

PAYING THE PIPER

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Illustration by Andy Warner

Earning last year that one of the few nonprofit speaking forums in the Bay Area has yielded to market pressure and started paying some of its speakers five-figure honoraria gave us pause here at The Commonwealth Club. In the competitive world of attracting popular speakers, that means The Club is in an increasingly lonely space, still hosting public dialogue without paying speakers for taking part in our forums, and in almost all cases, not even offering transportation or lodging costs for these individuals.

Is The Club misguided to hold out for continued discussion with experts and leaders who are not paid for expressing their views? We think not, and here are some of the reasons. It is not that some of the individuals in question – former presidents, generals, TV commentators and stars of various sorts – do not deserve to be paid. Even though some of them gained their expertise and status at taxpayer expense or are already highly paid as media personalities, we live in a great country with a free-market economy, and they have a right to earn what the market will bring them in income.

But we believe that paying speakers would diminish The Club's ability to provide the wide-ranging, thoughtful

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and independent forum it has offered to the community for over a century. The fees required by paid speakers are significant – few charge less than \$35,000 and many are in the \$70,000-to-\$100,000 range, per speech. Once an organization starts paying some of the speakers it wants to recruit, then there is a poor basis for claiming to others that they should speak without being paid. So The Club would be embarking on a slippery slope by starting to pay some of its speakers. With 525 events per year, the cost of paying speakers could reach a level that would be unaffordable for The Club and its members.

The Club, and its fellow nonprofits, depend on charitable donations from our members, foundations and companies. It is incumbent on us to make sure that our use of these funds is within the spirit of the nonprofit sector, and that is to provide a meaningful service to the community. It is not possible to pay the honoraria, first-class air transportation and lodging that the paid speakers demand, from ticket sales for the events, unless the events attract an audience between 2,000

and 2,500 each, and there are multiple events to spread the cost of the speaker fees (there is a discount for repeat speeches in a single region). This formula is followed by the for-profit speaking forums featuring celebrities that are popular in Marin County, on the Peninsula, in San José, in Oakland and in Walnut Creek – and in other locations around California and the West including Pasadena and Portland.

So for a nonprofit forum like The Club, where attendance might be, say, 1,200 for our larger events, these programs would have to be subsidized with typically local charitable dollars to the tune of perhaps \$25,000 per event. Those charitable dollars then go to the speakers, some of whom are earning millions of dollars through public speaking. Is this a use of charitable dollars that fills a public need and benefits the community? Is it a necessary use of charitable dollars? The subject is debatable – for example, theaters like A.C.T. obviously pay their actors for their performances and rely on fundraising to support their mission. But for speaking forums, the questions about this practice are significant.

Another concern is that organizations like The Club, similar to media, cover issues, provide content to the regular media and rely on the experts and leaders they feature to present information and views accurately and honestly. Professional standards hold that mainstream media do not pay sources for their information. Is paying speakers for a public forum similar to a newspaper paying its sources?

But one of the for-profit speaker series itself makes the most persuasive point in the debate about paying speakers. I watched a series of ads for a forum in San José, offering a lineup of speakers under the title “Unique Lives and Experiences,” evolve in area newspapers over the past few months. The first ads referred to the series as lectures. The next sequence referred to them as “lecture-performances.” And the final ads, in November and December, simply referred to them as “performances.” And really, that says it all. The for-profit forums focus primarily on entertainment. The talks are staged, and there is little or no interaction between the speaker and the audience.

The Club's priority remains public dialogue on important and controversial topics. We will “never say never” to any avenue that advances The Club's mission, but our conclusion today is what it has been for over a century – that paying speakers does not fit The Club's purpose. Ω