

Against the Grain

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Op Ed — The Race to the Bottom: Short-term Bargains versus Long-term Vitality

Adapted from a post published originally on the Scholarly Kitchen on April 23, 2018.¹

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Scholarly publishing has distinctive features we can improve — peer-review, editorial review, measuring impact, retraction and related policies and practices, ethical guidelines and enforcement, authorship integrity, archival integrity, and so forth. In an age where trusted and trustworthy information is more important than ever, improving these processes may be more critical than ever.

Over the past decades, we've built important infrastructure to bring some of these things up to snuff for modern technology. We can continue to find ways to make these aspects and others even better so that researchers, scholars, students, practitioners, and the interested public have the best possible information from scholarly and scientific studies. Research reports are used by a growing cadre of professionals, which underscores the value of doing all these things as well as possible.

Despite our best efforts, we can also fall prey to mimicry. A number of people in our realm fell for the “information wants to be free” and producer-pays modalities of Silicon Valley in the early 2000s, and through them we set ourselves on a course that has led to a confusing mess of business models without a clear purpose or a path to sustainability, while allowing barriers to entry to fall to the point that we have an entire oeuvre of publishers (*le prédateur*) causing people to question reputations and capabilities.

Another bad socioeconomic idea we seem to be mimicking is the “race to the bottom” — the tendency for people to want to pay as little as possible now for a finished good, because bargain-hunting saves them money in the short term. Many do this even though they intuit it will do damage in the long term, damage that will somehow affect them negatively directly or indirectly, and which could prove difficult to undo.

It's the “penny wise, pound foolish” way of assessing value. Given that science and scholarship are multi-year if not multi-generational activities, these kinds of attitudes can do lasting harm in our bailiwick.

The damage of “race to the bottom” financial and economic thinking in society at large can be seen in many ways, from cramped airliners to stagnant wages to cheap clothing to abandoned local storefronts to outsourced jobs and lower wages to the decimation of entire swaths

of certain regions as consolidation has sucked jobs into urban power centers.

The United States provides startling examples of the trend and its effects wherever you look. A good overview can be found in **Sarah Kendzior's** book, *The View from Flyover Country*.² In potent, vivid brushstrokes, **Kendzior** captures the pervasive and growing sense of alienation and desperation you'll find in various towns and cities located hours away from the major airport hubs — small towns and mid-sized cities in Vermont, Ohio, California, Colorado, Wyoming, and Florida, or anywhere else gutted by the past 20 years of economic Darwinism.

Kendzior notes that people have largely been devalued in the modern pursuits of selfish greed, with effects across the board:

In the United States, 9 percent of computer science graduates are unemployed, and 14.7 percent of those who hold degrees in information systems have no job. Graduates with degrees in STEM...are facing record joblessness...76 percent of professors work without job security, usually for poverty wages ... Since 2009, most academic disciplines have lost 40 percent of their positions, while the backlog of qualified candidates continues to grow.

Media has become more concentrated and impoverished during this same time. The mainstream media has traditionally had an air of elitism about it, with New York, Washington DC, London, Los Angeles, and Paris serving as major centers of taste-making and culture. Prior to the past decade, a panoply of smaller yet vibrant and competitive media centers offset these major hubs — these were the Denver's, the Chicago's, the Atlanta's, and so forth. With strong local papers (the *Denver Post*, the *Chicago Tribune*, the *Atlanta Journal-Constitution*), Pulitzers were as likely to show up there as anywhere, as the journalists and editors exposed local corruption, covered local disasters, and completed local investigations. Now, not only are those papers ghosts of their former selves, but there is a small and growing trend of **Pulitzer Prize** winners in smaller markets being forced to take jobs outside of journalism by the time their prizes arrive.³ This is a grim sign. More substantially, when journalism was viable in more small cities and towns,

citizens knew a far more about local issues, with journalists covering civic meetings and events with watchful eyes. Who knows what is going on right now in many towns and cities?

