

# An Open Letter to All University Presidents and Provosts Concerning Increasingly Expensive Journals

by Theodore Bergstrom and R. Preston McAfee

For nearly a century, a symbiotic relationship existed between scholars and scholarly publishers. Academics freely provided their discoveries, work, and time editing and reviewing, and scholarly publishers provided packaging and sold the output of the academics' labors for a modest profit. This benefited both groups, because the publishers received the most valuable inputs for free, while the academics were sheltered from the business end of publishing and received the packaged output at reasonable profits. As the primary concern of academics is the wide dissemination of their ideas, the arrangement was suitable for both parties.

In the 1970s, some for-profit scholarly publishers discovered that library demands for journals were remarkably unresponsive to price increases and that the publishers could greatly increase their revenues by sharply increasing their prices. This is evidenced by the dramatic disparity that has emerged between the prices charged by for-profit publishers such as Elsevier, Wiley, and Kluwer, those charged by non-profit societies and university presses. This gap widened in the 1980s and further widened in the 1990s, so that the for-profit journals charge about five times as much per page and fifteen times as much per citation as the non-profits, as evidenced by

## Journal Prices by Discipline and Publisher Type\*

	Cost per Page		Cost per Citation	
	For-Profit	Non-profit	For-Profit	Non-Profit
Ecology	\$1.01	\$0.19	\$0.73	\$0.05
Economics	\$0.83	\$0.17	\$2.33	\$0.15
Atmosph. Sci	\$0.95	\$0.15	\$0.88	\$0.07
Mathematics	\$0.70	\$0.27	\$1.32	\$0.28
Neuroscience	\$0.89	\$0.10	\$0.23	\$0.04
Physics	\$0.63	\$0.19	\$0.38	\$.05

\* From "The Costs and Benefits of Site Licences to Academic Journals", Proceedings of the National Academy of Sciences, Jan. 04, by C.T. Bergstrom and T.C. Bergstrom.

It is time to recognize a simple fact, and react to it. The symbiotic relationship between academics and for-profit publishers has broken down. The large for-profit publishers are gouging the academic community for as much as the market will bear. Moreover, they will not stop pricing journals at the monopoly level, because shareholders demand it.

So far, universities have failed to use one of the most powerful tools that they possess: charging for their valuable inputs. Journal editing uses a great deal of professorial and staff time, as well as supplies, office space and computers, all provided by universities. In any other business, these inputs would be priced. Academics consent to edit

journals and their departments offer them facilities and sometimes even released time from teaching classes, because the goal of academic publications is the promotion and dissemination of ideas. For those journals that uphold their side of the bargain by setting reasonable subscription prices, this policy remains a reasonable one. However, we see no reason for universities to subsidize editorial inputs to journals that are priced to extract maximum revenue from the academic community.

The prices set by profit-maximizing publishers are determined not by costs, but by what the market will bear. For such publishers, the effect of overhead charges is to recapture a portion of the monopoly profits for the universities who produce the knowledge. In contrast, when the university subsidizes editorial inputs of non-profit publishers, the reduced costs enable the publishers to keep their subscription prices low and hence to make publication more widely accessible.

We recommend the following policies.

- (i) Universities should assess overhead charges for the support services of editors working for journals that have basic library subscription rates of more than a threshold level of cost per measured unit of product.
- (ii) University libraries should refrain from buying bundled packages from large commercial publishers and should set clear minimal standards of cost-effectiveness for individual journals to which they subscribe.

We believe that it is reasonable to figure that a journal editor who handles about 100 papers annually would use about 20% of a secretary along with the associated space and other overhead materials, an overhead charge of at least \$12,000 per year would seem appropriate.

While some have encouraged individual academics to boycott expensive journals, such a challenge should occur at the university level. Overall, it is the entire university community that is harmed by the draining of library budgets and restrictions on dissemination of articles. The university decides, or at least influences, what is done with its resources, including faculty and staff time. Moreover, most professors will be hesitant to refuse to work for journals perceived to be powerful and important, no matter how over-priced such journals may be. Taking the matter out of the individual's hands, however, has the major advantage that a university can readily say "expensive journals will pay overhead costs," and individual professors report that fact to journals, as a matter of university policy.

We suggest that first an announcement in the form of a list of expensive journals, for which the university will ultimately seek overhead expenses, and an announced policy to discourage (but not prohibit) faculty participation in the operation of such journals. The announcement should specify a time, such as one year hence, at which point the university would actually impose the charges on the journals that have not reduced their library subscription prices to the threshold level.

We have created a website that lists the price per article and the price per citation for about 5,000 academic journals. Using these statistics, we have constructed an index of costliness for each journal in each of several broadly defined disciplinary areas. Please see:

<http://www.journalprices.com/>

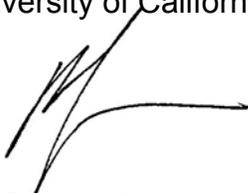
We used this index to construct lists of journals that we believe represent poor value for university library subscription. Our criterion for a journal to be “overpriced” is that a weighted index of the cost per article and the cost per citation is more than two and a half times as large as the median index for non-profit journals in the same discipline. We suggest that universities assess overhead charges, and libraries not subscribe to any of the journals on the “expensive” list. Of course universities are invited to construct their own measures of journal cost-effectiveness. Our website presents the data that can easily be used to construct such measures.

We realize that individual universities should probably compose their own policies, because broad collective action on pricing may risk an antitrust violation.

Sincerely,



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