

Internet Appendix for “What’s your Identification Strategy? Innovation in Corporate Finance Research”

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This appendix contains additional material that we mention in the paper, but do not report to preserve space.

Table IA.1 presents the assignment of the two most cited articles every year into empirical (or not) and corporate finance (or not), as well as the source for the corporate finance classification (JFE, RFS, EconLit JEL codes, or Manual). A visual inspection of this table reveals that our classification performs well. Out of 90 cases, the only potential misclassification is the article by Bansal and Yaron (2004), which is classified as corporate finance by EconLit.

We report two figures that present publication trends within our sample consistent with the findings of other articles focusing on publication trends in economics journals (e.g. Hamermesh (2013), Card and DellaVigna (2013), and Ellison (2002)). Figure IA.1 describes several interesting patterns in our data. Panel A indicates that the annual number of articles published in the top-three finance journals has increased over time. The number of JF articles reached a maximum of 121 in 1977 and has declined since then to 60 per year. In contrast, both the JFE and the RFS have steadily increased the number of articles since their creation (in 1974 and 1988, respectively). For the RFS, the increase is notable in 2009 when the journal increased the number of issues from eight to twelve per year.

Panel B reveals that finance articles have become significantly longer. A typical JF article was around 12 pages long in the seventies, 14 pages long in the eighties, 24 pages long in the nineties, and around 36 pages in recent years. Average page length in the JFE decreased from 31 pages to 23 pages after reformatting in 2008.

Panel C indicates a large expansion of co-authored work over the last forty years. In the early 1970s, the average number of authors per article is 1.4, with 62% of articles being

single-authored, 36% having two authors, and only 2% having three authors or more. In the last five years, the average article is written by 2.4 authors. In 2012, the proportion of single-authored articles is down to 15%, with 41% of published articles having two authors, and 44% having at least three. While less than 40% of all articles are co-authored in the seventies, 85% of all published work is co-authored in 2012.

Panel D displays the acceptance rates at the top finance journals. We obtain this information directly from the journals. For the JF and the JFE, periodical editorial reports provide data on acceptance rates (for all years for the JFE and starting in 1985 for the JF). For RFS, the information was provided by the editorial office for the year 2006 onwards. Acceptance rates have steadily fallen for each journal. In 1980, the JFE published around 20% of submitted articles. This number is now about 10%. The JF and RFS acceptance rates have gone down to about 6% of all submitted articles in the most recent years.

Between 1970 and 2012, 4,812 authors published at least one article in a top finance journal. We report the distribution of the number of published articles per author in Figure IA.2. Less than half of the authors publish more than once (45%), 12% publish more than five articles, and only 5% publish more than ten articles. To be in the top percentile of the distribution, an author needs to have at least 19 publications.

References

- Bansal, R., Yaron, A., 2004. Risks for the long run: A potential resolution of asset pricing puzzles. *The Journal of Finance* 59 (4), 1481–1509.
- Card, D., DellaVigna, S., 2013. Nine facts about top journals in economics. *Journal of Economic Literature* 51 (1), 144–161.
- Ellison, G., 2002. Evolving standards for academic publishing: A q-r theory. *The Journal of Political Economy* 110 (5), 994–1034.
- Hamermesh, D. S., 2013. Six decades of top economics publishing: Who and how? *Journal of Economic Literature* 51, 1–11.

Table IA.1: Two Most Cited Articles By Year

This table lists the two most cited articles in each year between 1970 and 2012 in the JF, JFE, and RFS respectively. Cites is the TimesCited variable from Web of Knowledge as of November 2013. We obtain citation data for 6,692 articles out of our sample of 6,797 published works in the top-three finance journals. The procedure to classify articles as empirical and corporate finance is described in detail in Section III. For the corporate finance classification, we first defer to JEL codes when available directly from the journal, then to those from EconLit. We assign articles into the corporate finance group if they contain at least one JEL code starting with G3 (“Corporate Finance and Governance”). We manually assign the remainder as described in Section III. The source of the information for the corporate classification is reported under “CF Source.”