The Internet has gutted these news outlets and others like them, swapping in Silicon Valley culture, disruptor ethics, and a disdain for paid content. Now, the vultures are descending to pick at the carcasses left in the wake. Recently, the *Denver Post's* staff editors published an extraordinary set of editorials and stories defying their private equity funders, portraying them as exploitative profit-seekers with no higher goal than strip-mining the journalism of the *Post* for profit.⁴ A group of investors is trying to rescue the paper.⁵ Clearly, the paper has value that exceeds the vision of its current owners.

What was so striking about these *Denver Post* editorials and articles is that they could have been written by journalists in many cities and towns around the country. Local media, weakened by the concentration of ad dollars and eyeballs around a few major social and traditional media outlets, lies prone and helpless. New protectionist tariffs on Canadian paper supplies are already leading to more layoffs at some papers.⁶

Of course, what started all this was an inflection point where people started thinking media could be free, or sustained by online advertising. This fed into a belief that things could just be cheaper — had to be cheaper — and that fighting for every penny in discounting was smart shopping and smart economics. Increases in paper prices and wages can't be passed on to readers with this mindset dominating the commercial environment because price increases are, by definition, unacceptable. The path of least resistance for organizations in this environment is to fire people to save the money. There are then fewer people able to pay for content. And so the downward spiral continues.

The consequent economic descent has been so swift, incremental, and unrelenting we hardly have had time to register and analyze it. In just two decades, benefits, wages, overheads, offices, and careers have been taken apart, downgraded, strip-mined, and suppressed in order for purchasers to pay less while profits stayed the same or improved. Productivity has increased faster than in the past decades, but wages have not kept pace for the first time in economic memory.⁷

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It's tempting to blame faceless corporate overlords for this, but I believe consumers are the co-equal culprits (and, in a sort of rough justice, the ultimate victims). Consumers have driven the bargains, supported the leaders, and tolerated the deals that are now coming back to haunt them through lower wages, stunted expectations, and limited choices.

Recently, there has been an outbreak of discount fever within academia, resulting in testy negotiations around national or regional licenses.⁸ Some publishers have decided it's time to take a more hard-line stance when faced with non-paying customers, which has surprised some institutions accustomed to retaining access even during protracted negotiations.⁹ Other types of discount fever have presented with an elegant-appearing set of symptoms, such as the recent **European University Association (EUA)** "Big Deals Survey Report" asserting that a switch to OA publishing could save the EU millions of dollars per year in expenditures.¹⁰ (Oddly, the main assertion is not addressed or demonstrated in the "report," despite news coverage claiming a major revelation.¹¹)

There are also quasi-commercial outbreaks of magical economic thinking backed by governments and funders, such as the *Érudit* platform in Canada,¹² which promises a new, more affordable home for Canadian scholars. The publishing community is quietly wondering if the funders and government are creating a white elephant, while the fundamental drivers of expense in the system — volume, complexity, and technology — grind on.

In addition, nearly every discussion about APCs is either explicitly or implicitly about how low they can be. The fact that there is no "APC Plus" level that has emerged except via market power reinforces the notion that APCs must become cheaper and cheaper with time. Some of these assumptions are baked into projections, which are bound to prove unrealistic or inadvisable, take your pick. The recent claims by *Frontiers* that they anticipate a \$2,000 APC on average illustrates a few tricks of the trade¹³ — tucking a 15.7% price increase within a claim of low pricing, bundling a range of prices in a single stated average, and claiming it's all free somehow.

In the midst of this short-term thinking is a set of irreconcilable ideas, namely the idea that publishers have to charge less and do more — manage more business models, deal with endless mandates and the related compliance complexity, review and reject more papers, invent and validate new impact measures, create and promulgate more and better technology, and support every little notion about research outputs academia can dream up, from text- and data-mining to open data.

As we know, the volume of research has exploded over the past 20 years as China's output has surpassed that of the U.S. or Europe, while those markets themselves have grown with increased emphasis on STEM and STEAM

educational outcomes. This volume-based pressure on the system is well-documented, and accounts for 90% of the increases in prices that publishers have to pass along to institutions.¹⁴ There is little to do about this without inhibiting science as a whole. Even OA will not serve as a remedy for a very simple reason — OA does not remove the profit motive, from either commercial firms or non-profits (which still seek surpluses and net income, despite their classification).¹⁵ It's important to be clear on this — double-digit returns are normal for most businesses, no matter the source of funds, the way an organization is formed (commercial or non-profit), or for any other reason.

