get to it."

Reactions To This Unique Competition

There has been widespread interest and praise for this innovative contest, but that's not to say there aren't doubters and critics.

First and foremost, there's been some concern by a wide array of observers about the ability of a <u>few people or organizations with enormous wealth</u> to have undue influence on how philanthropic goals are determined and prioritized, especially in certain fields like educational policy.

"Solving any one issue is likely to require a variety of approaches," according to Kevin Buldoc of the Center for Effective Philanthropy.

In a <u>recent article</u>, Mr. Buldoc reported on a sampling of common criticisms that he has heard about the MacArthur Foundation's \$100-million contest, including:

- Not Enough Money: It's a huge amount, but considering the scope of many critical problems, it isn't enough to make a dent.
- It's Likely a Big Institution Will Win: There are fears that the selection will necessarily be limited to organizations already big enough to handle such a massive infusion of cash.
- Limited to Innovative, New Ideas: There's concern that ideas previously floated or
 projects that were attempted but failed for lack of support should also be eligible.



- Too Much Money for One Project: It far surpasses the average, \$1.5 million, grant by foundations to nonprofits.
- It's Too Easy to Waste That Much Money: Yes, it probably is.

Conclusion

It will be fascinating to watch this contest unfold over the next several months, and report on developments as well as observations, and opinions from thought-leaders in the philanthropy sector.

- Linda J. Rosenthal, J.D., FPLG Information & Research Director