Article	Cites	Empirical	CF	CF Source
Fama (1970) JF	2,468	0	0	Manual
Mao (1970) JF	84	0	1	Manual
Lewellen (1971) JF	176	0	1	Manual
Blume (1971) JF	162	1	0	Manual
Black and Scholes (1972) JF	179	1	0	Manual
Kraus and Stoll (1972) JF	171	1	0	Manual
Kraus and Litzenberger (1973) JF	174	0	1	Manual
Blume and Friend (1973) JF	101	1	0	Manual
Merton (1974) JF	1,389	0	1	Manual
Myers (1974) JF	91	0	1	Manual
McCulloch (1975) JF	140	1	0	Manual
Ibbotson and Jaffe (1975) JF	119	1	1	Manual
Jensen and Meckling (1976) JFE	7,750	0	1	Manual
Merton (1976) JFE	995	0	0	Manual
Myers (1977) JFE	1,650	0	1	Manual
Vasicek (1977) JFE	1,182	0	0	Manual
Margrabe (1978) JF	356	0	0	Manual
Stoll (1978) JF	257	0	0	Manual
Cox, Ross, and Rubinstein (1979) JFE	1,175	0	0	Manual
Smith Jr. and Warner (1979) JFE	650	0	1	Manual
Brown and Warner (1980) JFE	633	1	0	Manual
Merton (1980) JFE	573	1	0	Manual
Banz (1981) JFE	678	1	0	Manual
Reinganum (1981) JFE	307	1	0	Manual
Christie (1982) JFE	386	1	0	Manual
Marsh (1982) JF	174	1	1	Manual
Jensen and Ruback (1983) JFE	916	1	1	Manual
Adler and Dumas (1983) JF	378	1	0	Manual

Article	Cites	Empirical	CF	CF Source
Myers and Majluf (1984) JFE	2,198	0	1	Manual
Myers (1984) JF	732	0	1	Manual
Brown and Warner (1985) JFE	1,044	1	0	Manual
Glosten and Milgrom (1985) JFE	871	0	0	Manual
Amihud and Mendelson (1986) JFE	663	1	0	Manual
Black (1986) JF	501	0	0	Manual
Hull and White (1987) JF	894	0	0	Manual
French, Schwert, and Stambaugh (1987) JFE	688	1	0	Manual
Morck, Shleifer, and Vishny (1988) JFE	1,220	1	1	Manual
Weisbach (1988) JFE	722	1	1	Manual
Fama and French (1989) JFE	632	1	0	Manual
Schwert (1989) JF	573	1	0	Manual
McConnell and Servaes (1990) JFE	678	1	1	Manual
Carter and Manaster (1990) JF	485	1	1	Manual
Fama (1991) JF	845	1	0	EconLit
Lee and Ready (1991) JF	553	1	0	EconLit
Fama and French (1992) JF	1,842	1	0	EconLit
Smith Jr. and Watts (1992) JFE	648	1	1	EconLit
Fama and French (1993) JFE	2,487	1	0	EconLit
Heston (1993) RFS	1,246	0	0	EconLit
Petersen and Rajan (1994) JF	677	1	1	EconLit
Lakonishok, Shleifer, and Vishny (1994) JF	629	1	0	EconLit
Rajan and Zingales (1995) JF	691	1	1	EconLit
Loughran and Ritter (1995) JF	543	1	1	EconLit
Fama and French (1996) JF	803	1	0	EconLit
Yermack (1996) JFE	734	1	1	Direct
Shleifer and Vishny (1997) JF	1,650	0	1	EconLit
La Porta, Lopez-De-Silanes, Shleifer, and Vishny (1997) JF	1,549	1	1	EconLit
Daniel, Hirshleifer, and Subrahmanyam (1998) JF	663	0	0	EconLit
Fama (1998) JFE	637	1	0	Direct
La Porta, Lopez-De-Silanes, and Shleifer (1999) JF	1,525	1	1	EconLit
Core, Holthausen, and Larcker (1999) JFE	473	1	1	Direct
Claessens, Djankov, and Lang (2000) JFE	741	1	1	Direct
La Porta, Lopez-De-Silanes, Shleifer, and Vishny (2000) JFE	689	1	1	Direct
Graham and Harvey (2001) JFE	521	1	1	Direct
Longstaff and Schwartz (2001) RFS	504	1	0	EconLit
La Porta, Lopez-De-Silanes, Shleifer, and Vishny (2002) JF	555	1	1	EconLit
Claessens, Djankov, Fan, and Lang (2002) JF	475	1	1	EconLit