One recent article captured short-term cheapness versus long-term support well, describing a set of Canadian universities opting to pay \$236,000 for 160 titles versus \$500,000 for 2,361 titles.¹⁶ While their expenditures fell by \$264,000, their per-title price rose from \$21 per journal to \$1,475 per journal. Worse, the titles excluded were likely those that need the money the most — smaller titles in emerging fields, or social science titles — appealing to scholars and researchers who are already marginalized in some way, mainly because they're interested in things outside the mainstream. Many scientific or cultural discoveries came because someone worked outside the mainstream. Bargain-hunting based on usage usually pre-ordains a popularity contest. Popularity is not a good measure of scientific or scholarly value. You might consider the best science to be the least popular initially, because it challenges the status quo. Preferring currently mainstream science is not a great way to ensure long-term scientific inquiry.

The level of cheapness reached by some has become truly staggering, with *VSNU* in the Netherlands creating and disseminating a document outlining ways to get access to content without paying, even to the point of suggesting Sci-Hub as a viable alternative.¹⁷ When cultural norms are flouted to this degree, we're in trouble. (The next time you think cultural norms aren't important, ponder the traffic light. Red lights don't stop cars; cultural norms about red lights do.)

The changes to scholarly publishing over the past 20 years can be largely attributed to a system dealing with rising costs based on a rising volume of inputs without the commensurate increases in spending to support the volume and variety of outputs. Some of these changes have propelled some innovations, but I'm actually finding it difficult to think of any that have truly worked. What has worked are these following responses, which are still occurring:

- Outsourcing editorial, production, and technology work to markets where labor is cheaper
- Eliminating middle-management staff and substituting consultants as needed
- Freezing salaries, reducing benefits, downsizing, or all of the above
- Eliminating quality steps (copyediting, proofreading) and the associated staff

- Eliminating clerical, entry-level, and support staff, limiting both the diversity of the workforce and the ability for talented young professionals the entry-level jobs that can produce the CEO, Director, or VP of the 2040s
- Acquiring companies with better margins to maintain overall profitability as core businesses are challenged on the expense side

The diversity aspect of this is worth emphasizing. Eliminating certain types of jobs relates to how this disfavors diversification of the workforce. **Kendzior's** book has compelling passages about what she terms the "credentialing" of society, which you can see when you look — teachers, police officers, and office workers who now need master's degrees to qualify for the jobs they want. There is no longer a ladder to climb, but a credential to attain. This prohibits people without the means to spend time and money on school from contributing. Having an employment-based ladder allowed people to earn money while they learned, were promoted, and achieved. In practical terms currently, this new hurdle poses a barrier for exactly the people who would make the workforce more diverse. Well-off, well-positioned elites only cement their hold on power in a credentialing system. Think of how many great people you've worked with who didn't have the "right" degree but had the acumen, hustle, wits, and smarts to run circles around others with degrees, and you see the more practical sacrifices a credentialing system imposes, as well.

There is also a cost to diversity writ large — consolidation is a major way to squeeze costs out of the system while reducing uncertainty by increasing market power. As a result of the race to the bottom, we now have what one group described not inaccurately as an "oligopoly of academic publishers."¹⁸ Non-profits, university presses, and others are profoundly threatened by cost-cutting attitudes.

Stakeholders are also working in a vacuum, especially on the value side. One of the more striking findings in the otherwise unhelpful report from the **EUA** is that only 30% of negotiations with publishers involved university leadership.¹⁹ I've contemplated why this might be, and no possible explanation gives me any confidence that we're on the right track to improving the perceived value of scholarly publishing in the academy.

The challenge with all of this is that we have two irreconcilable ideas — we want better scientific literature screening, review, and features, but many players in the market want to pay less than ever for these things.

