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Do the Best Scholars and Economists Attract the Highest Speaking Fees?

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Do the Best Scholars and Economists Attract the Highest Speaking Fees?

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Abstract: External prominence (measured by the number of pages indexed on search engines or TED talk invitations) can be capitalized on the speakers' market while research performance (measured by publication and citation indicators) cannot. There is thus a clear distinction between the capitalization of external and internal prominence. Success through authorship of books is also positively correlated with speaking fees, however once we control for external prominence the statistical significance disappears. We find that academics profit from having been awarded a major book prize.

Keywords: Academic Performance, Scholarly Importance, Market for Economists, Social Importance of Economists, External and Internal Influence, Book Prizes, TED Talks

JEL Code: A11, A13, Z18, Z19

1. Introduction

Scholars are expected to perform well across several different activities that can be classified as either *internal* or *external*. Research and participation in academic self-governance are *internal*, while engagement in the general societal discourse is

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external to the academic system (see Anguinis et al. 2012). Teaching lies in between. Its influence is internal as long as the students are at the university, and it is external once the former students are working as professionals in society beyond academia. Previous research reveals no, or only a low, correlation between external and internal influence among scholars in management (Anguinis et al. 2012) and economics (Chan et al. 2013). Those studies look at the correlation between academic performance (publications, citations) and external influence as measured by the number of pages indexed on the search engines Google and Bing.

As a novelty this paper analyzes whether scholars better known to the general public earn higher speaking fees, and if superior research performance within academia is reflected in higher speaking fees. We find that external prominence can be capitalized on the speakers' market while research performance cannot.

2. Data

It is very difficult to consistently measure speaking fees paid to scholars. Systematic data on the remuneration for such activity across countries is limited (Hosp and Schweinsberg 2006). Many, if not most, academics do not ask for any money if they are invited to present a keynote address to a scientific society or to give a lecture at a research seminar. In contrast, they often try to maximize their remuneration if they are invited by a for-profit institution. For the sake of consistency we use minimum fees for our analysis.

The data regarding speaking fees for economists were drawn on February 9 and 10, 2013 from the *Speakers Platform*¹ ($N=85$) and *Speakerpedia*² ($N=42$) websites. The minimum speaking fees reported range from \$0 to over \$75,000. The external importance of a speaker (prominence) in the public is measured by the number of web pages referring to a speaker's name. The first 50 pages returned were manually checked to identify names with spurious matches. If three or more pages were not attributed to the author, we excluded the person from the sample. This reduced the total sample to 95 speakers. Next, we conducted three automated searches (11, 14, and 18 February, 2013) via the Google search API (application programming interface). To ascertain reliability, we also obtained the number of web pages reported

¹ <http://www.speaking.com/speakerindexes/economics.php>.