Article	Cites	Empirical	CF	CF Source
Anderson and Reeb (2003) JF	464	1	1	EconLit
Rajan and Zingales (2003) JFE	446	1	1	Direct
Dyck and Zingales (2004) JF	367	1	1	EconLit
Bansal and Yaron (2004) JF	290	1	1	EconLit
Allen, Qian, and Qian (2005) JFE	267	1	0	Direct
Durnev, Kim (2005) JF	213	1	1	EconLit
Villalonga and Amit (2006) JFE	357	1	1	Direct
La Porta, Lopez-De-Silanes, Shleifer, and Vishny (2006) JF	315	1	0	EconLit
Djankov, McLiesh, and Shleifer (2007) JFE	221	1	1	Direct
Hochberg, Ljungqvist, and Lu (2007) JF	167	1	1	EconLit
Djankov, La Porta, Lopez-De-Silanes, and Shleifer (2008) JFE	273	1	1	Direct
Coles, Daniel, and Naveen (2008) JFE	172	1	1	Direct
Petersen (2009) RFS	775	1	1	Direct
Brunnermeier and Pedersen (2009) RFS	227	0	0	EconLit
Ivashina and Scharfstein (2010) JFE	80	1	0	Direct
Campello, Graham, and Harvey (2010) JFE	64	1	1	Direct
Fahlenbrach and Stulz (2011) JFE	42	1	1	Direct
Demyanyk and Hemert (2011) RFS	40	1	0	Direct
Gorton and Metrick (2012) JFE	25	1	0	Direct
Bolton, Freixas, and Shapiro (2012) JF	21	0	1	EconLit

Figure IA.1: General Publication Trends in Top-Three Finance Journals

The sample comprises all published articles in the Journal of Finance (JF), Journal of Financial Economics (JFE), and Review of Financial Studies (RFS) from the period 1970 to 2012. Except for Panel A, each panel presents annual averages per journal. Panel A reports the total number of published articles each year. Panel B reports the average number of authors per article. Panel C reports the average page count per article. Panel D provides information on the acceptance rate over time (obtained directly from the journals). Note: The JFE changed its page formatting in 2008.

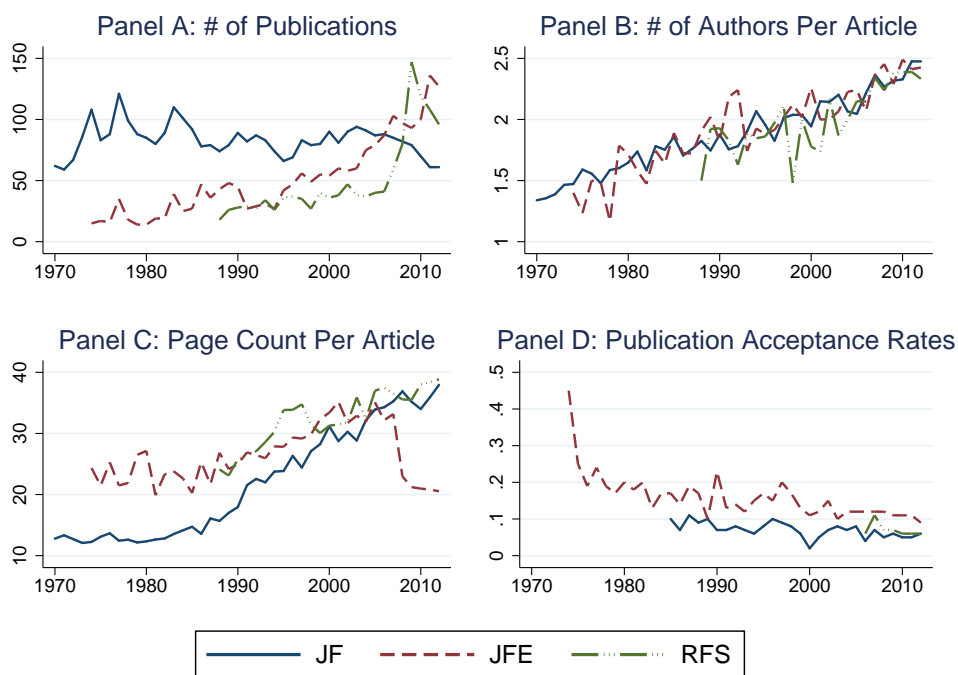


Figure IA.2: Author Productivity

The sample comprises all published articles in the Journal of Finance (JF), Journal of Financial Economics (JFE), and Review of Financial Studies (RFS) from the period 1970 to 2012. This figure plots the cumulative distribution function of the number of articles published per author in the JF, JFE, and RFS between 1970 and 2012. We create a unique author identifier by manually combining different spellings of the same name. The total number of authors is 4,812. Note: The cumulative distribution axis starts at 0.5 for ease of readability.