Looking at the larger societal ways these irreconcilable ideas have resolved, it's an ugly picture — a low-end of the market that just scrapes by, a gutted middle of the market that may never recover, barriers to economic mobility, and a top end of the market run by a few elite organizations that reflect the values of a limited set of people, places, and priorities. For the people involved, you have limited opportunities, stagnant salaries, job loss, and squandered careers and talent.

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Interview — Jennifer Pesanelli
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roads: *What's working, what's holding us back, where do we go from here?" If you were making the keynote address at the conference how would you answer those questions?*

JP: There is so much to talk about in the context of this theme. What's working? What's holding us back? Where do we go from here? I'll start in the middle and say that, to some degree, we hold ourselves back. It is human nature to stick with what we know and operate where we are comfortable. For those of us who work at scholarly societies, change can be especially challenging and often slow. We can look at what is working for us and others, but scholarly publishing is constantly evolving and there are so many opportunities related to technology, collaboration, business models, etc. A growth mindset is critical for those of us in the scholarly publishing and communication community, and the future I envision is full of possibilities.

ATG: *The value of peer review is hot topic in scholarly publishing today. Does the Society for Scholarly Publishing have an*

official position on peer review? If so what is it? If not, why not? What is your personal view regarding the value of peer review?

JP: SSP does not take official positions on specific subjects, but the idea that peer review is part of what defines scholarly publication is generally accepted. Personally, I think peer review is critical and even more important now than it used to be. There is so much information available on any subject, knowing that it was validated by experts in the field offers a degree of quality and assurance about the information. Peer review is also instrumental in the scientific process itself for indicating importance and veracity as well as ensuring rigor and safeguarding integrity.

ATG: *SSP and the Charleston Conference are collaborating on offering pre-conferences during each other's annual meetings. Can you tell us about that please?*

JP: Yes, the SSP and Charleston Conference collaborations are a great opportunity for both organizations to broaden their exposure to each other and address topics of joint interest to our members. They are another way to strengthen our community.

ATG: *We suspect that as busy as you must be, things can get pretty hectic. What do you do to relax and unwind? Are there hobbies or activities that you particularly enjoy? Are there any good books or recent movies that you can recommend?*

JP: I love to spend time with my family and friends and especially enjoy sharing good meals or playing card games with them. That said, to really relax, I love diving into a good book. I especially enjoy memoirs and am currently reading *Educated* by **Tara Westover** who didn't have any formal education prior to the age of 17 but was somehow driven to earn a PhD from **Cambridge University**. I'm fascinated by what inspires and motivates people to thrive.

ATG: *Jennifer, thank you so much for talking to us today. We really enjoyed it and we definitely learned a lot!*

JP: It has been my pleasure. Thank you for the opportunity. 🌱

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Scholars, scientists, and researchers seem to value:

- Quality editorial processes
- A comprehensible pecking orders of prestige and achievement they can navigate as needed
- Friendly, supportive, knowledgeable staff at the publications they choose to work with
- Rapid decisions or, lacking that, understandable processes with good communication
- Help from experts so they can improve their research reporting
- Help from experts so they can better promote their publication events
- Help with OA mandates, funder policies, data policies, and other complexities of modern publishing
- Trust that they can move on to do other things once they've published, and that their works will be safeguarded

To paraphrase **Warren Buffet**, price is what you pay, value is what you get. Some of us are so focused on price and this year's budget that we lose sight of the value to science education, scholarship, students, future careers, Western cultural norms, innovation and invention, societal and economic progress, inclusion and diversity, and so much more.

If we continue to let short-term temptations to save money drive the conversation around value, nobody will get what they want or need from our market, and the scholarly information economy will ultimately shrink, become less diverse at the organizational and individual levels, become more susceptible to corruption and interference, and become less valued as it deteriorates. Because so many careers, incentives, findings, and insights flow through these outlets — like it or not — the ultimate price will be stunted careers, diminished incentives to do productive science and scholarship, and fewer insights to improve the world.

The race to the bottom has a destination that is all too obvious. 🌱

Endnotes

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