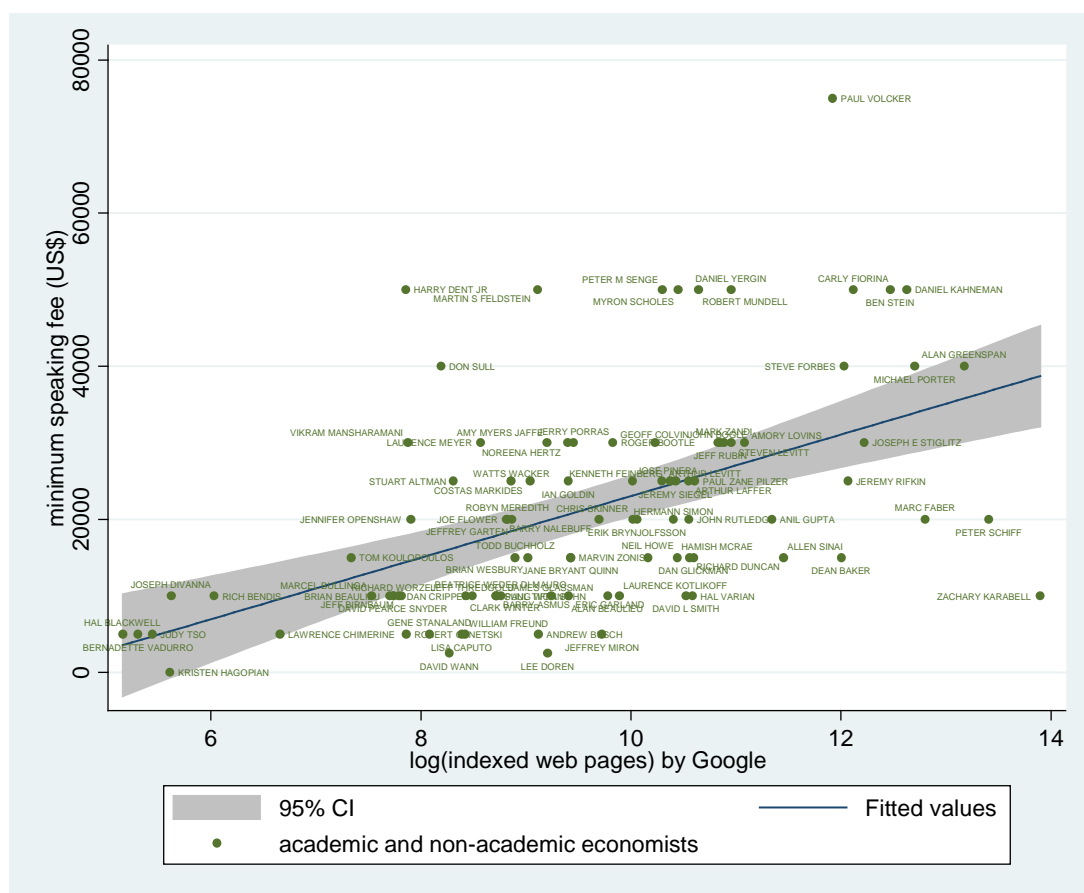
² <http://speakerpedia.com/economics>.

by Microsoft's search engine, *Bing*. Mean counts for each of the remaining 89 speakers were derived³ from these automated *Google* and *Bing* results.

3. Estimation Results

The relation between *external prominence* and minimum speakers' fees is plotted in *Figure 1*. The nonlinear structure of web index entries is taken into account by showing the results in $\log(\text{indexed web pages})$ by Google. The picture demonstrates a positive relationship. The reasonably high correlation (Pearson $r = 0.510$) suggests that external prominence may impact the ability to obtain high rents on the market for speaking fees. This correlation is driven primarily by the sample of nonacademic economists, for which the value is 0.543 ($p = 0.000$, $N = 66$), compared to 0.336 ($p = 0.075$, $N = 29$) for academics. It therefore seems that in monetary terms, nonacademic economists are better able to capitalize on their external prominence.

FIGURE 1: EXTERNAL PROMINENCE AND MINIMUM SPEAKING FEE



³ There are, of course, other possible methods by which we could measure external impact. For an overview, see Chan et al. (2013).

Table 1 reports the results of eight OLS regressions. With respect to our key variables, the indexed web pages report the strongest influence on speaking fees. The results suggest that a 10% increase in indexed web pages increases minimum speaking fees between 2.1 and 2.7% with coefficients that are statistically significant at the 1% level. Next, we look at the number of books listed in the Library of Congress⁴ or Amazon. The coefficients are positive but only statistically significant at the 10% level. On the other hand, the dummy variable for having given a TED talk⁵ is highly statistically significant. Next, we use three proxies of book success. First we look at non-fiction book award success. Speakers in our dataset have won the following awards: Anisfield-Wolf Book Awards, Financial Times and Goldman Sachs Business Book of the Year Award, Heartland Prize, Los Angeles Times Book Prize, Nautilus Book Awards, Pulitzer Prize and Quill Awards⁶. Thus, we build a dummy variable that measures whether a speaker has won one of these awards. In addition, we look at the number of times the speakers' books have appeared as New York Times Best Sellers and the number of weeks the books were in the Best Sellers list⁷. All three factors are statistically significant, yet interestingly, book awards matter less than TED talk invitations.

Furthermore, academics apparently ask for larger speaking fees than their nonacademic counterparts with similar external influence. We also controlled for gender and academic age (years since highest education level was completed). Gender does not matter and there is a tendency that academic age is positively correlated with speaking fees.

⁴ <http://catalog2.loc.gov/>

⁵ <http://www.ted.com/talks>. TED's mission is to build "a clearinghouse of free knowledge from the world's most inspired thinkers" (<http://www.ted.com/pages/about/>).

⁶ We also searched for the following non-fiction awards in social science, journalism, history, humanity (in alphabetical order): Benson Medal, Best science book ever, Boston Globe–Horn Book Award, Emerson-Thoreau Medal, Guardian First Book Award, Innis-Gérin Medal, Irish Book Awards, Jerusalem Prize, Jewish Quarterly-Wingate Prize, John Llewellyn Rhys Prize, Kistler Prize, Lannan Literary Awards, Ludwig Fleck Prize, Magazine Design and Journalism Awards, Michael Faraday Prize, National Book Award, National Book Critics Circle Award, Norman Mailer Prize, Norwegian Academy of Literature and Freedom of Expression, P. C. Hooft Award, PEN Awards, Royal Society Prizes for Science Books, Science in Society Journalism Awards, Science Writing Award, Sidney Kobre Award for Lifetime Achievement in Journalism History, Spear's Book Award, Specsavers National Book Awards, Sunday Times Young Writer of the Year Award, The Big Read, The Sunday Express Book of the Year, Truman Capote Award for Literary Criticism, William O. Douglas Prize, World Association of Newspapers' Golden Pen of Freedom Award. However, none of the speakers obtained one of those awards.

⁷ Data was obtained from http://developer.nytimes.com/docs/best_sellers_api.

TABLE 1: SPEAKING FEE AND EXTERNAL INFLUENCE

Dep. Var.: Log(Min. Speaking Fee)								
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Academics	0.357*** (2.64)	0.438*** (3.18)	0.327** (2.15)	0.431*** (3.00)	0.374** (2.59)	0.434*** (3.07)	0.457*** (3.23)	0.399*** (2.79)
Male	-0.150 (-0.78)	-0.075 (-0.38)	0.021 (0.09)	0.024 (0.10)	0.056 (0.25)	0.013 (0.05)	0.024 (0.10)	0.016 (0.07)
Academic age	0.011 (1.43)	0.013 (1.64)	0.011 (1.28)	0.012 (1.51)	0.016** (2.12)	0.016* (1.92)	0.015* (1.84)	0.014* (1.83)
log(indexed web pages) by Google	0.208*** (5.64)							
log(indexed web pages) by Bing		0.269*** (3.55)						
Number of books on Library of Congress			0.014* (1.88)					
Number books on Amazon.com				0.016* (1.91)				
TED talk speaker					0.538*** (3.62)			
Book award dummy						0.464** (2.48)		
NYT Best Sellers (number of books)							0.330*** (3.24)	
NYT Best Sellers (number of weeks)								0.063*** (3.02)
N	89	89	89	89	89	89	89	89
R-squared	0.366	0.307	0.185	0.163	0.179	0.170	0.197	0.198

Notes: *t*-statistics are given in parentheses. The symbols *, **, *** represent statistical significance at the 10%, 5% and 1% levels, respectively.

TABLE 2: SPEAKING FEE AND EXTERNAL INFLUENCE

Dep. Var.: Log(Min. Speaking Fee)						
	(1)	(2)	(3)	(4)	(5)	(6)
Academics	0.314** (2.18)	0.274* (1.82)	0.314** (2.18)	0.328** (2.33)	0.320** (2.25)	0.357** (2.61)
Male	-0.161 (-0.83)	-0.164 (-0.86)	-0.162 (-0.82)	-0.160 (-0.82)	-0.173 (-0.89)	-0.150 (-0.77)
Academic age	0.009 (1.22)	0.011 (1.48)	0.009 (1.19)	0.010 (1.26)	0.011 (1.34)	0.011 (1.40)
log(indexed web pages) by Google	0.197*** (5.03)	0.190*** (4.81)	0.196*** (5.08)	0.192*** (4.41)	0.191*** (4.74)	0.209*** (5.22)
Number of books on Library of Congress	0.006 (0.86)	0.005 (0.83)	0.006 (0.85)	0.005 (0.66)	0.002 (0.30)	
Number of books on Amazon.com						-0.001 (-0.20)
TED talk speaker		0.363* (1.81)				
Book award dummy			0.016 (0.08)			0.026 (0.12)
NYT Best Sellers (number of books)				0.063 (0.35)		
NYT Best Sellers (number of weeks)					0.035 (1.25)	
N	89	89	89	89	89	89
R-squared	0.373	0.391	0.373	0.374	0.387	0.366

Notes: *t*-statistics are given in parentheses. The symbols *, **, *** represent statistical significance at the 10%, 5% and 1% levels, respectively.

In *Table 2* we present an extended set of specifications controlling each time for number of pages indexed by Google. We can see this variable always remains statistically significant at the 1% level with similar quantitative effects. With respect to the other variables, only the dummy for having given a TED talk remains statistically significant. Thus, once you control for Google performance book success does not matter anymore.

TABLE 3: ACADEMIC PERFORMANCE AND SPEAKING FEES

Dep. Var.: Log(Min. Speaking Fee)	Coeff.	<i>t</i> -stat.
<i>Publish or Perish</i>		
Number of papers	-0.001	-1.22
Number of citations	2.55E-06	1.33
Average number of citations per year	1.24E-04	1.40
Average number of citations per paper	0.001	0.52
Average number of citations per author	3.88E-06	1.40
Average number of papers per author	-0.001	-0.92
h-index	-0.001	-0.28
g-index	0.001	1.19
hc-index	-0.002	-0.35
hI-index	-4.74E-04	-0.06
hI-norm	1.32E-04	0.03
Age weighted citation rate	2.37E-05	0.98
Age weighted index	0.002	0.53
e-index	0.002	1.42
hm-index	-4.96E-04	-0.11
<i>Web of Knowledge</i>		
Total citation count	6.47E-06	0.80
Average annual citation	-4.03E-04	-0.25
<i>Books</i>		
Number of books on Library of Congress	0.002	0.30
Number books on Amazon.com	-2.43E-04	-0.03
Book award dummy	0.436**	2.36
NYT Best Sellers (number of books)	0.135	0.91
NYT Best Sellers (number of weeks)	0.021	1.20
TED talk speaker	0.414*	1.88

Notes: Summary of 23 regressions. N of academics=28. The control variables used in Table 1 and 2 are not reported. These results control for log(indexed web pages) by Google. For a description of the performance proxies in *Publish or Perish*, see Harzing (2010) or <http://www.harzing.com/pop.htm>. The symbols *, **, *** represent statistical significance at the 10%, 5% and 1% levels, respectively.

Next we analyze the *academic performance* as captured by *Publish or Perish* (version 3) and *Web of Science* data on publications and citations. Thus, we restrict our sample to only those economists who are in academia. The results of 23 regressions are presented in *Table 3*; using log(indexed web pages) by Google, gender, and academic age as independent variables. The coefficients for all the academic performance proxies are never statistically significant. However, book awards matter for academics, as do TED talks.

4. Conclusion

Economists can capitalize on their external prominence in the speakers' market. The larger the number of web pages that index a particular economist, the higher the minimum speaking fee he or she attracts. Similarly, having been invited as a TED talker is positively correlated with speaking fees. In contrast, research performance in terms of publications and citations has no effect on speaking fees. There is thus a clear distinction between the capitalization of external and internal prominence. Book success has a positive impact on speaking fees as long as we do not control for indexed web pages. Academics are the exception, as they actually profit from a major book prize.

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